

# 2003 Evian Interim Compliance Report January 2004

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## Introduction

The University of Toronto's G8 Research Group has completed its second Interim Compliance Report based on the results of the Evian Summit from June 2003 to January 2004. This period allows us to assess the extent to which compliance with the Summit's priority commitments have been complied with as the Summit hosting rotation changes on January 1 from one member to the next in the sequence.

A summary of the interim compliance scores is available in Table A, with an individual analytical assessment by country and issue area below. Although the final report will provide a more detailed and comprehensive assessment of the 2003 Evian scores, some preliminary observations can be made based on the interim results.

During the post-Evian period, G8 members have complied with their priority commitments across the 12 major issue areas 47% of the time (see Table A). This average is based on a scale whereby 100% equals perfect compliance and -100% means that the member governments are either non-compliant or are in fact doing the opposite of what they committed to.<sup>1</sup>

Although compliance scores during the interim period vary by country, the spread across all countries is considerably less than compared with the Kananaskis interim compliance report from the year before (see Table B). For example, where the Kananaskis compliance variation between the G8 countries was 77% (Canada at 77% and Italy at 0), the deviation between the highest and lowest complying members for the Evian results is only 25% (58% for Canada and 33% for Italy). These results seem to indicate a significant narrowing of the compliance gap by G8 member states.

Similar to the Kananaskis interim results, the highest complying members across the 12 priority issue areas post-Evian are Canada and the United Kingdom, with a tied score of 58%. France (the hosting country) and the United States (the next in the hosting rotation) tie for second place with an overall compliance score of 50%. This again compares with the 2002 interim results, where France and the U.S. fall in third and fourth place respectively. Germany, Japan and Russia follow with a score of 42%, with Italy in last place at 33%. These scores again compare almost identically with the 2002 Kananaskis interim results.

These interim results also indicate that compliance during this period also varied considerably by issue area, with commitments focused on Information and Communications Technology (ICT), Terrorism and Weapons of Mass Destruction (WMD) scoring perfect compliance scores across all G8 countries. Compliance scores are also high in the area of Development Assistance (ODA) and Health (AIDS) at 88%. Transport Security and the Environment (Marine) score below the overall average at 38%, while Crime and World Economy score 25% and 13% respectively. A "work in progress"<sup>2</sup> is found for commitments associated with Debt (HIPC) and Energy. And finally, a score in the negative range is revealed for commitments relating to Trade (-25%) indicating that not only have the G8 not acted to fulfill their priority commitment in this issue area since Evian, they have in fact done the opposite of what they committed to.

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<sup>1</sup> For a complete compliance methodological explanation, please visit the University of Toronto G8 Information Centre at [www.g8.utoronto.ca/g7/evaluations/methodology/g7c2.htm](http://www.g8.utoronto.ca/g7/evaluations/methodology/g7c2.htm).

<sup>2</sup> A "work in progress" is depicted by an overall score of "0."

Once again, these interim Evian results reveal striking similarities with the interim Kananaskis results, as political security issues (terrorism and WMD) yield the highest compliance by the member states across both years. Development, the environment and global health fall in the middle range, with compliance across both interim reports the lowest with G8 trade initiatives.

In overall terms, however, the interim compliance scores for Evian compare quite favourably with the interim compliance scores from the Kananaskis Summit the year prior. Overall compliance by country has increased by 20%, climbing from 28% at Kananaskis to 47% in Evian. Similarly, compliance by issue area has also increased by a significant margin during this period, climbing from 30% in Kananaskis to 47% in Evian. Overall compliance, therefore, compared for both interim periods, has increased from 28.5% in Kananaskis to 47% in Evian.

Although a comprehensive assessment cannot be made until the final compliance scores are in, to date, these interim Evian scores compare favourably with the overall compliance scores for Cologne 1999 (39%), Birmingham 1998 (45%), Denver 1997 (27%) and Lyon 1996 (36%). Only Genoa 2001 (49.5%) and Okinawa 2000 (81.4%) have yielded higher overall compliance scores over the last cycle of Summitry (see Table C).

## **Special Considerations**

In evaluating the results of this report, the following considerations should be kept in mind.

- Compliance has been assessed against a selected set of priority commitments, rather than all commitments the last summit produced. The priority commitments selected were not randomly chosen but identified to produce a representative subset of the total according to such dimensions as issue areas, ambition, specified time for completion, instruments used and, more generally, the degree of precision, obligation and delegation of each.
- In addition to the specific commitments assessed here, summits have value in establishing new principles in normative directions, in creating and highlighting issue areas and agenda items, and in altering the publicly allowable discourse used. Furthermore, some of the most important decisions reached and consensus forged at summits may be done entirely in private and not encoded in the public communiqué record.
- Some commitments inherently take longer to be complied with than the time available between one summit and the next.
- In some cases, it may be wise not to comply with a summit commitment, if global conditions have dramatically changed since the commitment was made or if new knowledge has become available about how a particular problem can best be solved.
- As each of the member countries has its own constitutional, legal and institutional processes for undertaking action at the national level, each is free to act in particular cases on a distinctive national time scale. Of particular importance here is the annual cycle for the creation of budgets, legislative approval and the appropriation of funds.
- Commitments encoded in the G8 communiqué may also be encoded precisely or partially in communiqués from other international forums, the decisions of other international

organizations, or even national statements such as the State of the Union Address in the U.S., the Queen's Speech in the UK and the Speech from the Throne in Canada. Without detailed process-tracing, it cannot be assumed that compliant behaviour on the part of countries is fully caused by the single fact of a previous G8 commitment.

- Compliance here is assessed against the precise, particular commitments made by the G8, rather than what some might regard as necessary or appropriate action to solve the problem being addressed.
- With compliance assessed on a three-point scale, judgements inevitably arise about whether particular actions warrant the specific numerical value assigned. As individual members can sometimes take different actions to comply with the same commitment, no standardized cross-national evaluative criterion can always be used. Comments regarding the judgements in each case, detailed in the extensive accompanying notes, are welcome (see below).
- Because the evaluative scale used in this compliance report runs from -100 percent to +100 percent, it should be assumed that any score in the positive range represents at least some compliance with the specific commitments made by the G8. It is not known if commitments in other international forums or at the national level on occasions such as the State of the Union Address, Queen's Speech or Speech from the Throne, etc., are complied with to a greater or lesser degree than the commitments made by the G8.
- It may be that commitments containing high degrees of precision, obligation and delegation, with short specified timetables for implementation, may induce governments to act simply to meet the specified commitment rather than in ways best designed to address core and underlying problems over a longer term.
- In some cases, full compliance by all members of the G8 with a commitment is contingent on co-operative behaviour on the part of other actors.

## **Feedback**

The information contained within this interim report provides G8 member countries and other stakeholders with an early indication of their compliance results to date, thereby setting the foundation for future action prior to the Sea Island Summit in June 2004. As with previous compliance reports, this report has been produced as an invitation for others to provide additional or more complete information on country compliance with the interim results of the 2003 Evian commitments. As always, comments are welcomed and would be considered as part of an analytic reassessment. Please send your feedback to [g8info@library.utoronto.ca](mailto:g8info@library.utoronto.ca). A complete assessment of the compliance scores will be made available in the final report and posted on the G8 Information Centre at [www.g8.utoronto.ca](http://www.g8.utoronto.ca) by mid-May — approximately two weeks prior to the 2004 Sea Island Summit in Georgia, U.S.

**Table A: 2003 Evian Interim Compliance Scores\***

	CDA	FRA	GER	ITA	JAP	RUS	UK	US	Individual Issue Average
World Economy/Growth	0	0	1	-1	0	0	0	1	<b>0.13</b>
ICT	1	1	1	1	1	1	1	1	<b>1.00</b>
Trade (MTN)	0	0	0	0	0	-1	0	-1	<b>-0.25</b>
Development (ODA)	1	1	1	1	1	0	1	1	<b>0.88</b>
Debt (HIPC)	0	0	0	0	0	0	0	0	<b>0.00</b>
Environment (Marine)	1	0	0	0	0	1	1	0	<b>0.38</b>
Health (AIDS)	1	1	0	1	1	1	1	1	<b>0.88</b>
Crime (Terrorist Financing)	1	1	0	0	0	0	0	0	<b>0.25</b>
Terrorism (CTAG)	1	1	1	1	1	1	1	1	<b>1.00</b>
Transport Security	0	0	0	0	0	1	1	1	<b>0.38</b>
Weapons of Mass Destruction	1	1	1	1	1	1	1	1	<b>1.00</b>
Energy	0	0	0	0	0	0	0	0	<b>0.00</b>
<b>Individual Country Average</b>	<b>0.58</b>	<b>0.50</b>	<b>0.42</b>	<b>0.33</b>	<b>0.42</b>	<b>0.42</b>	<b>0.58</b>	<b>0.50</b>	
<b>Overall Issue Average</b>									<b>+0.47</b>
<b>Overall Country Average</b>									<b>+0.47</b>
<b>Overall Compliance Average</b>									<b>+0.47</b>

\*The average score by issue area is the average of all countries' compliance scores for that issue. The average score by country is the average of all issue area compliance scores for a given country. The overall compliance average is an average of the overall issue average and overall country average.

**Table B: 2002 Kananaskis Interim Compliance Scores\***

	CDA	FRA	GER	ITA	JAP	RUS	UK	US	Individual Issue Average
Africa, Good Governance	1	0	0	N/A	0	N/A	1	1	<b>0.50</b>
Africa, Health	1	0	0	0	0	0	1	0	<b>0.25</b>
Africa, Peer Review	0	0	0	0	0	N/A	N/A	N/A	<b>0.00</b>
Arms Control, Disarmament	1	0	0	0	1	1	1	1	<b>0.63</b>
Conflict Prevention	1	1	0	N/A	N/A	N/A	0	1	<b>0.60</b>
Development, HIPC	0	0	0	-1	-1	-1	0	-1	<b>-0.50</b>
Development, ODA	1	1	0	0	0	0	1	1	<b>0.50</b>
Economic Growth, Agricultural Trade	1	0	0	0	N/A	N/A	0	-1	<b>0.00</b>
Economic Growth, Free Trade	1	0	0	0	N/A	0	0	0	<b>0.14</b>
Environment, Sustainable Agriculture	0	0	0	0	0	N/A	0	0	<b>0.00</b>
Environment, Water	1	1	0	N/A	0	N/A	1	0	<b>0.50</b>
Fighting Terrorism	1	1	1	1	1	1	1	1	<b>1.00</b>
Transnational Crime, Corruption	1	1	0	0	0	0	0	0	<b>0.25</b>
<b>Individual Country Average</b>	<b>0.77</b>	<b>0.38</b>	<b>0.08</b>	<b>0.00</b>	<b>0.10</b>	<b>0.14</b>	<b>0.42</b>	<b>0.25</b>	
<b>Overall Issue Average</b>									<b>+0.30</b>
<b>Overall Country Average</b>									<b>+0.27</b>
<b>Overall Compliance Average</b>									<b>29%</b>

\*The average score by issue area is the average of all countries' compliance scores for that issue. The average score by country is the average of all issue area compliance scores for a given country. Where information on a country's compliance score for a given issue area was not available, the symbol "N/A" appears in the respective column and no compliance score is awarded. Countries were excluded from the averages if the symbol "N/A" appears in the respective column.

**Table C: G8 Compliance Assessments by Country, 1996–2003**

	Lyon 1996–97 <sup>3</sup>	Denver 1997–98 <sup>4</sup>	Birmingham 1998–99 <sup>5</sup>	Cologne 1999–00 <sup>6</sup>	Okinawa 2000–01 <sup>7</sup>	Genoa 2001–02 <sup>8</sup>	Kananaskis 2002–03 (interim) <sup>9</sup>	Kananaskis 2002–03 (final) <sup>10</sup>	Evian 2003–04 (interim) <sup>11</sup>
FRA	0.26	0	0.25	0.34	0.92	0.69	0.38	0.64	0.50
U.S.	0.42	0.34	0.6	0.50	0.67	0.35	0.25	0.36	0.50
UK	0.42	0.50	0.75	0.50	1.0	0.69	0.42	0.55	0.58
GER	0.58	0.17	0.25	0.17	1.0	0.59	0.08	0.18	0.42
JAP	0.21	0.50	0.2	0.67	0.82	0.44	0.10	0.18	0.42
ITA	0.16	0.50	0.67	0.34	0.89	0.57	0.00	–0.11	0.38
CDA	0.47	0.17	0.5	0.67	0.83	0.82	0.77	0.82	0.58
RUS	N/A	0	0.34	0.17	0.14	0.11	0.14	0.00	0.42
EU	N/A	N/A	N/A	0.17	N/A	N/A	N/A	N/A	N/A
Average	0.36	0.27	0.45	0.39	0.80	0.53	0.27	0.33	0.47

<sup>3</sup> Applies to 19 priority issues, embracing the economic, transnational and political security domains.

<sup>4</sup> Applies to six priority issues, embracing the economic, transnational and political security domains.

<sup>5</sup> Applies to seven priority issues, embracing the economic, transnational and political security domains (human trafficking).

<sup>6</sup> Applies to six priority issues, embracing the economic, transnational and political security domains (terrorism).

<sup>7</sup> Applies to 12 priority issues, embracing economic, transnational, and political security domains (conflict prevention, arms control and terrorism).

<sup>8</sup> Applies to nine priority issues, embracing economic, transnational, and political security domains (terrorism).

<sup>9</sup> Applies to the 13 priority issues assessed in the first interim compliance report, embracing economic, transnational, and political security domains (arms control, conflict prevention and terrorism).

<sup>10</sup> Applies to the 11 priority issues assessed in the final report, embracing economic, transnational and political security domains (arms control, conflict prevention and terrorism). Excluded in the final report, which were assessed in the interim are debt of the poorest (HIPC) and ODA.

<sup>11</sup> Applies to the 12 priority issues, embracing economic, transnational and political security domains (WMD, transport security and terrorism).

## 2003 Evian Interim Compliance Report World Economy and Growth

### Commitment

2003 – 5: “We reaffirm our commitment to strengthen investor confidence by improving corporate governance, enhancing market discipline and increasing transparency”.

### Background

Recent scandals involving large corporate entities have heightened concern over the accountability of both private and public firms. The G8 recognizes that effective regulation and transparent corporate governance practices are essential to the efficient functioning of capital markets and the fostering of economic growth. The Evian Summit resulted in the release of two documents that specifically address these concerns: *Fostering Growth and Promoting a Responsible Market Economy* and *Fighting Corruption and Improving Transparency: A G8 Action Plan*. French President Jacques Chirac, and the other G8 leaders, kept these documents in mind when they framed the above commitment in the macroeconomic growth section of the *Chair’s Summary*.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada		0	
<b>France</b>		0	
Germany			+1
Italy	-1		
Japan		0	
Russia		0	
United Kingdom		0	
United States			+1
Overall		<b>0.125</b>	

### Individual Country Compliance Breakdown:

#### 1. Canada: 0

Canada has been inconsistent yet active in working to uphold its commitments of improved corporate governance, market discipline and transparency. With regards to corporate governance, June 2003 saw 12 out of 13 provinces’ securities commissions put advance new rules to improve audit committees in public companies and demand chief executive and financial officers certify financial statements.<sup>12</sup> Complementing this, the federal budget of 2003 contained a promise to

<sup>12</sup> Department of Finance Canada. *Fostering Investor Confidence in Canadian Capital Markets*. 18 September 2003. [www.fin.gc.ca/toce/2003/fosteringSum\\_e.html](http://www.fin.gc.ca/toce/2003/fosteringSum_e.html)



improve the corporate governance standards in the Canadian Business Corporations Act and federal financial institution statutes.<sup>13</sup>

Among the factors that qualify Canada as a work in progress on this commitment, are bills in the works such as C-46 “an effort by the Ministry of Justice to modernize offences, and allow more detailed evidence gathering and longer sentencing for convictions”.<sup>14</sup> Similarly, there is ongoing work on a Uniform Securities Legislation Project that provides evidence towards a Canadian effort to comply with the commitment.<sup>15</sup>

Interestingly, despite taking part in the Negotiation of the Future UN Convention against Corruption throughout its seven sessions, the first commencing on 21 January 2002 and the final on 29 September 2003,<sup>16</sup> Canada did not provide its signature at the High Level Political Conference for the Signature of the United Nations Convention Against Corruption that took place from 9–11 December 2003.<sup>17</sup> Yet, Canada continues to put forth efforts via the UN, OECD, OSCE, OAS, the Commonwealth, and regional and multilateral development banks to fulfil its commitment.<sup>18</sup>

Canada received the rank of 11, tied with the UK and both ahead of all other G8 members, with the score of 8.7 from Transparency International.<sup>19</sup>

## **2. France: 0**

France has made significant progress in complying with its commitment. It has made important steps towards greater transparency and accountability in the realm of public finance. The French government has sought to reduce the number of discretionary and special funds available to ministries and departments. It has instead re-incorporated them into the general budget. Of particular importance is the abolishment of the FOREC, used to fund health insurance and financed directly by eight taxes. The previous beneficiaries of FOREC will now be funded by specific accounts in the general budget.<sup>20</sup> Government ordinances have also granted greater legal authority to the National Commission of Campaign Accounts and Political Finance (CNCCFP), which may now examine the balance sheets of political parties and the source of their finances.<sup>21</sup> France, however, has failed to comply with one part of this commitment. Although a participant

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<sup>13</sup> Ibid.

<sup>14</sup> Canadian Broadcasting Corporation. “CBC News Indepth: Liberal Party. Endangered House Bills”. 14 November 2003. [www.cbc.ca/news/background/liberals/housebills.html](http://www.cbc.ca/news/background/liberals/housebills.html).

<sup>15</sup> Ontario Securities Commission. Hot Topics. [www.osc.gov.on.ca/en/HotTopics/usl.html#expanded](http://www.osc.gov.on.ca/en/HotTopics/usl.html#expanded)

<sup>16</sup> United Nations Office on Drug and Crime. Ad Hoc Committee on the Negotiation of a Convention against Corruption. [www.unodc.org/unodc/crime\\_cicp\\_convention\\_corruption\\_docs.html](http://www.unodc.org/unodc/crime_cicp_convention_corruption_docs.html).

<sup>17</sup> High Level Political Conference for the Signature of the United Nations Convention Against Corruption. [www.un.org/webcast/merida/treaty.htm](http://www.un.org/webcast/merida/treaty.htm)

<sup>18</sup> Department of Foreign Affairs and International Trade. International Crime - Corruption. [www.dfait-maeci.gc.ca/internationalcrime/corruption-en.asp](http://www.dfait-maeci.gc.ca/internationalcrime/corruption-en.asp)

<sup>19</sup> Transparency International. [www.transparency.org/pressrelease\\_archieve/2003/2003.06.17.statement\\_g8\\_g8\\_revenues.html](http://www.transparency.org/pressrelease_archieve/2003/2003.06.17.statement_g8_g8_revenues.html)

<sup>20</sup> Ministère de l'Économie, de la Finance et de l'Industrie, “Projet de loi de finances de 2004”, 25 September 2003, [www.minefi.gouv.fr/minefi/ministere/dossiers/index.htm](http://www.minefi.gouv.fr/minefi/ministere/dossiers/index.htm).

<sup>21</sup> Le Monde, “Le gouvernement facilite et centralise le contrôle des comptes de campagne”, 28 December 2003

at the EITI conference in London in February 2003, France has thus far failed to take steps to implement the goals outlined by the initiative.

Transparency International's 2003 Corruption Perceptions Index ranks France 23<sup>rd</sup> in the world, behind Canada, the United Kingdom, Germany, the United States and Japan.<sup>22</sup>

### **3. Germany: +1**

Corporate governance reform in Germany has taken root over the past year in reaction to various crises in the corporate sector and turbulence in increasingly interconnected global financial markets.

Most actions taken by the German government to date took place before the Evian Summit in June 2003. On 25 February 2003 that Federal Government announced a catalogue of measure to improve investor protection and corporate integrity.<sup>23</sup> A package of reforms on the law on control and transparency in business known as KonTrag was approved by the Bundestag in March 2003 and came into force in April.<sup>24</sup> Through KonTrag, the Bundestag, aims to continue to grant companies the freedom to organize and accommodate the market and that the laws keep pace with public companies as they enter the international financial markets, orienting themselves more strongly towards shareholder value.<sup>25</sup> Some of the regulations of KonTrag include: an increase in the reporting obligations of the board of directors to the supervisory board over future corporate planning; an increase in the frequency of annual compulsory supervisory board meetings for quoted companies; contracts with auditors are no longer permitted to be awarded by the board of directors, but by the supervisory board; banks and companies must advise shareholders of alternative ways of participating in ballots at annual general meetings; plural voting rights are no longer permitted at annual general meetings; bank transparency in connection with annual report and accounts will increase; decrease income dependency of auditor, auditor is excluded from performing the audit if more than 30 percent, previously 50 percent, of his/her total revenue over the previous five years stems from that company; and, audit reports should be geared more to problems.<sup>26</sup>

On 21 May 2003 the Commission of the German Corporate Governance Code addressed amendments to the Code that will adhere to the EU Commission's action plan for modernizing company law and improving corporate governance.<sup>27</sup> The following recommendation were made for amendment of the Code: a recommendation for individualized disclosure of Management and Supervisory Board compensation; a recommendation cap for stock options; a recommendation for disclosure of stock options; a recommendation for publication of compensation system on the

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<sup>22</sup> Transparency International, "Corruption Perceptions Index 2003," 7 October 2003  
[www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html).

<sup>23</sup> German Federal Ministry of Justice, "Federal Government to improve protection and corporate integrity," 25 February 2003.

[www.bmj.bund.de/eng/themes/economy\\_and\\_law/10000668/?sid=79e68412b5cee8cb4a8b3a69936de849&offset=1](http://www.bmj.bund.de/eng/themes/economy_and_law/10000668/?sid=79e68412b5cee8cb4a8b3a69936de849&offset=1)

<sup>24</sup> German Federal Ministry of Justice, "Control and transparency in business (KonTrag): Corporate governance reform in Germany," [www.burkardlaw.com/corporategovernance](http://www.burkardlaw.com/corporategovernance).

<sup>25</sup> Ibid.

<sup>26</sup> Ibid.

<sup>27</sup> Commission of the German Corporate Governance Code, "News: Press release, May 21, 2003," [www.corporate-governance-code.de/eng/news/presse-20030521.html](http://www.corporate-governance-code.de/eng/news/presse-20030521.html).

internet; and, a recommendation for informing the Annual General Meeting about the compensation system.<sup>28</sup> The Commission also reported on a survey that was concluded in February 2003 that revealed that the Code “already being widely implemented in the first year since its introduction”.<sup>29</sup>

On 8 December 2003 Justice Minister Brigitte Zypries and Finance Minister Hans Eichel announced a draft balance sheet monitoring bill that would establish an authority for monitoring annual financial statements of publicly traded companies.<sup>30</sup> The new authority will be jointly supported by corporate, sectoral, and investor associations and the German stock exchange. Zypries noted that the bill will “greatly improve investor protection as well as corporate integrity and help to strengthen the financial market”.<sup>31</sup> Corporate cooperation with the bill will be voluntary but, Eichel added that the participation in the auditing procedure “could be seen as a quality seal for publicly traded companies”.<sup>32</sup> The bill is to be deliberated in February 2004 and, if approved, would go into effect in the latter half of 2004.

Transparency International’s 2003 Corruption Perceptions Index ranks Germany 16<sup>th</sup> in the world, behind both Canada and the United Kingdom.<sup>33</sup> Germany’s ranking will certainly improve with the implementation of balance sheet monitoring bill.

#### **4. Italy: –1**

Italy has thus far failed to comply with the World Economy objectives stated at the Evian Summit in 2003. The recent events surrounding the alleged fraud perpetrated by Calisto Tanzi have given impetus to parliamentary activities to address the issues of transparency and corporate governance. Most notably, the Italian Senate has expedited hearings into strengthening the securities regulator’s ability to monitor corporate performance, which are due to begin January 14, 2004.<sup>34</sup> Responsible governance, however, has been weakened by the approval of the salva-Retequattro decree and the government’s insistence on passage of its media bill. The decree permits the continued terrestrial broadcasting of the television network Rete Quattro (owned by Prime Minister Silvio Berlusconi).<sup>35</sup> The media bill has already been sent back to Parliament by President Ciampi, who is concerned about perceived laxities in the proposed rules of media ownership and concentration.<sup>36</sup> The Italian government, a participant at the EITI

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<sup>28</sup> Ibid.

<sup>29</sup> Ibid.

<sup>30</sup> German Federal Government, “Independent balance sheet monitoring intended to bolster investor confidence,” 9 December 2003  
[eng.bundesregierung.de/top/dokumente/Artikel/ix\\_573545.htm?template=single&id=573545\\_2710&script=1&ixepf=\\_573545\\_2710](http://eng.bundesregierung.de/top/dokumente/Artikel/ix_573545.htm?template=single&id=573545_2710&script=1&ixepf=_573545_2710)

<sup>31</sup> Ibid.

<sup>32</sup> Ibid.

<sup>33</sup> Transparency International, “Corruption Perceptions Index 2003,” 7 October 2003  
[www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)

<sup>34</sup> Corriere della Sera, “Approvato il decreto per le grandi imprese”, 24 December 2003,  
[www.corriere.it/Primo\\_Piano/Economia/2003/12\\_Dicembre/23/parma.shtml](http://www.corriere.it/Primo_Piano/Economia/2003/12_Dicembre/23/parma.shtml)

<sup>35</sup> Corriere della Sera, “Approvato il decreto salva-Retequattro”, 24 December 2003,  
[www.corriere.it/Primo\\_Piano/Politica/2003/12\\_Dicembre/23/retequattro.shtml](http://www.corriere.it/Primo_Piano/Politica/2003/12_Dicembre/23/retequattro.shtml)

<sup>36</sup> BBC News, “Berlusconi Channel Wins Protection”, 23 December 2003,  
[news.bbc.co.uk/1/hi/world/europe/3344703.stm](http://news.bbc.co.uk/1/hi/world/europe/3344703.stm)

conference in London in June 2003, has thus far failed to take steps to implement the goals outlined by the initiative. Finally, although Italy is perceived to be less corrupt than it was last year, serious concerns still remain about transparency in those parts of the Italian government which are closely linked to business.<sup>37</sup>

Transparency International's 2003 Corruption Perceptions Index ranks Italy 35<sup>th</sup> in the world, behind all other G8 members except Russia.<sup>38</sup>

## 5. Japan: 0

The Japanese Ministry of Economy, Trade and Industry (METI) released a White Paper on International Trade on 1 October 2003 that contains a section on efforts to improve the corporate economic system.<sup>39</sup> The White Paper notes that revisions to the Commercial Code took effect on 1 April 2003 that make it "possible for methods of choosing corporate governance to include a committee method" and allow reforms to enhance management mobility.<sup>40</sup> The White Paper calls for a continuance of "reforms with the intention of establishing a better corporate governance system that can respond to Japan's unique economy and culture".<sup>41</sup> Recent changes to the *Shunto* wage setting process and the implementation of year-round university recruitment have also taken root.<sup>42</sup>

Hideaki Miyajima of the Waseda University School of Economics examines the survey of listed and over-the-counter non-financial firms released by the Policy Research Institute of Japanese Ministry of Finance on 20 June 2003 entitled "Progress in Corporate Governance Reforms and the Revitalization of Japanese Companies".<sup>43</sup> The survey found that there has been a great increase in the number of firms that place high priority on markets, customers and stakeholders. The survey also found that reforms of the board of directors system are gathering speed: "the Japanese corporate board, which in the past was comprised of executives who were promoted through the ranks and lacked separation between supervision and execution, have greatly diversified".<sup>44</sup> The Finance Ministry found a significant positive correlation between corporate governance reforms and improved firm performance. Active information disclosure in particular was seen as contributing the most benefit and was promoted as a universal element of reform.<sup>45</sup> The report also finds that the "combination of long-term employment, merit-based wages and active information disclosure can be seen as a model for rejuvenating Japanese companies".<sup>46</sup> Finally, the report recommends that poorly performing firms can break out of their "balance of

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<sup>37</sup> Transparency International, "Transparency International Corruption Perceptions Index 2003," 17 October 2003, [www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)

<sup>38</sup> Transparency International, "Corruption Perceptions Index 2003," 7 October 2003 [www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)

<sup>39</sup> Ministry of Economy, Trade and Industry, Japan, "White Paper on International Trade, Section 3," 1 October 2003 [www.meti.go.jp/english/report/downloadfiles/gIT0313e.pdf](http://www.meti.go.jp/english/report/downloadfiles/gIT0313e.pdf).

<sup>40</sup> Ibid.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

<sup>43</sup> Corporate Governance Japan, "The Latest Report on Corporate Governance Reform," 9 September 2003 [www.rieti.go.jp/cgj/en/columns/columns\\_011.htm#note2](http://www.rieti.go.jp/cgj/en/columns/columns_011.htm#note2)

<sup>44</sup> Ibid.

<sup>45</sup> Ibid.

<sup>46</sup> Ibid.

disadvantage through strong policy promotion measures, the cultivating of banks' supervisory capabilities, and the securing of new external monitors".<sup>47</sup>

Takaya Seki, Head of Corporate Governance Research, J\_IRIS Research, Japan Investor Relations and Investor Support, Inc., notes, in a October 2003 study, that a new shareholder-corporate relationship is emerging in Japan.<sup>48</sup> Seki points out that the size of boards in Japanese companies has shrunk in recent years and the appointment of outside-firm board members is becoming more common. Seki, however, notes some obstacles that the current Japanese corporate system has to overcome, including: better scheduling for account settlement and board meetings, and greater information disclosure. Seki also lists factors, beyond the evaluation of traditional business performance, that are increasingly being taken into account by Japanese shareholders when appointing new board members, including: management style; board size and composition; tenure of directors; capital efficiency; and, social responsibility.<sup>49</sup>

An October 2003 IMF and World Bank assessment, part of the Financial Sector Assessment Program (FSAP), of Japan's financial system reveals that "despite a series of initiatives, Japan's financial sector remains weak and is holding back prospects for a sustained economic recovery".<sup>50</sup> FSAP found that a Japanese insurance supervisor had "practically no actuaries on its staff". This finding was surprising considering Japan has "one of the largest insurance sectors in the world". FSAP discussed the matter with the authorities and the insurer has hired more actuaries".<sup>51</sup> FSAP called for corporate restructuring, particularly the furthering of the development of the market for distressed debt.

An IMF Working Paper published in October 2003 found "that well-designed restructuring in Japan could provide a medium-term output gain that substantially outweighs the short-run cost".<sup>52</sup> Moreover, an IMF commentary on the Japanese financial sector was published in November 2003. The commentary noted that as "a condition for public re-capitalization, banks should adopt corporate governance reforms consistent with international best practice. In this context, the government's recent Resona Bank rescue operation-the replacement of top management and the appointment of a majority of outside directors to the board-is encouraging".<sup>53</sup>

Transparency International's 2003 Corruption Perceptions Index ranks Japan 21<sup>st</sup> in the world, behind Canada, the United Kingdom, Germany and the United States.<sup>54</sup>

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<sup>47</sup> Ibid.

<sup>48</sup> Corporate Governance Japan, "Towards the Establishment of a New Shareholder-Corporate Relationship in Japan," 29 October 2003 [www.rieti.go.jp/cgj/en/columns/columns\\_012.htm](http://www.rieti.go.jp/cgj/en/columns/columns_012.htm)

<sup>49</sup> Ibid.

<sup>50</sup> IMF Survey, "Removing bad loans will be crucial first step in restoring health to banking sector," 6 October 2003 [www.imf.org/External/Pubs/FT/SURVEY/2003/100603.pdf](http://www.imf.org/External/Pubs/FT/SURVEY/2003/100603.pdf)

<sup>51</sup> Ibid.

<sup>52</sup> Se-Jik Kim, "IMF Working Paper: Macro Effects of Corporate Restructuring in Japan," October 2003 [www.imf.org/external/pubs/ft/wp/2003/wp03203.pdf](http://www.imf.org/external/pubs/ft/wp/2003/wp03203.pdf)

<sup>53</sup> International Monetary Fund, "Japan: The path to financial health," November 2003 [www.imf.org/external/np/vc/2003/111303.htm](http://www.imf.org/external/np/vc/2003/111303.htm)

<sup>54</sup> Transparency International, "Corruption Perceptions Index 2003," 7 October 2003 [www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)

## 6. Russia: 0

Russia has begun to complete some of the World Economy commitments made at the Evian Summit. Specifically, the government has been very active in pursuing initiatives to address the issues of corporate governance and transparency. In September 2003, new rules came into effect in order to streamline the registration of prospectuses and increase investor access to pertinent information about listed companies.<sup>55</sup> In November 2003, the Federal Commission approved a recommendation for the registration of all share offerings with the Federal Government within the following year. The initiative also provided for legal penalties for those companies that fail to comply.<sup>56</sup> Russia, however, still has much to do to clarify the exact nature of the information required and the manner in which such information will be organized and made available to investors. Russia has also come under criticism for the prosecution of Mikhail Khodorkovsky, a major shareholder in YUKOS, for fraud and tax evasion. YUKOS itself has been accused of failing to pay \$3.3 billion US in taxes to the Russian State.<sup>57</sup> The General Prosecutor has also sought to implicate YUKOS and Mr. Khodorkovsky in the registration of a number of companies in Cyprus whose purpose appears to be the laundering of money.<sup>58</sup> Despite allegations of political motivation of the arrest of Mr. Khodorkovsky, the Russian General Prosecutor insists on the accuracy and impartiality of the accusations. The Russian government has yet to announce any major anti-corruption initiatives since the Evian Summit. Indeed, Russia's perception as a transparent place of business has fallen in relation to other nations. Serious obstacles to the reduction of corruption remain.<sup>59</sup> The Russian government, in attendance at the EITI conference in London in February 2003, has thus far failed to take steps to implement the goals outlined by the initiative.

Transparency International's 2003 Corruption Perceptions Index ranks Russia 86<sup>th</sup> in the world, well behind all other G8 members.<sup>60</sup>

## 7. United Kingdom: 0

The United Kingdom has made a considerable effort to uphold its commitments to the improvement of corporate governance, market discipline and transparency. Tackling corporate governance head on, the Financial Services Authority has proposed regulations on the management of conflict of interest which it hopes to implement in the summer of 2004.<sup>61</sup>

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<sup>55</sup> Federal Commission for Securities Markets, "Standards for the issuance of securities, which have already entered into force, lead to a minimum of abuse in the process of creating an issue", 23 September 2003, [www.fedcom.ru/document.asp?ob\\_no=1935](http://www.fedcom.ru/document.asp?ob_no=1935) [unofficial translation].

<sup>56</sup> Federal Commission for Securities Markets, "A normative foundation has appeared in Russia for the regulation of questions relating to the absence of registration of securities released on and circulating in the market", [www.fedcom.ru/fcsm/rnews/2003/inf1126.htm](http://www.fedcom.ru/fcsm/rnews/2003/inf1126.htm) [unofficial translation].

<sup>57</sup> BBC News, "YUKOS saddled with \$3bn tax bill", 30 December 2003, [news.bbc.co.uk/2/hi/business/3356821.stm](http://news.bbc.co.uk/2/hi/business/3356821.stm)

<sup>58</sup> Cayhill, Thomas. "The key to Khodorkovsky's fate may be in the hands of a Frenchwoman." *Beseda*, 28 November 2003, p. 5. [unofficial translation].

<sup>59</sup> Transparency International, "Transparency International Corruption Perceptions Index 2003", 17 October 2003, [www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)

<sup>60</sup> Transparency International, "Corruption Perceptions Index 2003," 7 October 2003 [www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)

<sup>61</sup> [www.icgn.org/documents/newsletter/1203.pdf](http://www.icgn.org/documents/newsletter/1203.pdf)

The UK has also been taking part in the CESR and its involvement in Content of Prospectus and Dissemination on Advertising.<sup>62</sup> The UK's Universities Superannuation Scheme (USS) has also, in an effort to "increase their impact on activism, launched a network of UK and US institutional investors [to] work together and share information on corporate governance issues in both countries".<sup>63</sup>

Shortly after the conclusion of the G8 Summit at Evian, on 17 June 2003, an Extractive Industries Transparency initiative meeting was held in London.<sup>64</sup> At this meeting Transparency International, the leading international non-governmental organization devoted to combating corruption, congratulated "the UK government on its initiative in [the] field" of transparency.<sup>65</sup>

Taking on a more active role, on 9 December 2003 the UK took part in and signed the High Level Political Conference for the Signature of the United Nations Convention Against Corruption,<sup>66</sup> a Global Programme against Corruption launched by the UN Office on Drugs and Crime Prevention (UNODC).<sup>67</sup>

The UK's efforts have paid off in 2003, the country was ranked 11<sup>th</sup>, scoring 8.7, by Transparency International.<sup>68</sup>

## **8. United States: +1**

The United States has complied with its commitment to enforce and promote a responsible market economy, both domestically and globally.

The current US Administration supports the passage of bill H.R. 3763 by the House of Representatives. The bill is consistent with the President Bush's own agenda in supporting his "Ten Point Plan" which calls for guided principles of providing better information to investors, making corporate officers more accountable, and a more independent audit system.<sup>69</sup> A report by Congress indicates progress in the regulatory reform that will come into full effect on 1 January 2004.<sup>70</sup> The SEC conducted a report to compel an oversight of the fall of Enron through a scrutiny of the private and public sector "watchdogs", like the Credit Rating Agencies and The Securities and Exchange Committee.<sup>71</sup> A department under the U.S. Treasury, Financial Crimes

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<sup>62</sup> CESR: The Committee of European Securities Regulators [www.fsa.gov.uk/pubs/cesr/02-04.pdf](http://www.fsa.gov.uk/pubs/cesr/02-04.pdf)

<sup>63</sup> [www.icgn.org/documents/newsletters/1203.pdf](http://www.icgn.org/documents/newsletters/1203.pdf).

<sup>64</sup> [www.dfid.gov.uk/News/News/files/eiti\\_intro\\_a.htm](http://www.dfid.gov.uk/News/News/files/eiti_intro_a.htm).

<sup>65</sup> [www.transparency.org/pressrelease\\_archive/2003/2003.06.17.statement\\_g8\\_revenues.html](http://www.transparency.org/pressrelease_archive/2003/2003.06.17.statement_g8_revenues.html)

<sup>66</sup> Merida Conference. High Level Political Conference for the Signature of the United Nations Convention Against Corruption. [www.un.org/webcast/merida](http://www.un.org/webcast/merida).

<sup>67</sup> [www.unodc.org/unodc/en/corruption/html](http://www.unodc.org/unodc/en/corruption/html)

<sup>68</sup> Transparency International. Corruption Perceptions Index 2003.

[www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)

<sup>69</sup> Executive Office of the President, H.R. 3763 - Corporate and Auditing Accountability, Responsibility, and Transparency Act of 2002 [www.whitehouse.gov/omb/legislative/sap/107-2/HR3763-r.html](http://www.whitehouse.gov/omb/legislative/sap/107-2/HR3763-r.html).

<sup>70</sup> Executive Office of the President, Office of Management and Budget Washington, D.C.20503 Release 2003-38, Sep.2003. [www.whitehouse.gov/omb/](http://www.whitehouse.gov/omb/)

<sup>71</sup> United Nations Association of the United States of America and the Business Council for the United Nations. [www.unausa.org/newindex.asp?place=www.unausa.org/news/gbc.asp](http://www.unausa.org/newindex.asp?place=www.unausa.org/news/gbc.asp).

Enforcement Network (FinCEN), was established. FinCEN supports all law enforcement agencies fighting domestic and global economic corruption.<sup>72</sup>

In general, both the House and the Executive Office have been cooperating in fighting financial fraud and global corruption. Transparency International's 2003 Corruption Perceptions Index ranks the US 18<sup>th</sup> in the world, behind Canada, the UK and Germany.<sup>73</sup>

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<sup>72</sup> Financial Crimes Enforcement Network, United States Department of Treasury. [www.fincen.gov/af\\_mission.html](http://www.fincen.gov/af_mission.html).

<sup>73</sup> Transparency International, "Corruption Perceptions Index 2003," 7 October 2003 [www.transparency.org/pressreleases\\_archive/2003/2003.10.07.cpi.en.html](http://www.transparency.org/pressreleases_archive/2003/2003.10.07.cpi.en.html)



## 2003 Evian Interim Compliance Report Information and Communication Technology

### Commitment:

2003 – 69: “Developing close co-ordination of global observation strategies to minimise data gaps by improving world-wide reporting and archiving of the data on atmosphere, land, fresh water, oceans and ecosystems and build on existing work to produce reliable data by spring’s Tokyo ministerial conference”.

### Background:

The G8 recognizes the need to foster sustainable development through the co-ordinated use of information and communication technology (ICT). The G8 believes that cooperation on global observation strategies offers the potential to better public health and the plight of developing countries. The fulfilment of this commitment would help achieve other objectives endorsed by the G8, namely the Millennium Development Goals (MDGs) as well as the objectives outlined at the World Summit on Sustainable Development (WSSD), through access to ICT and more reliable sources of information on environmental data.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France			+1
Germany			+1
Italy			+1
Japan			+1
Russia			+1
United Kingdom			+1
United States			+1
Overall			1.00

### Individual Country Compliance Breakdown:

#### 1. Canada: +1

The Government of Canada stated that CDN\$2 billion will be spent over the next five years to help implement measures to support organizations and institutions that will improve the Canadian environment through the improvement of developmental technology and the furthering atmospheric sciences. The Canadian government has also planned an investment of CDN\$340 million over two years to improve air quality and address contaminated sites, better assess and manage toxic substances, and further protect Canada’s species at risk. It has also indicated that the government will contribute CDN\$600 million over a period of five years to upgrade, maintain and monitor water and waste water systems. Moreover, an additional CDN\$74 million over two years has been committed to by the government as an initial investment for the

establishment of five new national marine conservation areas and to restore the ecological health of existing parks.<sup>74</sup>

The Canadian government stated its intended plans to allocate CDN\$154 million to the Natural Sciences and Engineering Research Council of Canada. The government strengthened its support for the development and demonstration of technology that relates to the atmosphere and clean air by investing an additional CDN\$250 million in 2003–04 in the Sustainable Development Technology Canada foundation. In addition, the government has committed to providing an additional CDN\$50 million in 2003–04 to increase climate and atmospheric research activities, with the aim of directing these funds to the Canadian Foundation for Climate and Atmospheric Sciences. The Government of Canada will provide CDN\$600 million over the next five years, including an initial investment of CDN\$200 million in the next two years, to upgrade, maintain and monitor water and wastewater systems.<sup>75</sup>

Canada's Minister of the Environment, David Anderson, addressed the Earth Observation Summit in Washington D.C. on 31 July 2003. Anderson noted that the Summit was “an opportunity to bring ‘political will power’ to bear on what has been to date, on the most part, a technical discussion”.<sup>76</sup> Anderson assured the Summit participants that “Canada will bring its scientific and technical expertise to help bridge the gap between the challenges before us and their solutions”.<sup>77</sup> He further emphasized the need to fill the data gap in two areas: the Arctic and oceans. As a commitment to these initiatives, Environment Canada launched a website <<http://climate.weatheroffice.ec.gc.ca>> at the Summit that provides a portal to its national Climate Data Archive, dating back to 1840.<sup>78</sup>

Minister of the Environment David Anderson addressed the World Climate Change Conference in Moscow on 29 September 2003, where he emphasized the need to intensify the collection of sound scientific data to refine our understanding of climate change.<sup>79</sup> Anderson noted Canada and Russia's close working relationship in this undertaking as fellow circumpolar countries. In his address, Anderson referred to the Earth Observation Summit in Washington, D.C. that reminded the globe of the “gaps in our capacity to observe the atmosphere, oceans and land. Inadequate coverage of the arctic was one of the most glaring of those gaps. We know too little about such a large and threatened region. Countries like Canada and Russia and our other circumpolar partners need to work together to ensure that measurement tools are in place to give us the data that will indeed allow for a clearer understanding of the work that we must do”.<sup>80</sup>

Canada's partnership with Russia to work on Arctic issues was again emphasized through their cooperation in the Group on Earth Observations (GEO), the Arctic Council, and the Arctic and

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<sup>74</sup> Department of Finance Canada. “2003 Budget” [www.cbc.ca/budget2003/budget03/bp/bpc1e.htm](http://www.cbc.ca/budget2003/budget03/bp/bpc1e.htm)

<sup>75</sup> Department of Finance Canada. “The Budget Plan 2003” [www.cbc.ca/budget2003/budget03/pdf/bp2003e.pdf](http://www.cbc.ca/budget2003/budget03/pdf/bp2003e.pdf)

<sup>76</sup> Environment Canada, “Country Statement, The Honourable David Anderson, M.P., P.C, Minister of the Environment, At the Earth Observation Summit,” 31 July 2003 [www.ec.gc.ca/Press/2003/030731\\_s\\_e.htm](http://www.ec.gc.ca/Press/2003/030731_s_e.htm)

<sup>77</sup> Ibid.

<sup>78</sup> Ibid.

<sup>79</sup> Environment Canada, “Speaking Notes for The Honourable David Anderson, P.C., M.P. Minister of the Environment to the World Climate Change Conference, Moscow,” 29 September 2003 [www.ec.gc.ca/minister/speeches/2003/030929\\_s\\_e.htm](http://www.ec.gc.ca/minister/speeches/2003/030929_s_e.htm).

<sup>80</sup> Ibid.

Antarctic Research Institute (AARI). Both polar nations aim to improve their understanding of sea ice and Arctic ocean circulation, in particular in their attempts to “close the Arctic gap”.<sup>81</sup>

Canada is a member of the Group on Earth Observations (GEO) and participated in the GEO-1 and GEO-2 meetings.<sup>82</sup>

## **2. France: +1**

France has recognized the importance of ICT and the benefits that can be gained from its coordinated use in monitoring the environment.

France has already completed the first phase of the World Summit of the Information Society held in Geneva from 10–12 December 2003. The French government’s goal was to create a plan of action to be completed by 2005 that aims to reduce the digital gap and to make ICT available to all. France was represented in Geneva by Prime Minister Jean-Pierre Raffarin along with Ms. Claudie Haignere, minister delegate for research and new technologies, and Mr. Pierre-Andre Wiltzer, minister delegate for cooperation and Francophony. France plans on continuing to play an active role along with the EU to increase international access to ICT.<sup>83</sup>

France also takes an active role in the Global Monitoring for Environment and Security (GMES) project. The GMES is a joint initiative of the European Commission and the European Space Agency. The system uses Earth Observation satellites to provide vital information on global environment and security. The system should be in place and operational by 2008. It will enable France to better coordinate environmental policies and improve crisis management capabilities. The system will also create a dependable database of information.<sup>84</sup>

France was present at the Earth Observation Summit on 31 July 2003 in Washington, D.C. France is also member of the Group on Earth Observations (GEO) and participated in the GEO-1 and GEO-2 meetings.<sup>85</sup>

## **3. Germany: +1**

Germany, along with the EU as a whole, has addressed the need to improve technological cooperation in this area while maintaining economic prosperity. Furthermore, Germany has supported the independent European Programme on Environment Monitoring and Observation, which would monitor environmental statistics and collect global environmental data. The project (GMES) is geared towards supporting a precautionary European environment policy, the prevention of disasters and the provision of disaster relief in crisis situations.

Margareta Wolf, Parliamentary State Secretary at the Environment Ministry stated that: “Global monitoring is a core element of international environment policy. We are establishing an

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<sup>81</sup> Environment Canada, “Canada-Russia Environmental Relations,” 1 October 2003  
[www.ec.gc.ca/press/2003/031001-3\\_b\\_e.htm](http://www.ec.gc.ca/press/2003/031001-3_b_e.htm)

<sup>82</sup> Group on Earth Observations, [earthobservations.org/plenary\\_meetings.asp](http://earthobservations.org/plenary_meetings.asp)

<sup>83</sup> French Foreign Ministry, France, “Statement by French Foreign Ministry Spokesperson Paris, 9 December 2003,” 6 January 2004, [www.france.diplomatie.fr](http://www.france.diplomatie.fr).

<sup>84</sup> GMES, 6 January 2004, [www.gmes.info/what\\_is/index.html](http://www.gmes.info/what_is/index.html)

<sup>85</sup> Group on Earth Observations, [earthobservations.org/plenary\\_meetings.asp](http://earthobservations.org/plenary_meetings.asp)

effective instrument to recognize threats early on and help prevent potential damage to the environment. Within the project we are setting up a European-wide warning system which provides us with information on risks such as maritime pollution, floods, and forest fires.” Under its 6<sup>th</sup> framework Programme for Research the European Commission will make approximately €100 million available for the establishment of GMES. Another €83 million was provided by the European Space Agency (ESA), approximately €19 million of which came from the German government. German industry is strongly involved in the establishment of GMES services in the framework of project consortia. After the Bonn GMES conference, landmark decisions are to be taken in the European Parliament in spring 2004 on the further development of this independent programme.<sup>86</sup>

Germany also committed funds to developing countries. The European Union renewed its pledge at the UNFCCC COP-9 meetings in December 2003 to give US\$410 million annually to developing countries through the Special Climate Change Fund and the Least Developed Countries Fund. Both of these funds were established at the conference.<sup>87</sup> In addition, the European Union emphasized the importance of historical data sets at the UNFCCC COP-9 on 2 December 2003, providing reaffirmation of the goal of improving world-wide environmental archives and reporting systems<sup>88</sup>.

France was present at the Earth Observation Summit on 31 July 2003 in Washington, D.C. Germany is a member of the Group on Earth Observations (GEO) and participated in the GEO-1 and GEO-2 meetings.<sup>89</sup>

#### **4. Italy: +1**

Mr. Altero Matteoli, Minister for the Environment and Territory of the Republic of Italy, is currently acting as President of the Environment Council of the European Union. Italy has supported the independent European Programme on Environment Monitoring and Observation (GMES), which proposes to monitor environmental statistics and collect global environmental data. Italy hosted a recent United Nations conference on climate change, in which twenty industrialized countries (including the members of the EU) confirmed their intention to give US\$410 million a year starting in the year 2005 in order to help developing nations fight climate change and its repercussions through increased technological networks to facilitate monitoring efforts.<sup>90</sup> Out of these funds, US\$80 million is to come from Italy. At the second Asia Europe (ASEM) Environment Ministers’ Meeting in Lecce in October 2003, ministers stressed the

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<sup>86</sup> Federal Ministry for the Environment, Nature Conservation and Nuclear Safety. Press Release, “German Government supports independent European Programme on Environment Monitoring and Observation,” available at [www.bmu.de/en/800/js/news/pressrelease031119/](http://www.bmu.de/en/800/js/news/pressrelease031119/)

<sup>87</sup> “Summary of the Ninth Conference of the Parties to the UN Framework Convention on Climate Change: 1-12 December 2003” Vol.12, No.231. Monday, December 15, 2003. [www.iisd.ca/vol12/enbl22311.html](http://www.iisd.ca/vol12/enbl22311.html)

<sup>88</sup> “Science And Technology for Sustainable Development: A G8 Action Plan”. [www.g8.fr/evian/english/navigation/2003\\_g8\\_summit/summit\\_documents/science\\_and\\_technology\\_for\\_sustainable\\_development-a\\_g8\\_action\\_plan.html](http://www.g8.fr/evian/english/navigation/2003_g8_summit/summit_documents/science_and_technology_for_sustainable_development-a_g8_action_plan.html) 1.2: Build on existing work to produce reliable data products on atmosphere, land, fresh water, oceans and ecosystems; 1.3: Improve the world-wide reporting and archiving of these data and fill observational gaps of coverage in existing systems. From: Evian Conference.

<sup>89</sup> Group on Earth Observations, [earthobservations.org/plenary\\_meetings.asp](http://earthobservations.org/plenary_meetings.asp)

<sup>90</sup> Associated Foreign Press, “Severa; industrial countries will give 337 million Euros a year to poor nations to combat climate change,” available at [civitas.barcelona2004.org/news/newsdetail.cfm?NewsID=26243](http://civitas.barcelona2004.org/news/newsdetail.cfm?NewsID=26243)

importance of the development of communication networks bearing in mind the Bonn guidelines of an international regime to promote and safeguard the fair and equitable sharing of benefits arising out of the utilization of genetic resources, and should endeavour to promote technology transfer and cooperation as a follow up to the World Summit on Sustainable Development which took place in Johannesburg in 2002.<sup>91</sup>

Italy was present at the Earth Observation Summit on 31 July 2003 in Washington, D.C.

Italy, acting as President of the EU, was a co-chair of the Group on Earth Observations (GEO) in 2003, and actively participated in GEO-1, 1–2 August 2003 Washington, D.C., and hosted GEO-2, 28–29 November 2003 in Baveno, Italy.<sup>92</sup>

## **5. Japan: +1**

The Ministry of Education, Culture, Sports, Science and Technology (MEXT) website outlines Japan science and technology policies for the past and upcoming months. The promotion of research and development in Ocean Science, Earth Science and Environmental Science figures prominently. MEXT “promotes research and development of integrated modeling based on the understanding of the interaction among the geosphere, atmosphere, hydrosphere, biosphere and human sphere (process research) and research using the world’s fastest computer ‘Earth Simulator.’”<sup>93</sup> Other projects include the Frontier Research System for Global Change, the Project for Sustainable Coexistence of Human, Nature and Earth Project, and several oceanographic and atmospheric observation projects, particularly in the Polar Regions.<sup>94</sup>

Japanese Senior Vice Minister of Education, Culture, Sports, Science and Technology, Kisaburo Tokai, addressed the Earth Observation Summit in Washington, D.C. on 31 July 2003.<sup>95</sup> Tokai noted that Japan places a high priority on Earth observation to solve global environmental issues and that the Japanese government has “endeavoured in developing the Integrated Global Observation Strategy (IGOS)”.<sup>96</sup> Tokai outlined Japan’s recent major efforts in Earth observation. He noted the joint Japan-US Tropical Rainfall Measuring Mission (TRMM) produced the first ever global three-dimensional space based observations of precipitation. Tokai also remarked on the recent launch of the Midori II (ADEOS-II) advanced Earth observation satellite; the future development of a new satellite (GOSAT) to observe greenhouse gases; future plans for the marine Earth research vessel Mirai to collect data on approximately 500 locations in the southern hemisphere; the launch of the Advanced Land Observing Satellite next year; and, Japan’s intention to join the International Charter on Space and Major Disasters were also mentioned.<sup>97</sup> Finally, Tokai emphasized that the “fastest super-computer in the world”, the Earth

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<sup>91</sup> Second ASEM Environment Ministers’ Meeting, Lecce, Italy, October 11-13, 2003 – Chairman’s Summary, available at [www.iias.nl/asem/asem2003/ASEMEnMM2Chairmans\\_Summary.pdf](http://www.iias.nl/asem/asem2003/ASEMEnMM2Chairmans_Summary.pdf)

<sup>92</sup> Group on Earth Observations, “Public Documents,” [earthobservations.org/documents.asp?sec=geo1](http://earthobservations.org/documents.asp?sec=geo1)

<sup>93</sup> Ministry of Education, Culture, Sports, Science and Technology, “Science and Technology: Promotion of Research and Development,” [www.mext.go.jp/english/org/science/37.htm](http://www.mext.go.jp/english/org/science/37.htm)

<sup>94</sup> Ibid.

<sup>95</sup> Earth Observation Summit, “Strengthening International Cooperation on Earth Observation, Address by Kisaburo Tokai, Senior Vice Minister, Ministry of Education, Culture, Sports, Science and Technology, Japan,” 31 July 2003 [www.earthobservationsummit.gov/statement\\_japan.pdf](http://www.earthobservationsummit.gov/statement_japan.pdf)

<sup>96</sup> Ibid.

<sup>97</sup> Ibid.

Simulator, will strengthen international cooperation on Earth observation, particularly through capacity-building and data-sharing in developing countries.<sup>98</sup>

The Japanese Ministry of the Environment released a draft interim report entitled “Climate Regime Beyond 2012: Basic Considerations” in December 2003.<sup>99</sup> This report emphasizes the continued need to transfer technologies for environmental analysis to developing countries. Japan tends to focus on improves partnerships with Asian countries.

Japan is a co-chair of the Group on Earth Observations (GEO), and actively participated in GEO-1, 1–2 August 2003 Washington, D.C., and GEO-2, 28–29 November 2003 Baveno, Italy.<sup>100</sup> Plans are under way to host GEO-4 in Tokyo on 22–23 April 2004<sup>101</sup> and the Earth Observation Summit II in Tokyo on 25 April 2004.<sup>102</sup>

## **6. Russia: +1**

The Russian Federation has made public its intention to observe the standards and requirements of international environmental accords. The government stated that Russia’s participation in international environmental activities must be based upon the implementation of independent environmental policy. Furthermore, the government of the Russian Federation stated that the country’s outstanding natural resource and ecosystem potential creates a favourable starting point for the country in terms of developing new approaches to international cooperation on environmental issues. The government believes that its actions and policies are influenced by foreign countries and organizations. It also believes that it is vital for the global economy to implement strategies and programs geared towards sustaining the environment as a whole. The government also acknowledges the need to focus on ecosystems. Ecosystems that are still unaffected by economic activity and development in the country occupy 65 percent of Russian territory. Ecosystems have contributed to the maintenance of the balance of the global ecosystem and its importance may result in becoming a key factor in international and economic relations. Also, ecosystems are acknowledged to be of great importance in terms of natural resources and such environmental issues are becoming the basis of Russia’s efforts to integrate into the modern global economy.<sup>103</sup>

Russia is working, with Canada among others, to close the “Arctic gap”.<sup>104</sup> Approximately half of the Arctic is within Russia’s borders. Russia’s active participation in the Arctic Council

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<sup>98</sup> Ibid.

<sup>99</sup> Ministry of the Environment, Japan, “Climate Regime Beyond 2012: Basic Considerations,” December 2003 [www.env.go.jp/en/topic/cc/031126.pdf](http://www.env.go.jp/en/topic/cc/031126.pdf).

<sup>100</sup> Group on Earth Observations, “Public Documents,” [earthobservations.org/documents.asp?sec=geo1](http://earthobservations.org/documents.asp?sec=geo1)

<sup>101</sup> Group on Earth Observations, [earthobservations.org/plenary\\_meetings.asp](http://earthobservations.org/plenary_meetings.asp)

<sup>102</sup> Group on Earth Observations, “Earth Observation Summit 2,” [earthobservations.org/docs/geo-2/10%20-%20tokyo%20eos%20ii%20summit.ppt](http://earthobservations.org/docs/geo-2/10%20-%20tokyo%20eos%20ii%20summit.ppt).

<sup>103</sup> State Council Presidium. Speech by President of the Russian Federation V.V.Putin. [www.rusrec.ru/homepage/projects/global/analitic/ecosyst\\_en.doc](http://www.rusrec.ru/homepage/projects/global/analitic/ecosyst_en.doc)

<sup>104</sup> Environment Canada, “Canada-Russia Environmental Relations,” 1 October 2003 [www.ec.gc.ca/press/2003/031001-3\\_b\\_e.htm](http://www.ec.gc.ca/press/2003/031001-3_b_e.htm)

reflects its involvement in initiatives like the Arctic Monitoring and Assessment Program (AMAP).<sup>105</sup>

Russia hosted the World Climate Change Conference, 29 September to 3 October 2003.<sup>106</sup> President Vladimir Putin addressed the Conference participants and emphasized the importance of cooperative scientific efforts in “the exchange of information and the conduct of joint research and participation in multilateral ecological and climatic programs”.<sup>107</sup> Putin also noted that Russia has “considerable intellectual potential in the field of climatology...achievements of our schools of science and the services of Russian scientists are recognized by the international community”.<sup>108</sup>

Despite problems faced by Russian officials in obtaining visas to attend the Earth Observation Summit in Washington D.C.,<sup>109</sup> Russia continues to participate in Earth observation initiatives through its membership in the Group on Earth Observations (GEO). Russia participated in both the GEO-1 and GEO-2 meetings.<sup>110</sup>

## **7. United Kingdom: +1**

The UK participated in the Earth Observation Summit in Washington, D.C. in July 2003. Professor Howard Dalton, Chief Advisor to the UK Department for Environment, Food and Rural Affairs presented a paper entitled “UK Views On a Coordinated Approach to Global Environmental Observations” that outlined the UK’s commitment to improving global observation networks.<sup>111</sup> Dalton notes several national UK initiatives, including the 300 year records of the Central England Temperature, and England and Wales Precipitation, and the UK’s participation in international initiatives like “the WMO World Weather Watch Programme, the ARGO oceans project, and satellite programmes such as the AATSR instrument and Jason-2 mission”.<sup>112</sup> Dalton emphasizes the need to aid developing country networks to fill in significant data gaps and notes that the UK provides support to the WMO Voluntary Contribution Programme. Dalton also emphasizes that urgent action is needed in order to meet the timeframe of spring 2004. Dalton urges the Group to establish a process to work out technical aspects of the project, such as barriers to data sharing and assimilation, and points towards the achievements made in Europe through the Global Monitoring for Environment and Security (GMES) initiative.<sup>113</sup>

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<sup>105</sup> Arctic Council, “Arctic Monitoring and Assessment Program,” [www.arctic-council.org/activities.html](http://www.arctic-council.org/activities.html)

<sup>106</sup> UN Framework Convention on Climate Change, “World Climate Change Conference, Moscow,” [unfccc.int/sessions/othermt/moscow03/](http://unfccc.int/sessions/othermt/moscow03/)

<sup>107</sup> Ministry of Foreign Affairs of the Russian Federation, “Speech by President of the Russian Federation Vladimir Putin at World Climate Change Conference, Moscow,” 29 September 2003 [www.in.mid.ru/bl.nsf/0/9857817a0c3d100a43256db1002fc782?OpenDocument](http://www.in.mid.ru/bl.nsf/0/9857817a0c3d100a43256db1002fc782?OpenDocument).

<sup>108</sup> Ibid.

<sup>109</sup> Ministry of Foreign Affairs of the Russian Federation, “The Russians Aren’t Coming,” 17 August 2003 [www.in.mid.ru/Bl.nsf/arh/CCEE93976494A29143256D890032BA0A?OpenDocument](http://www.in.mid.ru/Bl.nsf/arh/CCEE93976494A29143256D890032BA0A?OpenDocument)

<sup>110</sup> Group on Earth Observations, “GEO Plenary Meetings,” [earthobservations.org/plenary\\_meetings.asp](http://earthobservations.org/plenary_meetings.asp)

<sup>111</sup> Earth Observation Summit, “UK Views On a Coordinated Approach to Global Environmental Observations,” July 2003 [www.earthobservationsummit.gov/statement\\_unitedkingdom.pdf](http://www.earthobservationsummit.gov/statement_unitedkingdom.pdf)

<sup>112</sup> Ibid.

<sup>113</sup> Ibid.

The UK is a member of the Group on Earth Observations (GEO) and participated in the GEO-1 and GEO-2 meetings.<sup>114</sup>

## **8. United States: +1**

The U.S. has increased their co-ordination on global observation strategies and the sharing of information in order to support more sustainable development in this area.

Through the Partnership for Science-based Decisionmaking, the EPA (Environmental Protection Agency) has provided US\$260,000 and the ACC (American Chemistry Council) has provided US\$65,000 towards a series of “science in decision-making workshops” held on key issues such as water and sanitation and how information systems, monitoring and data processing can aid in these matters.<sup>115</sup> Another initiative launched by the US in this regard was the The Biologia Centrali-Americana whose objective is to strengthen the international museum community’s computer-based management of large-scale data on the biodiversity of Central America.<sup>116</sup>

The US government has established the Bureau of Oceans and International Environmental and Scientific Affairs headed by Assistant Secretary John F. Turner. The U.S recognizes that science and technology are at the centre of our society and is thus cooperating with other nations such as Italy and Bangladesh in the exchange of information.<sup>117</sup>

The United States Environmental Protection Agency has set up The Environmental Technology Opportunities Portal (ETOP) which promotes programs that foster development of new cost-effective environmental technologies and relays existing EPA environmental technology information, such as best available technologies for air, water and waste treatment and control.<sup>118</sup>

The US hosted the Earth Observation Summit in Washington, D.C. on 31 July 2003.<sup>119</sup> The Statement by President George W. Bush addressing the Summit noted that by working together, “our nations will develop and link observation technologies for tracking weather and climate changes in every corner of the world, which will allow us to make more informed decisions affecting our environment and economies”.<sup>120</sup>

Secretary of State Colin Powell’s Summit remarks emphasized the contributions that a coordinated earth observation system could have towards the development of the world’s

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<sup>114</sup> Group on Earth Observations, [earthobservations.org/default.asp](http://earthobservations.org/default.asp)

<sup>115</sup> U.S. Department of State, United States, “Partnership for Science-based Decisionmaking,” 5 January 2004, [www.state.gov/g/oes/rls/fs/2003/19906.htm](http://www.state.gov/g/oes/rls/fs/2003/19906.htm)

<sup>116</sup> U.S. Department of State, United States, “The Biologia Centrali-Americana,” 5 January 2004, [www.state.gov/g/oes/rls/fs/2003/19756.htm](http://www.state.gov/g/oes/rls/fs/2003/19756.htm)

<sup>117</sup> U.S. Department of State, United States, 5 January 2004, [state.gov/g/oes/sat/rm/](http://state.gov/g/oes/sat/rm/)

<sup>118</sup> U.S. Environmental Protection Agency, United States, 5 January 2004, [www.epa.gov/etop/about\\_etop](http://www.epa.gov/etop/about_etop)

<sup>119</sup> Earth Observation Summit, [www.earthobservationsummit.gov/](http://www.earthobservationsummit.gov/)

<sup>120</sup> The White House, “President’s Statement on Earth Observation Summit,” 31 July 2003 [www.whitehouse.gov/news/releases/2003/07/20030731-1.html](http://www.whitehouse.gov/news/releases/2003/07/20030731-1.html)



peoples, and the need for an increase in public-private partnerships to further government efforts.<sup>121</sup>

Secretary of Energy, Spencer Abraham, noted in his Summit remarks that as co-chair of the Committee on Climate Change, Science and Technology Integration, he shares “the responsibility for overseeing the development and the application of technology that comes with every increase in our scientific understanding of climate change”.<sup>122</sup>

Commerce Secretary Donald Evans also noted in his Summit remarks that the US spends US\$4.5 billion per year on global climate change science and technology, and that “President Bush has reallocated US\$103 million to the high priority of a global observation system”.<sup>123</sup>

Summit remarks made by the Secretary of the Interior, Gale Norton, advocated a “full, open and timely exchange of data”.<sup>124</sup> Norton noted that for the past 30 years, the US “ Landsat system, now managed by our Geological Survey, has been the only source for an extended record of moderate-resolution space-based observations of the landmass of our planet”.<sup>125</sup> Norton elaborated on an international partnership between the nine Sahel countries of Africa, USAID, UNEP, the World Bank, the Departments of Commerce and the Interior, NASA, and the Institut du Sahel that allowed partners to compare and contrast trends in land cover change.<sup>126</sup> Norton emphasized full global access to data and noted the US government’s subscription to a ‘public domain’ policy.

A US NASA Administrator noted that NASA, at the time of the Summit, had “a constellation of 18 active research satellites carrying 80 sensors that deliver observations of key geophysical parameters that characterize the Earth system”.<sup>127</sup> NASA outlined four features of its potential contribution to a Comprehensive Coordinated Earth Observation System: studying the Earth as a system; designing and implementing a systematic approach to posing and answering Earth science questions; fostering partnerships; and, innovation.<sup>128</sup>

Newly appointed head of the US Environmental Protection Agency Marianne Lamont Horinko emphasized in her Summit remarks that the this project would foster public understanding, public trust, and public support through the collection, dissemination, and broad access of information.<sup>129</sup>

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<sup>121</sup> Earth Observation Summit, “Secretary Powell Delivers Remarks at Earth Observation Summit,” 31 July 2003 [www.earthobservationsummit.gov/statement\\_powell\\_abraham\\_evans.pdf](http://www.earthobservationsummit.gov/statement_powell_abraham_evans.pdf)

<sup>122</sup> Ibid.

<sup>123</sup> Ibid.

<sup>124</sup> Earth Observations Summit, “Exchange of Data in a Full, Open, and Timely Manner,” 31 July 2003 [www.earthobservationsummit.gov/statement\\_norton.pdf](http://www.earthobservationsummit.gov/statement_norton.pdf)

<sup>125</sup> Ibid.

<sup>126</sup> Ibid.

<sup>127</sup> Earth Observation Summit, “NASA Perspective on a Comprehensive Coordinated Earth Observation System,” 31 July 2003 [www.earthobservationsummit.gov/statement\\_okeefe.pdf](http://www.earthobservationsummit.gov/statement_okeefe.pdf)

<sup>128</sup> Ibid.

<sup>129</sup> Earth Observation Summit, “Remarks by Marianne Lamont Horinko,” 31 July 2003 [www.earthobservationsummit.gov/statement\\_horinko.pdf](http://www.earthobservationsummit.gov/statement_horinko.pdf)

The US is a co-chair of the Group on Earth Observations (GEO), and actively participated in GEO-1, by hosting the 1–2 August 2003 meeting in Washington, D.C., and GEO-2 on 28–29 November 2003.

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## 2003 Evian Interim Compliance Report Trade: Multilateral Trade Negotiations

### Commitment:

2003 – 47: “We are committed to delivering on schedule, by the end of 2004, the goals set out in the Doha Development Agenda, and to ensure that the Cancun Ministerial Conference in September takes all decisions necessary to help reach that goal.”

### Background:

The multilateral system embodied in the World Trade Organization (WTO) and the Doha Development Agenda is central to assisting developing nations and promoting global economic growth. The failure of the Cancun Ministerial Conference in September 2003, which aimed at taking steps towards the implementation of the Doha Development Agenda, appears that it will likely prevent the G8 states from fulfilling their commitments on schedule by the end of 2004. Despite the breakdown of talks in Cancun, the G8 members have pursued various unilateral, bilateral, and multilateral agreements in order to advance their commitments on the Doha Development Agenda.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada		0	
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia	-1		
United Kingdom		0	
United States	-1		
European Union*	-1*		
Overall		-0.250	

### Individual Country Compliance Breakdown:

#### 1. Canada: 0

The government of Canada has taken steps toward compliance with respect to the trade commitments set out at the G8 summit in Evian, France. The inability to comply with the commitment was due to the breakdown of negotiations of the WTO Cancun Ministerial Conference in September 2003. This conference ended without conclusion and was a major setback for Canada as it will be unable to achieve the goals of the Doha Development Agenda before the end of 2004. Canada has, however, made progress in other areas of the Doha Declaration. Canada “remains committed to the multilateral system and is prepared to re-engage

in negotiations” towards achieving the Doha agenda.<sup>130</sup> The Prime Minister’s Office has introduced legislation to enable the export of low-cost pharmaceutical drugs in their fight against HIV/AIDS, malaria, tuberculosis, and other diseases in developing countries. Canada is taking a leadership role by negotiating with the WTO, the World Health Organization (WHO), the World Intellectual Property Organization (WIPO), and other countries to develop effective international means accessing low cost pharmaceutical products.<sup>131</sup> Canada has also contributed technical assistance and capacity building funding of over \$500 million to date.<sup>132</sup>

## 2. France: 0

Overall, France has made little progress towards delivering the goals of Doha. France has made very little progress in reforming the European Union’s Common Agriculture Policy (CAP), which was one of the main contributing factors to the failure of the Cancun Ministerial Conference.<sup>133</sup> France’s Minister for Agriculture, Food, Fisheries, and Rural Affairs, Hervé Gaymard, reaffirmed just before the Cancun meeting that the reformed CAP would first benefit the French farmers. Gaymard argued that agricultural relations are not always unfavorable to the South.<sup>134</sup> Additionally, Gaymard argues that EU agriculture subsidies compensate the farmers’ social and environmental efforts, and maintain their European rural identity.<sup>135</sup>

In President Jacques Chirac’s speech for the opening of the “Forum pour le Partenariat avec l’Afrique”, he suggested that this Forum should re-examine the propositions that France and the European Union had presented in Cancun.<sup>136</sup> In addition, President Chirac has made several state visits to African countries such as Morocco, Nigeria, Mali, and Tunisia in the past six months.<sup>137</sup> France has also made several public reaffirmations in its willingness to achieve the Doha Agenda in fighting against corruption, promoting trade investment, and opening trade access for non-agricultural goods. As well, France reaffirmed its support for giving developing countries access to drugs and medications as outlined at the Cancun meeting. Although no agreement was reached at Cancun, the spokesperson for Quai d’Orsay declared that France will work with other members of the EU to find a solution.<sup>138</sup> In terms of providing financial assistance to the least-developed countries, France confirmed in October 2003 that a donation of €100,000 will be used

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<sup>130</sup> Department of Foreign Affairs and International Trade. World Trade Organization: Summary of the WTO 5<sup>th</sup> Ministerial Conference.

[www.dfait-maeci.gc.ca/tna-nac/WTO/summary-en.asp](http://www.dfait-maeci.gc.ca/tna-nac/WTO/summary-en.asp)

<sup>131</sup> Department of Foreign Affairs and International Trade. Government of Canada introduce legislative changes to enable export of much-needed, lower-cost pharmaceutical product to developing countries, November 6, 2003. [webapps.dfait-maeci.gc.ca/minpub/Publication.asp?FileSpec=/Min\\_Pub\\_Docs/106589.htm&Language=E](http://webapps.dfait-maeci.gc.ca/minpub/Publication.asp?FileSpec=/Min_Pub_Docs/106589.htm&Language=E)

<sup>132</sup> Department of Foreign Affairs and International Trade. World Trade Organization: Canada and the WTO, September 26, 2003. [www.dfait-maeci.gc.ca/tna-nac/wto-co-en.asp](http://www.dfait-maeci.gc.ca/tna-nac/wto-co-en.asp)

<sup>133</sup> G8 News Online, "Europe holds the key," The Guardian, October 27, 2003

<sup>134</sup> France Diplomatie. "Discours de M. Hervé Gaymard, ministre de l’Agriculture, de l’Alimentation, de la Pêche et des Affaires Rurales." 28 August 2003. [www.diplomatie.gouv.fr/actu/article.asp?ART=36726](http://www.diplomatie.gouv.fr/actu/article.asp?ART=36726).

<sup>135</sup> Ibid.

<sup>136</sup> Le Palais de l’Elysée. "Intervention de M. Jacques Chirac, Président de la République Française à l’occasion de la première réunion du Forum pour le Partenariat avec l’Afrique". 10 November 2003. [www.elysee.fr/cgi-bin/auracom/aurweb/search/file?aur\\_file=discours/2003/D031110.html](http://www.elysee.fr/cgi-bin/auracom/aurweb/search/file?aur_file=discours/2003/D031110.html)

<sup>137</sup> Le Palais de l’Elysée. "Déplacement à l’étranger en 2003". [www.elysee.fr/magazine/deplacement\\_etrange/sommaire.php?annee=2003](http://www.elysee.fr/magazine/deplacement_etrange/sommaire.php?annee=2003)

<sup>138</sup> France Diplomatie. "Déclaration du porte-parole adjoint du Quai d’Orsay, OMC/accès des pays en développement aux médicaments." 1 September 2003 [www.diplomatie.gouv.fr/actu/article.asp?ART=36781](http://www.diplomatie.gouv.fr/actu/article.asp?ART=36781)

to implement the Agreement on the Application and Phytosanitary Measures (SPS Agreement).<sup>139</sup>

### **3. Germany: 0**

As a result of the breakdown of the Cancun Ministerial Conference in September, little additional decisions were made to assist Germany in reaching the goals set out in the Doha Development Agenda. While Germany called for a quick resumption of talks as a result of its interest in eliminating barriers to trade on a global scale, this effort did not result in a revival of trade talks before the deadline of December 15, 2003; they will resume in 2004.<sup>140</sup> This attempt to return to negotiations is inconsistent with German behavior at the Cancun Ministerial Conference. The staunch EU position on maintaining its high agricultural subsidies through the CAP at the expense of the developing world was a fundamental contributor to the breakdown of the discussions in Cancun.<sup>141</sup> This aversion to a reduction in agricultural subsidies is in direct conflict with the Doha Development Agenda, which calls for agricultural reforms to improve the developing world's position in agricultural markets.<sup>142</sup>

While Germany has some bilateral agreements with countries such as Tanzania and Morocco, ranging from assistance in improving their trade competitiveness through enhancing product quality and the revision of relevant national legislation and regulations, these bilateral agreements are discriminatory, as they do not apply to all members relevant to the Doha Development Agenda.<sup>143</sup> Germany's participation in the EU initiative to renegotiate the regulation of the European cotton market, though, is a positive action as it conveys an attempt to continue the Doha Development Agenda and push through the impasse that resulted from the Cancun Ministerial conference.<sup>144</sup>

### **4. Italy: 0**

Italy is slowly making progress towards implementation of the Doha Development Agenda. Italy has publicly confirmed its will to continue the Doha Development Agenda, yet, it is not clear that the country will be able to deliver on these goals by the end of 2004. Prior to the Cancun meeting, the Italian government pledged €1 million to the Doha Development Agenda Global

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<sup>139</sup> World Trade Organization. "France donates 100,000 euros to WTO technical assistance." 22 October 2003. [www.wto.org/english/news\\_e/pres03\\_e/pr361\\_e.htm](http://www.wto.org/english/news_e/pres03_e/pr361_e.htm)

<sup>139</sup> American Embassy in London "Zoellick Meetings in Europe Aim to Advance WTO Negotiations". [www.usembassy.org.uk/trade402.html](http://www.usembassy.org.uk/trade402.html)

<sup>140</sup> Federal Government of Germany. "Schroder for rapid resumption of WTO talks" Tuesday September 16, 2003. [eng.bundesregierung.de/dokumente/Artikel/ix\\_526863.htm?script=0](http://eng.bundesregierung.de/dokumente/Artikel/ix_526863.htm?script=0)

<sup>141</sup> Agence-France Presse "WTO members miss deadline to relaunch trade talks, but ready to negotiate." Mon. Dec. 15, 2003. [story.news.yahoo.com/news?tmpl=story&u=/af/20031215/bs\\_afp/wto\\_trade\\_doha\\_031215152158](http://story.news.yahoo.com/news?tmpl=story&u=/af/20031215/bs_afp/wto_trade_doha_031215152158).

<sup>142</sup> Department of Foreign Affairs and International Trade, Canada, "Opportunity for Canadian Exporters: Trade Mission to Sub-Saharan Africa," [www.dfait-maeci.gc.ca/canadexport/docs/active/vol.%2018,%20no%2018@2345-e.htm](http://www.dfait-maeci.gc.ca/canadexport/docs/active/vol.%2018,%20no%2018@2345-e.htm).

<sup>143</sup> Federal Ministry for Economic Cooperation and Development. "How Germany is Supporting Agriculture in Morocco" [www.bmz.de/en/topics/wto/Arbeit\\_in\\_Projekten/Marokko.html](http://www.bmz.de/en/topics/wto/Arbeit_in_Projekten/Marokko.html)

<sup>144</sup> Federal Ministry for Economic Cooperation and Development. "Important WTO 'Development Round' in Cancun, Mexico, failed." October, 2003. [www.bmz.de/en/media/newsletter/newsletter18/002.html](http://www.bmz.de/en/media/newsletter/newsletter18/002.html).

Trust Fund in August 2003.<sup>145</sup> In addition, Italy has gradually been dedicating a total of US\$17.3 million for Trade-related Technical Assistance and Capacity building (TRTA/CB) activities since 2002, which will continue for the following five years.<sup>146</sup>

Italian Prime Minister Silvio Berlusconi has publicly announced that the Doha Development Agenda will be completed by 1 January 2005.<sup>147</sup> However, there is no information available that indicates that Italian government has taken the appropriate and/or sufficient actions to meet the aforementioned goal. Obviously, the breakdown of the Cancun meeting signified a partial failure of the G8 commitment on trade. Italy, along with the other members of the EU, did not ensure that the Cancun Ministerial Conference took the necessary measures to help reach the goals of the Doha Development Agenda. However, despite the failure of Cancun meeting, Italy has acted bilaterally and multilaterally to conclude trade agreements with some least-developed countries (LDCs) as a means to fulfill the agreement reached in Doha, notably with Burkina Faso.<sup>148</sup>

## 5. Japan: 0

It is very difficult to assess progress made on a commitment as broad as advancing the Doha development round of the WTO, especially in light of the failed trade talks taking place in Cancun, Mexico in September 2003. With the support of the IMF and the World Bank, there was another round of meetings in Geneva in December 2003 which aimed to restore the talks and discuss controversial agriculture proposals which caused the Cancun ministerial to end without resolution. However, despite these good intentions, little was achieved at this meeting. Members, including Japan, indicated that they are willing to restart work in the negotiating groups, but a major breakthrough remains to be seen.<sup>149</sup>

In global trade practice, goods are deemed dumped if it can be shown that they are being exported at artificially low prices – perhaps to corner a market and undermine national producers. Japan, united with the EU and several other developed and developing countries, faces a potential tariff conflict with the United States against the Byrd amendment, which they claim encourages U.S. manufacturers to launch self-serving anti-dumping cases against imports of competing goods.<sup>150</sup> Furthermore, in light of the recent discovery of cows infected with Bovine Spongiform Encephalopathy – or Mad Cow Disease, Japan was one of the first countries to close its doors to American beef, thus worsening trade relations between the two countries. Despite a commitment to the Doha agenda, both within the WTO and other fora such as the IMF,

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<sup>145</sup> World Trade Organization. "Italy to contribute 1.55 million Swiss francs to WTO technical assistance." 22 August 2003. [www.wto.org/english/news\\_e/pres03\\_e/pr349\\_e.htm](http://www.wto.org/english/news_e/pres03_e/pr349_e.htm)

<sup>146</sup> World Trade Organization and Organization for Economic Co-operation and Development. "First Joint WTO/OECD Report on Trade-related Technical Assistance and Capacity Building." November/December 2002. [www.oecd.org/dataoecd/48/49/2485047.pdf](http://www.oecd.org/dataoecd/48/49/2485047.pdf)

<sup>147</sup> Ministero dell'Economia e della Finanze. "Documento di Programmazione Economico-Finanziaria. per gli anni 2003–2006" [www.governo.it/GovernoInforma/Dossier/dpef2003/DPEF\\_2003\\_2006.pdf](http://www.governo.it/GovernoInforma/Dossier/dpef2003/DPEF_2003_2006.pdf)

<sup>148</sup> Ministero degli Affari Esteri. "Accordi Bilaterali di Ristrutturazione debitoria applicativi delle intese multilaterali del Club di Parigi, Firmati dall'Italia (Ministero Affari Esteri - D.G.C.E) Nel corso del 2003." [www.esteri.it/polestera/organismim/indexeconom.htm](http://www.esteri.it/polestera/organismim/indexeconom.htm)

<sup>149</sup> "Chair wraps up: negotiating groups can restart, but still no deal on tough issues," available at: [www.wto.org/english/news\\_e/news\\_e.htm](http://www.wto.org/english/news_e/news_e.htm)

<sup>150</sup> "E.U., Other Nations Gear for Trade Fight with the U.S.," available at: [www.reuters.com/newsArticle.jhtml?type=topNews&storyID=4046977&pageNumber=0](http://www.reuters.com/newsArticle.jhtml?type=topNews&storyID=4046977&pageNumber=0)

World Bank, and OECD, Japan retains 500 per cent import tariffs on rice,<sup>151</sup> tariff escalation on processed foods, and other restrictions such as sanitary and phytosanitary procedures, and state management of certain agricultural products.<sup>152</sup>

While tariffs remain high, Japan has undergone domestic reforms which are in line with its commitment internationally to the Doha process. Japan's development cooperation program has undergone major reforms and significant restructuring. Its Official Development Assistance (ODA) Charter was revised in 2003 to reflect Doha priorities. The legal status of the Japan International Cooperation Agency (JICA) was changed to become more autonomous, and the Ministry of Foreign Affairs (MOFA) has become the *de jure* coordinating body for the diverse implementing institutions of ODA. Furthermore, Japan has taken the initiative of hosting several international conferences on development including TICAD III, the Tokyo International Conference for African Development in which the key issues of agricultural subsidies were discussed.<sup>153</sup>

## **6. Russia: -1**

As a result of the breakdown of the Cancun Ministerial Conference in September, no additional decisions were made to assist Russia in reaching the goals set out in the Doha Development Agenda. Russia expressed support for the resumption of trade talks at the October APEC summit in Bangkok, however, this support did not yield a resumption of trade talks on 15 December 2003.<sup>154</sup>

Russia has attempted to increase development in Asia through the formation of the Common Economic Space (CES), which includes Kazakhstan and Belarus.<sup>155</sup> A multilateral effort to increase trade among the developing nations of Central Asia, it is discriminatory in that it does not extend to all developing nations as the Doha Development Agenda does. Russia received £860 000 from the United Kingdom through a program that will provide Russia with assistance in meeting the agricultural obligations that come with WTO membership. These funds will assist Russian integration of the multilateral trading system and will speed its accession to the WTO.<sup>156</sup> Russia, however, has taken a firm stance on the issue of agricultural subsidies, and plans to continue subsidizing its agricultural sector so long as other countries are doing so in order to preserve its market share.<sup>157</sup>

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<sup>151</sup> Editorial: "Harvesting Poverty: The Unkept Promise," The New York Times, December 30, 2003 available at: [www.nytimes.com/2003/12/30/opinion/30TUE1.html](http://www.nytimes.com/2003/12/30/opinion/30TUE1.html)

<sup>152</sup> Japan: DAC Peer Review, Main Findings and Recommendations, available at: [www.oecd.org/document/10/0,2340,en\\_2649\\_201185\\_22579914\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/10/0,2340,en_2649_201185_22579914_1_1_1_1,00.html)

<sup>153</sup> Ibid.

<sup>154</sup> U.N.WIRE "APEC Summit Closes With Vow To Fight Terrorism, Nukes." UNWIRE Tuesday, October 21, 2003 [www.unwire.org/UNWire/20031021/449\\_9632.asp](http://www.unwire.org/UNWire/20031021/449_9632.asp)

<sup>155</sup> CATO Institute: Marian L. Tuppy. "Making Sense Out of Russia's Free trade Initiative" November 10, 2003. [www.cato.org/dailys/11-10-03.html](http://www.cato.org/dailys/11-10-03.html).

<sup>156</sup> The Department for International Development of the United Kingdom. Press Release: "UK pledges £50m to help developing countries trade their way out of poverty." 11 September, 2003. [www.dfid.gov.uk/News/PressReleases/files/pr\\_11sept03.html](http://www.dfid.gov.uk/News/PressReleases/files/pr_11sept03.html).

<sup>157</sup> Marina Shakina, RIAN. "Russia will Never Lose Sight of the WTO" November 21, 2003. [english.pravda.ru/main/18/89/357/11335\\_wto.html](http://english.pravda.ru/main/18/89/357/11335_wto.html)

Russia was ineffective in furthering the Doha Development Agenda as a result of its inability to restart the defunct Cancun Ministerial Conference negotiations, and is exacerbating the current state of conflict in its refusal to reduce agricultural subsidies.

## **7. United Kingdom: 0**

The British government has called recent reforms to the Common Agricultural Policy ‘a welcome but only small step in the right direction’ as review of the reforms has shown that it ‘will not tackle directly export subsidies’.<sup>158</sup> Calls from UK officials for more agricultural concessions from their EU counterparts failed and as a result the rejection of the limited reforms offered in the joint EU-US proposal at Cancun in September has precluded a ‘substantial opening of trade in all areas’.<sup>159</sup> The British government was also unsuccessful in its attempts before the ministerial meeting in Cancun to down-play the importance of the Singapore issues, which – with agriculture – were to cause much disagreement during talks in September.<sup>160</sup> The UK has been more successful in fulfilling in commitments independently on the EU, as it has promised £50 million ‘to help developing countries trade their way out of poverty’.<sup>161</sup> It has also ‘welcomed the agreement on easier access to cheap medicines’ which was created on schedule before the Cancun Ministerial meeting.<sup>162</sup> However, the UK has not prevented failed negotiations at Cancun and again in Geneva in December and so has far from fulfilled its commitment of helping to complete the goals set out in the Doha Development Agenda by the end of 2004.

## **8. United States: –1**

The United States has met with little success in compliance with the trade commitments set out at the G8 summit in Evian, France. This failure was mainly due to the unsuccessful negotiations of the WTO Cancun Ministerial Conference. Disagreements remain in several key areas including agricultural subsidies, non-agricultural market access in the trade of cotton, and the Singapore Issue which includes increased competition, investment, trade facilitation, and government transparency.<sup>163</sup> This conference ended without conclusion and was a setback for the United States as it will be unable to achieve the goals of the Doha Development Agenda before the end of 2004.<sup>164</sup> The United States remains committed to the Doha agenda, and has proposed to liberalize agricultural and non-agricultural tariffs by eliminating trade barriers, but

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<sup>158</sup> Department for International Development, UK, “Trade and Development at the WTO: Issues for Cancun”, p.3+26.

[www.publications.parliament.uk/pa/cm200203/cmselect/cmintdev/400/400.pdf](http://www.publications.parliament.uk/pa/cm200203/cmselect/cmintdev/400/400.pdf).

<sup>159</sup> G8 Information Centre, “Co-operative G8 Action on Trade,” 2 June 2003, [www.g8.utoronto.ca/summit/2003evian/trade\\_en.html](http://www.g8.utoronto.ca/summit/2003evian/trade_en.html).

<sup>160</sup> The Guardian Unlimited, “Talks Dead in the Water,” 15 September 2003. [www.guardian.co.uk/leaders/story/0,3604,1042096,00.html](http://www.guardian.co.uk/leaders/story/0,3604,1042096,00.html).

<sup>161</sup> Department for International Development, UK, “UK pledges £50m to help developing countries trade their way out of poverty,” 11 September 2003, [62.189.42.51/DFIDstage/News/PressReleases/files/pr\\_11sept03.html](http://62.189.42.51/DFIDstage/News/PressReleases/files/pr_11sept03.html).

<sup>162</sup> Department of Trade and Industry, UK, “Trade Minister Welcomes Deal On Cheaper Medicines,” 1 September 2003, [213.38.88.221/gnn/national.nsf/TI/C5AE61121AA22D1C80256D9400380D68?opendocument](http://213.38.88.221/gnn/national.nsf/TI/C5AE61121AA22D1C80256D9400380D68?opendocument).

<sup>163</sup> Department of Foreign Affairs and International Trade. World Trade Organization: Summary of the WTO 5<sup>th</sup> Ministerial Conference. [www.dfait-maeci.gc.ca/tna-nac/WTO/summary-en.asp](http://www.dfait-maeci.gc.ca/tna-nac/WTO/summary-en.asp)

<sup>164</sup> Zoellick, Robert. Press Releases: Information for Press in Cancun – Final Press Conference. WTO, Cancun, September 14, 2003 [www.ustrade-wto.gov/trzoellick0914.html](http://www.ustrade-wto.gov/trzoellick0914.html)



has yet to implement or introduce legislation to advance these goals.<sup>165</sup> The US has also failed to comply with the WTO Appellate Body ruling against the provision of its antidumping duties law called the Byrd Amendment.<sup>166</sup> The United States has, however, made progress in the facilitation of global trade by contributing \$700 million dollars to help developing countries increase their trade capacities and by further opening their markets to international trade.<sup>167</sup>

## 9. European Union: –1

The EU has failed to comply with its Evian commitments because its position on agriculture and the Singapore issues failed to ensure that the Cancun Ministerial in September took steps toward completing the Doha Development Agenda. The reforms to the Common Agricultural Policy on 26 June 2003 do remove export subsidies in those areas of interest to developing countries and accept in principle that blue box subsidies ‘should be capped’.<sup>168</sup> However, the reforms will not be fully implemented until 2008 therefore they will not promote the completion of the Doha round before the end of 2004. Lack of full commitment is also shown by the fact that shifting subsidies to green box subsidies ‘will continue to distort production and trade’, falling short of promises to abolish all export subsidies.<sup>169</sup> The breakdown of talks in Cancun was blamed on the EU’s insistence on including the Singapore issues in negotiations right up until the last minute despite widespread opposition from developing nations.<sup>170</sup> The EU has agreed to a ‘€50 million trade related assistance program for Africa, Caribbean and Pacific countries’.<sup>171</sup> This program will not be completely effective however unless the EU can come to a multilateral agreement to reduce its agricultural support, subsidies estimated to still be in the €44 billion range.<sup>172</sup>

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<sup>165</sup> Office of the United States Trade Representative. Trade in Cotton, Man-Made Fibers, Textiles and Clothing, September 9, 2003. [www.ustrade-wto.gov/fscotton0910.html](http://www.ustrade-wto.gov/fscotton0910.html)

<sup>166</sup> U.S. Department of State. USTR Seeks to Comply with WTO Ruling on Byrd Amendment, January 16<sup>th</sup>, 2003. [usinfo.state.gov/topical/econ/wto/03011601.htm](http://usinfo.state.gov/topical/econ/wto/03011601.htm)

<sup>167</sup> Office of the United States Trade Representative. Press Release: United States Issues Report on \$750 Million in Global Trade Capacity Building Aid, September 9, 2003. [www.ustrade-wto.gov/news03090902.html](http://www.ustrade-wto.gov/news03090902.html)

<sup>168</sup> Europa, “The EU, Cancun and the Future of the Doha Development Agenda,” 28 October 2003, [europa.eu.int/comm/commissioners/lamy/speeches\\_articles/spla195\\_en.html](http://europa.eu.int/comm/commissioners/lamy/speeches_articles/spla195_en.html).

<sup>169</sup> Department for International Development, UK, “Trade and Development at the WTO: Issues for Cancun”, p.3+26. [www.publications.parliament.uk/pa/cm200203/cmselect/cmintdev/400/400.pdf](http://www.publications.parliament.uk/pa/cm200203/cmselect/cmintdev/400/400.pdf).

<sup>170</sup> BBC, “WTO Gridlock in Geneva,” 14 December 2003. [news.bbc.co.uk/1/hi/business/3318159.stm](http://news.bbc.co.uk/1/hi/business/3318159.stm).

<sup>171</sup> Europa, “Commission Approves €50 million Trade Assistance Programme – Trade.com,” 25 July 2003, [europa.eu.int/comm/trade/issues/bilateral/regions/acp/pr250703\\_en.html](http://europa.eu.int/comm/trade/issues/bilateral/regions/acp/pr250703_en.html).

<sup>172</sup> BBC News, “In Quotes: the EU’s Agricultural Accord,” 26 June 2003, [news.bbc.co.uk/go/pr/fr/-/1/hi/world/europe/3024086.stm](http://news.bbc.co.uk/go/pr/fr/-/1/hi/world/europe/3024086.stm).

## 2003 Evian Interim Compliance Report Development: Official Development Assistance

### Commitment:

2003 – 15: “We welcomed the report of our Finance Ministers’ discussions on our increased resources and on financing instruments. We invite them to report back to us in September on the issues raised by the financing instruments, including the proposal for a new International Finance Facility”.

### Background:

Official Development Assistance is required to address the needs of the world’s least developed countries (LDCs). Geared towards basic social services such as health, education, transportation, housing, safe water and nutrition, tied and untied ODA is crucial to the development of the majority of the world’s population, as outlined in the United Nations Millennium Declaration (2000) and the Monterrey Consensus (2002). G8 countries bear the majority of the world’s wealth and share a responsibility to reduce global poverty for the benefit of all. Each G8 member has committed to achieve ODA/GNP levels of 0.7 percent, yet each donor country remains below the target. The Organization for Economic Co-operation and Development (OECD) notes that ODA from G7 countries has fallen about US\$15 billion since 1992, a reduction of almost 30%. Evian resulted in the above commitment to fight global poverty and to help developing countries achieve the development goals set out in the Millennium Declaration.

While ODA in the G8 member countries remains below set targets, these interim scores represent the countries’ compliance with the commitment as outlined above. The September 2003 meeting of the Finance Ministers in Dubai fulfills the first part of the commitment and, in the official communiqué issued by the Finance Ministers, they affirm that they have discussed “financing issues and results based measurement” and that they have requested “the IMF and the World Bank to do further work on aid effectiveness, absorption capacity, financing facilities and results-based measurement mechanisms, and report at the Annual Meetings in September 2004.”<sup>173</sup>

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France			+1
Germany			+1
Italy			+1
Japan			+1
Russia		0	
United Kingdom			+1
United States			+1
Overall		0.875	

<sup>173</sup> G7 Finance Minister and Central Bank Governors, “Statement of G7 Finance Ministers and Central Bank Governors,” September 20, 2003, Dubai, [www.g8.utoronto.ca/finance/fm030920.htm](http://www.g8.utoronto.ca/finance/fm030920.htm).

## Individual Country Compliance Breakdown:

### 1. Canada: +1

Canada was present at the G7 meeting of Finance Ministers on 20 September, 2003 in Dubai.<sup>174</sup> As of May 2003, Canada has put 0.28% of GNI towards ODA, with a plan to raise it by 8% each year, in order to reach its millennium goal of doubling ODA by 2010.<sup>175</sup> In a UN press release dated 11 December 2003, Kevin Rex, Canadian delegate to the Second Economic and Financial Committee of the United Nations reaffirmed this goal, as well as Canada's commitment to the development goals of the Monterrey Consensus.<sup>176</sup> In a press release dated 18 February 2003, Finance Minister John Manley announced that there would be an increase in Official Development Assistance to approximately CDN\$3.2 billion in 2003, and to CDN\$3.4 billion the following year.<sup>177</sup> Manley also added approximately CDN\$373 million to the International Assistance Envelope (IAE) for the year that ended March 2003, amounting to an increase of CDN\$820 million to the base for the IAE by 2004/05, and a cumulative increase of CDN\$1.8 billion available for new spending. The CDN\$500-million Canada Fund for Africa created to support the objectives of NEPAD and the G8 Africa Action Plan ended its initial year of operation on March 31, 2003, having disbursed CDN\$70 million.<sup>178</sup> Canada is also currently establishing the Canada Investment Fund for Africa, which will attempt to channel at least CDN\$200 million to finance commercially sustainable projects in Africa. Half of these funds will come from the Canadian Government.<sup>179</sup>

### 2. France: +1

France attended the meeting of the G7 Finance Ministers in Dubai in September 2003, thus meeting the present commitment. President Jacques Chirac declared that France is to adopt new guidelines for increasing official development assistance, which is to be better focused on clearly defined priorities, namely the Millennium Development Goals and support for NEPAD. French official development assistance will be rebalanced around its multilateral, European, and bilateral components, as well as between project-aid, program-aid and technical assistance.<sup>180</sup> In a parliamentary debate of the National Assembly, commitments were made once again to bring

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<sup>174</sup> G7 Finance Ministers and Central Bank Governors, "Statement of G7 Finance Ministers and Central Bank Governors" Dubai, United Arab Emirates. September 20, 2003, [www.fin.gc.ca/activty/G7/g7200903e.html](http://www.fin.gc.ca/activty/G7/g7200903e.html)

<sup>175</sup> United Nations, "Status of ODA Commitments of OECD/DAC Countries (as of June 2003) and ODA/GNI Ratios for 2002" [www.un.org/specialrep/ohrlls/ldc/Status%20of%20ODA%20Commitments%20of%20OECD.htm](http://www.un.org/specialrep/ohrlls/ldc/Status%20of%20ODA%20Commitments%20of%20OECD.htm)

<sup>176</sup> United Nations, "Second Committee Delegates agree on need for better monitoring of Monterrey Consensus implementation as debate concludes," Press Release, December 11, 2003 [www.un.org/News/Press/docs/2003/gaef3066.doc.htm](http://www.un.org/News/Press/docs/2003/gaef3066.doc.htm)

<sup>177</sup> Canadian Council for International Cooperation, "International Development Community Applauds Foreign Aid Increases" Press Release, February 18<sup>th</sup>, 2003 [www.ccic.ca/e/004/news\\_2003-0223\\_budget.shtml](http://www.ccic.ca/e/004/news_2003-0223_budget.shtml)

<sup>178</sup> Office of the Special Advisor on Africa, United Nations, "Canada: Support to NEPAD (period 2001- 2003)" [www.un.org/esa/africa/support/Canada.htm](http://www.un.org/esa/africa/support/Canada.htm)

<sup>179</sup> Susan Whelan, Minister for International Cooperation, "Notes for remarks by Susan Whelan, Minister for International Cooperation," The Africa-Canada Parliamentary Group Meeting. Ottawa, Ontario. September 25, 2003 [www.acdicida.gc.ca/cida\\_ind.nsf/852562900065549f85256228006a0064/e88af6e7eb5e4f2d85256dac00474ee1?OpenDocument](http://www.acdicida.gc.ca/cida_ind.nsf/852562900065549f85256228006a0064/e88af6e7eb5e4f2d85256dac00474ee1?OpenDocument)

<sup>180</sup> Office of the President of the Republic, "Address by Jacques Chirac, President of the French Republic On the occasion of the presentation Of New Year's greetings From the diplomatic corps" [www.elysee.fr/ang/rech/rech\\_.htm](http://www.elysee.fr/ang/rech/rech_.htm)

France's overall ODA to 0.5% in the next five years. ODA is to be channeled towards food security and disease control.<sup>181</sup>

### **3. Germany: +1**

Germany, like the other G7 countries, attended the September meeting of Finance Ministers and Central Bank Governors in Dubai and has therefore fulfilled the terms of the commitment. However, they have not announced new directions in their ODA policy or goals for the upcoming year.

### **4. Italy: +1**

Following the Evian summit, Italy attended the G7 Finance Ministers' meeting in Dubai in September, where it reiterated its intention to meet the millennium goals for Official Development Assistance.<sup>182</sup> At the 58th General Assembly of the UN, Italian Prime Minister Berlusconi, speaking on behalf of the EU stated that "The EU has taken on a financial commitment, in line with the Monterrey objectives, to increase development assistance resources until we reach the target of 0.39% of the- Gross National Product by 2006".<sup>183</sup> He reiterated the EU's commitment to Africa and its support for NEPAD. He also stressed the importance of strengthening and updating multilateral institutions under the UN's framework in order to reach the millennium development goals. On 23 October 2003 Marcello Spatafora, Permanent Representative of Italy to the UN, reported that Italy had committed 0.21% of its GNI in 2003 towards ODA, up from 0.20% the previous year, and that it would meet its goal of 0.33% by 2006.<sup>184</sup> He also stated that the EU was committed to meeting the OECD/DOA recommendation on the untying of ODA to Least Developed Countries.<sup>185</sup>

### **5. Japan: +1**

Like the other G7 countries, Japan's foreign minister attended the September finance ministers' meeting in Dubai. In August 2003, Japan revised its Official Development Assistance Charter, with the aim of enhancing the strategic value, flexibility, transparency, and efficiency of ODA".<sup>186</sup> While Japan continues to affirm its commitment to the Millennium Development Goals, the government acknowledges that ODA has been declining because of "severe economic

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<sup>181</sup> The National Assembly, "Débat sur la participation à l'aide au développement en Afrique" [www.assemblee-nationale.fr/12/cri/2002-2003/20030192.asp](http://www.assemblee-nationale.fr/12/cri/2002-2003/20030192.asp)

<sup>182</sup> "Statement of G7 Finance Ministers and Central Bank Governors," Dubai, United Arab Emirates. September 20, 2003.  
[www.fin.gc.ca/activty/G7/g7200903e.html](http://www.fin.gc.ca/activty/G7/g7200903e.html)

<sup>183</sup> Silvio Berlusconi, Prime Minister of Italy and President of the EU, "Statement to the 58<sup>th</sup> General Assembly of the United Nations." September 23, 2003

[www.un.org/webcast/ga/58/statements/itaeng030923.htm](http://www.un.org/webcast/ga/58/statements/itaeng030923.htm)

<sup>184</sup> Marcello Spatafora, Permanent Representative to the United Nations, "Letter from the Permanent Representative of Italy to the United Nations addressed to the Secretary-General," October 20, 2003. [ods-ddsny.un.org/doc/UNDOC/GEN/N03/578/99/IMG/N0357899.pdf?OpenElement](http://ods-ddsny.un.org/doc/UNDOC/GEN/N03/578/99/IMG/N0357899.pdf?OpenElement)

<sup>185</sup> Ibid.

<sup>186</sup> Ministry of Foreign Affairs, "Revision of Japan's Official Development Assistance Charter," August 2003, [www.mofa.go.jp/policy/oda/reform/revision0308.pdf](http://www.mofa.go.jp/policy/oda/reform/revision0308.pdf)

and fiscal conditions and critical public opinion”.<sup>187</sup> At the Dubai meeting, the Honorable Toshihiko Fukui, Governor of the Bank of Japan, spoke on the issue of Development and the Millennium Development Goals. He requested the World Bank to “analyze the transmission mechanism among infrastructure, economic growth and poverty reduction”.<sup>188</sup> He also announced that Japan is working with the World Bank in order to prepare a new Global Distance Learning (GDL) Center in Tokyo, which will be connected to other similar centres via satellite and will help with training and policy dialogues.<sup>189</sup>

## **6. Russia: 0**

The Deputy Chairman of the Government of the Russian Federation, Minister of Finance of the Russian Federation Aleksei Kudrin, did attend the meeting of the Development Committee in Dubai on 22 September 2003, though the communiqué was officially a document of only the G7 nations. He emphasized the need to improve domestic resource mobilization and said that “the best way to achieve this is to align aid flows with country-owned development and poverty reduction strategies with clear and simple conditionality derived from these strategies”.<sup>190</sup>

## **7. United Kingdom: +1**

The 2003 Department for International Development (DFID) spending review notes that the United Kingdom increased ODA from £3,420 million to £3,669 million. Spending plans for the DFID provide for total spending for their budget to increase by £1.2 billion between 2002–03 and 2005–06.<sup>191</sup> The review notes that by 2005–06 ODA will be increased to 0.40% of GNI, this indicates a strong move towards the UN target ratio of ODA. By 2005–06, 90 per cent of DFID’s bilateral **assistance** will be spent on low-income countries. Bilateral spending in Africa and Asia have been targeted towards health and universal primary education.<sup>192</sup> The United Kingdom was present at the September 2003 G7 Finance Ministers meeting in Dubai.

## **8. United States: +1**

The FY 2004 Budget of the United States Government requests US\$1.3 billion for the new Millennium Challenge Account (MCA). The MCA marks a first step towards the President’s commitment of annual US\$5 billion in development assistance by 2006. In 2004 the MCA will begin to consider countries eligible to borrow from the International Development association

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<sup>187</sup> Ministry of Foreign Affairs, “Outline of the 2002 White Paper on Official Development Assistance (ODA), April 2003, [www.mofa.go.jp/policy/oda/white/2002/index.html](http://www.mofa.go.jp/policy/oda/white/2002/index.html)

<sup>188</sup> Toshihiko Fukui, “Statement by the Honorable Toshihiko Fukui, Governor of the Bank for Japan at the Joint-Annual Discussion,” September 2003, Dubai, on the website of the Ministry of Finance, [www.mof.go.jp/english/if/if030923.htm](http://www.mof.go.jp/english/if/if030923.htm).

<sup>189</sup> Ibid.

<sup>190</sup> Ministry of Foreign Affairs, Russia, “On the participation of the Deputy Chairman of the Government of the Russian Federation, Minister of Finance of the Russian Federation, Aleksei Kudrin on the Sixty-Eighth Meeting in Dubai, United Arab Emirates,” 22 September 2003, [siteresources.worldbank.org/DEVCOMMIT/Resourses/Fall2003Statements/DCS2003-0042-Kudrin.pdf](http://siteresources.worldbank.org/DEVCOMMIT/Resourses/Fall2003Statements/DCS2003-0042-Kudrin.pdf)

<sup>191</sup> Department for International Development, “2003 Spending Review,” [www.officialdocuments.co.uk/document/cm55/5570/5570-14.htm#muscat\\_highlighter\\_first\\_match](http://www.officialdocuments.co.uk/document/cm55/5570/5570-14.htm#muscat_highlighter_first_match).

<sup>192</sup> Government of the United Kingdom, “2003 Budget Report,” [www.officialdocuments.co.uk/document/cm55/5570/5570-05.htm](http://www.officialdocuments.co.uk/document/cm55/5570/5570-05.htm).

(IDA) which have per capita incomes below US\$1,435.<sup>193</sup> The United States Agency for International Development Sub Saharan Africa overview states that USAID plans to increase aid for economic and agricultural sectors to US\$223 million.<sup>194</sup> In November 2003, USAID and the Shell Petroleum Development Company of Nigeria Limited (Shell) announced they are to be partners in a US\$20 million sustainable development program in Nigeria.<sup>195</sup> The United States was present at the September 2003 G7 Finance Ministers meeting in Dubai where official development assistance issues were further addressed.

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<sup>193</sup>Office of Management and Budget, “Budget of the United States Government FY 2004”  
[www.whitehouse.gov/omb/budget/fy2004/state.html](http://www.whitehouse.gov/omb/budget/fy2004/state.html).

<sup>194</sup>United States Agency for International Development, “Sub-Saharan Africa Overview”  
[www.usaid.gov/policy/budget/cbj2004/sub-saharan\\_africa/index.html](http://www.usaid.gov/policy/budget/cbj2004/sub-saharan_africa/index.html).

<sup>195</sup> United States Agency for International Development, “USAID and Shell Launch \$20 Million Nigerian Development Program” [www.usaid.gov/press/releases/2003/pr031118.html](http://www.usaid.gov/press/releases/2003/pr031118.html)

## 2003 Evian Interim Compliance Report Debt: Highly Indebted Poor Countries

### Commitment:

2003 – 16: “We reaffirmed the objective of ensuring lasting debt sustainability in HIPC countries and noted that these countries will remain vulnerable to exogenous shocks, even after reaching completion point. In this context we have asked our Finance Ministers to review by September [2003] mechanisms to encourage good governance and the methodology for calculating the amount of “topping-up” debt relief available to countries at completion point based on updated cost estimates”.

### Background:

The Debt Initiative of the Heavily Indebted Poor Countries (HIPC) was launched in 1996 by the World Bank and the International Monetary Fund.<sup>196</sup> The initiative falls within the framework of the Millennium Development Goals (MDG) whose aim is to halve global poverty by the 2015.<sup>197</sup> Mechanisms to encourage good governance have been found essential to promote an environment conducive to lasting debt sustainability and to achieve the MDG.<sup>198</sup> Good governance has been tied to debt relief since the Enhanced HIPC Initiative was agreed to in 1999, which specifies that the timing of the completion point depends upon “the country’s implementation of pre-agreed key structural reforms including the Poverty Reduction Strategy Paper (floating completion point)”.<sup>199</sup> The “topping-up” debt relief available to countries at completion point is crucial in the context of crisis prevention and resolution, to ensure that exogenous shocks do not send a country back into a debt tailspin.<sup>200</sup> As James Wolfensohn, President of the World Bank, outlined in his statement to the IMF in September 2003, “work is underway to continue to align work program priorities, ensure systematic follow-up and expand support for capacity building to clients”.<sup>201</sup>

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<sup>196</sup> The World Bank, “Heavily Indebted Poor Countries Initiative,” March 2003, [www.worldbank.org/hipc/hipc-review/Fact\\_Sheet\\_mar03.pdf](http://www.worldbank.org/hipc/hipc-review/Fact_Sheet_mar03.pdf)

<sup>197</sup> Meeting of the Finance Ministers of the G7-G8 in Deauville, “G7 Finance Working Paper: Aid Effectiveness,” 17 May 2003,

“[www.g8.fr/evian/english/navigation/news/news\\_update/meeting\\_of\\_the\\_finance\\_ministers\\_of\\_the\\_g7-g8\\_in\\_deauville/g7\\_finance\\_working\\_paper\\_on\\_aid\\_effectiveness.html](http://www.g8.fr/evian/english/navigation/news/news_update/meeting_of_the_finance_ministers_of_the_g7-g8_in_deauville/g7_finance_working_paper_on_aid_effectiveness.html)”

<sup>198</sup> The World Bank, “OED Review of the HIPC Initiative,” 24 February 2003, [www.worldbank.org/hipc/hipc-review/OED\\_Summary\\_of\\_HIPC\\_Rept.pdf](http://www.worldbank.org/hipc/hipc-review/OED_Summary_of_HIPC_Rept.pdf)

<sup>199</sup> International Monetary Fund, “Debt Relief for Low-Income Countries: The Enhanced HIPC Initiative,” 1999, [www.imf.org/external/pubs/ft/pam/pam51/content.htm](http://www.imf.org/external/pubs/ft/pam/pam51/content.htm)

<sup>200</sup> The World Bank, “Heavily Indebted Poor Countries Initiative,” March 2003, [www.worldbank.org/hipc/hipc-review/Fact\\_Sheet\\_mar03.pdf](http://www.worldbank.org/hipc/hipc-review/Fact_Sheet_mar03.pdf)

<sup>201</sup> The International Monetary Fund, “Statement by James D. Wolfensohn, President of the World Bank Given on the Occasion of the International Monetary and Financial Committee (IMFC) Meeting,” September 21, 2003. [www.imf.org/external/am/2003/imfc/state/ibrd.htm](http://www.imf.org/external/am/2003/imfc/state/ibrd.htm)

## Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada		0	
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia		0	
United Kingdom		0	
United States		0	
European Union*	-1*		
Overall		0	

## Individual Country Compliance Breakdown:

### 1. Canada: 0

Canada has partially complied with its debt commitment. Canada identified several mechanisms to encourage good governance. Canadian Finance Minister John Manley issued a statement at the World Bank and IMF joint annual discussion that stressed the IMF's surveillance role as a governance mechanism to help prevent crises and urged a continuance of this role. Canada also urged the development of an international code of conduct to guide creditor-debtor relations. Furthermore, the Canadian International Development Agency is increasingly emphasizing the importance of good governance and the ability to use aid effectively in channeling incremental resources to poor countries."<sup>202</sup>

"Topping-up" of debt relief, which falls under crisis prevention, was delegated at a G7 Finance Ministers' meeting on 20 September 2003 to the international financial institutions (IFIs). Their request was as follows: "We ask the IFIs to review the methodology for calculating the amount of "topping-up" debt relief. We look forward to the outcome of the IFIs work on low income countries vulnerabilities to exogenous shocks".<sup>203</sup> Finance Minister John Manley emphasized that "the [crisis resolution] framework should be regarded as a work in progress" despite improvements in recent years."<sup>204</sup>

### 2. France: 0

France has partially complied with its debt commitment. France identified several mechanisms for good governance. According to French Finance Minister Jean-Claude Trichet, France identified increased IMF surveillance as a priority and encourages continued work on a Code of Conduct under the aegis of the G20, to guide the private sector and international community

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<sup>202</sup> International Monetary Fund, "Statement by the Hon. John Manley at the Joint Annual Discussion," 23 September 2003, [www.imf.org/external/am/2003/speeches/pr21e.pdf](http://www.imf.org/external/am/2003/speeches/pr21e.pdf)

<sup>203</sup> Department of Finance Canada, "Statement of the G7 Finance Ministers and Central Bank Governors," 23 September 2003, [www.fin.gc.ca/activty/G7/g7200903e.html](http://www.fin.gc.ca/activty/G7/g7200903e.html)

<sup>204</sup> International Monetary Fund, "Statement by the Hon. John Manley at the Joint Annual Discussion," 23 September 2003, [www.imf.org/external/am/2003/speeches/pr21e.pdf](http://www.imf.org/external/am/2003/speeches/pr21e.pdf)



through difficult situations or crises. Trichet notes that “additional progress is possible in various areas: analyzing public and external debt sustainability, identifying vulnerabilities of emerging countries, developing a balance sheet approach, and monitoring the stability of the financial sector”.

France’s commitment to review the methodology for calculating the amount of “topping-up” available to countries at completion point can be considered a work in progress. France supports a “more generous methodology for the calculation of the additional debt reduction at completion point”, the so called topping-up. France calls on the “international financial institutions to work on a proposal, which would link topping-up and governance, so as to combine generosity, selectivity, and efficiency of the aid provided”.<sup>205</sup>

### **3. Germany: 0**

Regarding the encouragement of good governance, Germany has not complied with the commitment. In a statement by Ernst Welteke, Governor of the Fund of Germany on 23 September 2003, the need for good governance for ensuring lasting debt sustainability is acknowledged however no review or recommendations are presented.<sup>206</sup>

Germany’s commitment to review the methodology for calculating the amount of “topping-up” debt relief is a work in progress. This responsibility was delegated to the International Financial Institutions at the G7 Finance Ministers’ Meeting on September 20, 2003.<sup>207</sup>

### **4. Italy: 0**

Italy has partially complied with this commitment. According to Italian Finance Minister Giulio Tremonti, Italy looks forward to the evaluation of the Africa Capacity Building (AFRITAC) centres by next year. These centres will enhance governance by “[providing] adequate technical assistance, by fostering ownership, enhancing accountability, and increasing responsiveness”.

The issue of reviewing the methodology for calculating “topping-up” of debt relief can be considered a work in progress. Tremonti asserted Italy’s readiness to discuss changing the methodology with the international financial institutions. Italy encouraged reaching a fair burden sharing through full creditor participation in order to “pave the way for reaching a consensus on the change of the methodology of topping-up debt relief to those countries facing an unsustainable debt situation at the completion point due to exogenous shocks”.<sup>208</sup>

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<sup>205</sup> International Monetary Fund, “Statement by the Hon. Jean-Claude Trichet at the Joint Annual Discussion,” 23 September 2003, [www.imf.org/external/am/2003/speeches/pr32e.pdf](http://www.imf.org/external/am/2003/speeches/pr32e.pdf)

<sup>206</sup> International Monetary Fund, “Statement by the Hon. Ernst Welteke, Governor of the Fund of Germany at the Joint Annual Discussion”, 23 September 2003, [www.imf.org/external/am/2003/speeches/pr37e.pdf](http://www.imf.org/external/am/2003/speeches/pr37e.pdf)

<sup>207</sup> Department of Finance Canada, “Statement of the G7 Finance Ministers and Central Bank Governors,” 23 September 2003, [www.fin.gc.ca/activty/G7/g7200903e.html](http://www.fin.gc.ca/activty/G7/g7200903e.html)

<sup>208</sup> International Monetary Fund, “Statement by the Hon. Giulio Tremonti at the Joint Annual Discussion,” 23 September 2003, [www.imf.org/external/am/2003/speeches/pr08e.pdf](http://www.imf.org/external/am/2003/speeches/pr08e.pdf)

## 5. Japan: 0

Japan has partially complied with this commitment. At the 2003 IMF annual meetings, Toshihiko Fukui, alternate governor of the Bank and the Fund for Japan, stated that Japan is committed to continuously making active contributions in such areas as consolidation of institutional capacity and policy environment, and capacity building of the public sector to enhance good governance.<sup>209</sup>

Although Japan has shown its commitment to the objectives of the HIPC Initiative in its support of the G7 decision to ask the IFIs to review the methodology for calculating topping-up, Japan had not made any statements on its personal review of the methodology by September 2003.<sup>210</sup>

At the Third Tokyo International Conference on African Development (TICAD III) in October of 2003, Japan presented some mechanisms to promote good governance. They emphasized the need for African governments to improve transparency and accountability through the strengthening of check and balance mechanisms.<sup>211</sup> It was decided to continue the TICAD process in a more institutionalized manner, where its outcomes would be regularly followed up.<sup>212</sup> However, at this conference, the issue of debt sustainability in the HIPC countries was not discussed thoroughly.

## 6. Russia: 0

Russia has partially complied with this commitment. On the issue of governance, the Russian Federation called on the World Bank to “continue developing more objective indicators that would complement and eventually replace an earlier generation of perception-based indicators of governance and corruption”.<sup>213</sup>

In regards to the issue of methodology for calculating the amount of “topping-up” debt relief, Russia has not complied. No review or recommendations are presented. However, in a statement by the Hon. Aleksei Kudrin, Governor of the International Monetary Fund for the Russian Federation, made on 21 September 2003, the Russian Federation pledged its backing of the declarations made at the Monterrey Convention that called for a review of HIPC initiative practices.<sup>214</sup>

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<sup>209</sup> International Monetary Fund, “Statement by the Hon. Toshihiko Fukui,” 23 September 2003, [www.imf.org/external/am/2003/speeches/pr29e.pdf](http://www.imf.org/external/am/2003/speeches/pr29e.pdf)

<sup>210</sup> Department of Finance Canada, “Statement of the G7 Finance Ministers and Central Bank Governors,” 23 September 2003, [www.fin.gc.ca/activty/G7/g7200903e.html](http://www.fin.gc.ca/activty/G7/g7200903e.html)

<sup>211</sup> The Ministry of Foreign Affairs of Japan, “Summary by the Chair of TICAD III,” 1 October 2003, <http://www.mofa.go.jp/region/africa/ticad3/chaire-1.html>

<sup>212</sup> The Ministry of Foreign Affairs of Japan, “Highlights of the Summary by the Chair of TICAD III,” [www.mofa.go.jp/region/ticad3/chaire-2.html](http://www.mofa.go.jp/region/ticad3/chaire-2.html)

<sup>213</sup> International Monetary Fund, “Statement by the Hon Aleksei Kudrin, Governor of the International Monetary Fund for the Russian Federation at the Joint Annual Discussion”, 23 September 2003, [www.imf.org/external/am/2003/speeches/pr28e.pdf](http://www.imf.org/external/am/2003/speeches/pr28e.pdf)

<sup>214</sup> International Monetary Fund, “Statement by the Hon Aleksei Kudrin, Governor of the International Monetary Fund for the Russian Federation at the Joint Annual Discussion”, 23 September 2003, [www.imf.org/external/am/2003/speeches/pr28e.pdf](http://www.imf.org/external/am/2003/speeches/pr28e.pdf)

It must be noted that the dialogue of the Russian Federation was limited by the fact that much emphasis was placed on the Russian Federation's own debt problem.

## **7. United Kingdom: 0**

On the issue of governance, the UK has complied with this commitment. Rt. Hon. Gordon Brown, the Governor of the Fund of the UK, recommended the International Finance Facility (IFF) as a mechanism for encouraging good governance: "In seeking more favourable environments in which private sector investment can be more productive in developing countries, country-owned poverty reduction strategies have correctly focused on creating the right domestic conditions for investment, including good governance and sound legal processes that deter corruption; improved infrastructure; and an educated and healthy workforce. We support the creation of investment forums bringing public and private sectors together to examine the barriers to investment and how to secure higher levels".<sup>215</sup> The IFF serves as such a forum.

On the issue of reviewing the methodology for calculating the "topping-up" debt relief, the UK has partially complied. In a statement by Rt. Hon. Gordon Brown of the United Kingdom made on 21 September 2003, the United Kingdom gave official reaffirmation of the commitment. They also recommended and pledged a financial contribution towards the IMF and World Bank assuring the full commitment of creditor countries as a possible mechanism for increasing the total debt relief available.<sup>216</sup>

## **8. United States: 0**

The United States has partially complied with its commitment to review mechanisms for encouraging good governance. To ensure good governance, President Bush's Millennium Challenge Account ties assistance through a system incorporating the principles of free trade, free capital flows, and market-based exchange rates among the major economies. They are currently pressing the IMF to fully disclose the performance rating system used to allocate resources to the poorest countries and believes it should conduct an external performance audit of the IDA-13 results commitment, to which the US has tied its incentive contribution.

Although the United States has shown its commitment to the objectives of the HIPC Initiative and reviewing the methodology to calculate topping up of debt relief under the framework of the G7 ministerial meeting<sup>217</sup>, to date, it has not made any concrete statements of its own.<sup>218</sup>

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<sup>215</sup> International Monetary Fund, "Statement by Rt Hon Gordon Brown, United Kingdom International Monetary and Financial Committee", 21 September 2003, [www.imf.org/external/am/2003/imfc/state/gbr.htm](http://www.imf.org/external/am/2003/imfc/state/gbr.htm).

<sup>216</sup> International Monetary Fund, "Statement by Rt Hon Gordon Brown, United Kingdom International Monetary and Financial Committee", 21 September 2003, [www.imf.org/external/am/2003/imfc/state/gbr.htm](http://www.imf.org/external/am/2003/imfc/state/gbr.htm)

<sup>217</sup> Department of Finance Canada, "Statement of the G7 Finance Ministers and Central Bank Governors," 23 September 2003, [www.fin.gc.ca/activty/G7/g7200903e.html](http://www.fin.gc.ca/activty/G7/g7200903e.html)

<sup>218</sup> International Monetary Fund, "Statement by the Hon. John W. Snow," 23 September 2003, [www.imf.org/external/am/2003/speeches/pr17e.pdf](http://www.imf.org/external/am/2003/speeches/pr17e.pdf).

## 9. European Union: –1\*

The European Union has not taken any initiatives towards acknowledging or complying with the commitment made. The European Union did not send representation to the September 2003 annual meeting of the Board of governors of the IMF. According to the World Bank, the European Union however is focusing on regional and bilateral agreements and incentives with Highly Indebted Poor Countries.<sup>219</sup> The World Bank acknowledges the European Union's unilateral approach to providing special assistance to indebted countries, notably Iraq in 2003.<sup>220</sup>

*Compiled by* Tasha Schmidt, Yukari Takahashi, Olga Sajkowski,  
Nicol Lorantffy and Shahid Aslam  
University of Toronto G8 Research Group

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<sup>219</sup> Meeting Between ACP, World Bank and IMF on Trade, HIPC and Debt Sustainability Brussels, 24 April 2003, [wbln0018.worldbank.org/EURVP/web.nsf/\(\\$All\)/F847C8116362B0F6C1256D1A002C70A7](http://wbln0018.worldbank.org/EURVP/web.nsf/($All)/F847C8116362B0F6C1256D1A002C70A7).

<sup>220</sup> World Bank, Annual Report 2003, "Special Assistance in Fiscal 2003: Accelerated Debt Relief", [www.worldbank.org/annualreport/2003/special\\_assistance.html](http://www.worldbank.org/annualreport/2003/special_assistance.html).

## 2003 Evian Interim Compliance Report Environment (Marine Environment)

### Commitment:

2003 – 121: “We commit to the ratification or acceding to and implementation of the United Nations Convention on the Law of the Sea, which provides the overall legal framework for oceans.”

### Background:

This commitment stems from increased concern over environmental issues pertaining to the Earth’s marine environment. Recent environmental disasters resulting from unsafe and careless shipping practices, the increasingly alarming state of the world’s fisheries, as well as other related issues, have brought to the attention of the international community the urgent need for increased efforts in this area of international cooperation. As the United Nations Convention on the Law of the Sea is the basis of the main international legal framework governing practices that are potentially harmful to marine environment, the G8 have made this commitment in order to support efforts to curb environmental damage through better management of marine ecosystems and resources.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia			+1
United Kingdom			+1
United States		0	
European Union*			+1*
Overall		0.375	

### Individual Country Compliance Breakdown:

#### 1. Canada: +1

On 7 November 2003, Canada signed and ratified the United Nations Convention on the Law of Sea. On that same day, Canada ratified an agreement relating to the implementation of Part XI of the Convention. On 3 August 1999, Canada signed and ratified the agreement for the

implementation of the provisions of the Convention relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks.<sup>221</sup>

Canada's 2003 Federal Budget provided part of CDN\$1 billion over a 5 year period, aimed at addressing environmental concerns, to "upgrade, maintain and monitor water and waste systems and reserves...commence the establishment of 5 new national marine conservation areas and restore the ecological health of existing".<sup>222</sup>

Through the Canadian International Development Agency's Technical assistance Program, Canada has made a significant contribution to the development of the Russian Arctic through a number of current projects on the environment,<sup>223</sup> including, for example, the ECORA Project on An Integrated Ecosystem Management Approach to Conserve Biodiversity and Minimize Fragmentation in Three Selected Model Areas in the Russian Arctic, with UNEP as an implementing agency.<sup>224</sup> This evidence supports Canada's efforts towards the implementation of the UNCLOS's provisions regarding preservation of biodiversity and, as such, is evidence of Canada's compliance with this Evian commitment on the environment.

## **2. France: 0**

France made a declaration and ratified the United Nations Convention on the Law of the Sea (UNCLOS); and, signed and ratified the agreement relating to the implementation of Part XI of the Convention in April 1996. On 19 December 2003 France made a declaration and ratified the Convention Relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks.<sup>225</sup> France's ratification of the Agreement since the Evian Summit represents a step in support of the implementation of UNCLOS and, as such, qualifies as partial compliance with the Evian commitment to the ratification, accession to and implementation of UNCLOS.

## **3. Germany: 0**

Germany acceded to the United Nations Convention on the Law of the Sea (UNCLOS) on 14 October 1994. On the same date, it also ratified the Agreement Relating to the Implementation of Part XI of the Convention. Finally, it also signed the Agreement for the Implementation of the

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<sup>221</sup> United Nations Department for Oceans and the Law of the Sea, "Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks," 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

<sup>222</sup> Department of Finance Canada, "Sustainable Development Strategy: Planned Results for 2003-04," [www.fin.gc.ca/toce/2003/susdevplane.html](http://www.fin.gc.ca/toce/2003/susdevplane.html)

<sup>223</sup> Department of Foreign Affairs and International Trade of Canada, "The Northern Dimension of Canada's Foreign Policy," [www.dfait-maeci.gc.ca/circumpolar/ndfp\\_rpt-en.asp#18](http://www.dfait-maeci.gc.ca/circumpolar/ndfp_rpt-en.asp#18)

<sup>224</sup> "ECORA: Integrated Ecosystem Approach to Conserve Biodiversity and Minimize Habitat Fragmentation in the Russian Arctic," Project Website, [www.grida.no/ecora/projectbrief.htm](http://www.grida.no/ecora/projectbrief.htm)

<sup>225</sup> United Nations Department for Oceans and the Law of the Sea, "Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks," 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

Provisions of the Convention Relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks. On 18 December 2003 Germany also ratified this last Agreement relating to the Convention.<sup>226</sup> Germany's ratification since the Evian summit of the Agreement represents a step in support of the implementation of UNCLOS and, as such, qualifies as partial compliance with the Evian commitment to the ratification, accession to and implementation of UNCLOS.

#### **4. Italy: 0**

Italy made a declaration for the United Nations Convention on the Law of the Sea (UNCLOS) on 13 January 1995. Italy signed the Agreement relating to the implementation of Part XI of the Convention on 13 January 1995. Italy signed and made a declaration on the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks on 19 December 2003.<sup>227</sup> Italy's failure to ratify the UNCLOS and its related Agreements constitute neglect on behalf of the Italian government of the Evian commitment. However, their 19 December 2003 signature of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks indicates a work in progress on issues related to the Law of the Sea.

#### **5. Japan: 0**

Japan signed and ratified the United Nations Convention on the Law of the Sea (UNCLOS) on 20 June 1996. On the same date, it also ratified the Agreement Relating to the Implementation of Part XI of the Convention. Finally, it also signed the Agreement for the Implementation of the Provisions of the Convention Relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks. However, Japan has not yet ratified the Agreement on the implementation of UNCLOS.<sup>228</sup> Japan's failure to ratify this Agreement, intimately connected to UNCLOS and its implementation, indicates a neglect on the part of the Japanese government of their Evian commitment so far.

On the occasion of the 24 November 2003 United Nations General Assembly Meeting in New York, Japan, through a statement delivered by His Excellency Ambassador Yoshiyuki

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<sup>226</sup> United Nations Department for Oceans and the Law of the Sea, "Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks," 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

<sup>227</sup> United Nations Department for Oceans and the Law of the Sea, "Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks," 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

<sup>228</sup> United Nations Department for Oceans and the Law of the Sea, "Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks," 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

Motomura, Deputy Permanent Representative of Japan at the United Nations, expressed its commitment to “continuing its support of [and active participation in] the organs established under the Convention, namely, the International Seabed Authority (ISA), the International Tribunal for the Law of the Sea (ITLOS), and the Commission on the Limits of the Continental Shelf (CLCS).”<sup>229</sup> On the same occasion, Japan reiterated its continued commitment to “the stability of the legal framework of ocean affairs” and to the “promotion of the prudent and equitable use of the sea by the international community, in accordance with the Convention”.<sup>230</sup> These statements, clearly in support of universal signature, ratification and accession to UNCLOS, as well as containing a direct reference to the implementation of UNCLOS and its related Agreements (through the reference to the legal framework of ocean affairs), represent partial compliance with Japan’s Evian commitment regarding UNCLOS.

## **6. Russia: +1**

On March 12, 1997, Russia signed and ratified the United Nations Convention on the Law of the Sea. On the same date, Russia acceded to the agreement relating to the implementation of Part XI of the Convention. On 4 August 1997 Russia ratified and made a declaration concerning the agreement for the implementation of the provisions of the Convention relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks.<sup>231</sup>

On 18 July 2003 a meeting of the Interdepartmental Commission was held that related to the coordination of the activities of the federal executive organs, concerning the realization of the Federal Central Program “World Ocean”.<sup>232</sup> The divisions of the subprogram strive for a holistic approach to economic and environmental problems and objectives of the marine ecosystem, including research and development, extractive industries, employment (securing 17,000 jobs), sustainable utilization of Arctic and Antarctic mineral and bio resources.<sup>233</sup>

On 3 December 2003 a conference took place between the UN representative of UNEP and the representative of the Mine Co-development of Russia. A Program of strategic actions concerning conservation and restoration of the marine environment of the Russian Arctic was developed and

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<sup>229</sup> Ministry of Foreign Affairs of Japan, “Statement by the H.E. Ambassador Yoshiyuki Motomura Deputy Permanent Representative of Japan at the General Assembly Meeting on Agenda Item 52(a): Oceans and the Law of the Sea 52(b): Sustainable Fisheries,” 24 November 2003, [www.mofa.go.jp/announce/speech/un0311-3.html](http://www.mofa.go.jp/announce/speech/un0311-3.html)

<sup>230</sup> Ministry of Foreign Affairs of Japan, “Statement by the H.E. Ambassador Yoshiyuki Motomura Deputy Permanent Representative of Japan at the General Assembly Meeting on Agenda Item 52(a): Oceans and the Law of the Sea 52(b): Sustainable Fisheries,” 24 November 2003, [www.mofa.go.jp/announce/speech/un0311-3.html](http://www.mofa.go.jp/announce/speech/un0311-3.html)

<sup>231</sup> United Nations Department for Oceans and the Law of the Sea, “Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks,” 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

<sup>232</sup> Ministry of the Economy of Russian Federation, “World Ocean Program,” 9 January 2003, [www.economy.gov.ru/merit/fcp\\_mirovoi\\_okean/index.htm](http://www.economy.gov.ru/merit/fcp_mirovoi_okean/index.htm)

<sup>233</sup> Ministry of the Economy of the Russian Federation, “World Ocean Program,” 9 January 2003, [www.economy.gov.ru/merit/fcp\\_mirovoi\\_okean/index.htm](http://www.economy.gov.ru/merit/fcp_mirovoi_okean/index.htm)



approved. Hence, some US\$30 million are planned to be provided by Russia and other participating parties for the program's implementation by 2008.<sup>234</sup>

In October 2003, the Russian Federation held a number of meetings with other G8 countries regarding different issues covered by the UNCLOS. Among these are: a meeting with German representatives concerning general environment questions; a meeting with Italy on cooperation in the management of water pollutants and resources in the framework developed within the European Union; and, a meeting with the Canadian Minister of Environment on the issues of monitoring and protecting biodiversity. The Russian Federation and the United States also signed a Protocol on Prevention and Elimination of the Oil Spillage in September 2003.<sup>235</sup>

Russia's actions since the Evian summit constitute tangible work towards the implementation of the UNCLOS' provisions, thus indicating compliance with the G8 Environment Commitment made in 2003.

## **7. United Kingdom: +1**

The United Kingdom made a declaration and ratified the United Nations Convention on the Law of the Sea and signed and ratified the agreement relating to the implementation of Part XI of the Convention in 1995. In 2001, the United Kingdom made a declaration, signed and ratified the agreement for the implementation of the provisions of the Convention relating to the Conservation and Management of Straddling Fish Stocks and Highly Migratory Fish Stocks.<sup>236</sup>

On 10 December 2003 the Department of Trade and Industry published a memorandum for the House of Lords Second Report on Delegated Powers and Regulatory Reform. It included Clause 75(4) in the Energy Bill Annex which "gave domestic effect to Part V of the United Nations Convention on the Law of the Sea, as regards the production of energy from water or wind". In mapping the Renewable Zone (REZ), it follows the UNCLOS by reducing areas mapped out from the Continental Shelf Act of 1964 to 200 miles or less from the territorial sea baseline.<sup>237</sup> These actions constitute strong compliance with the Evian commitment in the area of implementation of UNCLOS.

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<sup>234</sup> Ministry of Foreign Affairs of the Russian Federation, "Announcement of the Press Department of the Ministry of Economic Development and Trade of the Russian Federation," 8 December 2003, [www.in.mid.ru/ns-dmo.nsf/a1c87897b58a9d2743256a550029f995/432569f10031eb9343256df7002be3ec?OpenDocument](http://www.in.mid.ru/ns-dmo.nsf/a1c87897b58a9d2743256a550029f995/432569f10031eb9343256df7002be3ec?OpenDocument)

<sup>235</sup> Ministry of Foreign Affairs of the Russian Federation, "Announcement of the Press Department of the Ministry of Economic Development and Trade of the Russian Federation," 8 December 2003, [www.in.mid.ru/ns-dmo.nsf/56b4db0e06b748b8432569f400359251/432569f10031eb9343256df7002be3ec?OpenDocument](http://www.in.mid.ru/ns-dmo.nsf/56b4db0e06b748b8432569f400359251/432569f10031eb9343256df7002be3ec?OpenDocument)

<sup>236</sup> United Nations Department for Oceans and the Law of the Sea, "Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks," 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

<sup>237</sup> United Kingdom Parliament, House of Lords, "Delegated Powers and Regulatory Reform - Second Report", 10 December 2003, [www.parliament.the-stationery-office.co.uk/pa/ld200304/ldselect/lddelreg/10/1002.htm](http://www.parliament.the-stationery-office.co.uk/pa/ld200304/ldselect/lddelreg/10/1002.htm).

## 8. United States: 0

The United States signed the Agreement relating to the implementation of Part XI of the Convention on the Law of the Sea (UNCLOS) on 28 July 1996. The U.S. also signed the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks in force on 11 December 2001. However, the United States has yet to ratify the Convention on the Law of the Sea.<sup>238</sup>

On 24 November 2003, the U.S. declared that it “fully supports accelerated development of the model audit scheme as an important mechanism to deal with substandard shipping and to enhance maritime safety, security, and marine environmental protection”.<sup>239</sup> The United States has also made statements concerning their efforts towards accession to the UNCLOS. “The United States Senate has held two hearings on the Law of the Sea. Administrative witnesses, and others, others have expressed their strong support for U.S. accession to the Law of the Sea convention”.<sup>240</sup>

Further evidence of US support comes with actions taken to implement the White Water to Blue Water Partnership. This initiative is intended to help implement UNCLOS, the 1995 UN Fish Stocks Agreement, and the 2000 Convention on the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean. For example, “The State Department has already committed US\$2 million to WW2BW-related projects worldwide (US\$1.5 million of which directly targets the Wider Caribbean Region)”.<sup>241</sup>

## 9. European Union: +1\*

The European Union made a declaration of ratification and formal confirmation for the United Nations Convention on the Law of the Sea (UNCLOS) on 1 April 1998. The European Union signed and ratified making a formal confirmation on the Agreement relating to the implementation of Part XI of the Convention on 1 April 1998. The European Union made a declaration on the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish stocks and highly migratory fish stocks on 19 December 2003.<sup>242</sup>

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<sup>238</sup> United Nations Department for Oceans and the Law of the Sea, “Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of straddling fish and highly migratory fish stocks,” 23 December 2003, [www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

<sup>239</sup> United States Mission to the United Nations, “Congressman Gilman: Statement on the Law of the Sea,” 24 November 2003, [www.un.int/usa/03\\_241.htm](http://www.un.int/usa/03_241.htm)

<sup>240</sup> United States Mission to the United Nations, “Congressman Gilman: Statement on the Law of the Sea,” 24 November 2003, [www.un.int/usa/03\\_241.htm](http://www.un.int/usa/03_241.htm)

<sup>241</sup> USAID, “White Water to Blue Water,” 2003, [www.usaid.gov/our\\_work/environment/water/wwf3.factsheets/white.water.to.blue.water.pdf](http://www.usaid.gov/our_work/environment/water/wwf3.factsheets/white.water.to.blue.water.pdf)

<sup>242</sup> United Nations Department for Oceans and the Law of the Sea, “Status of the United Nations Convention on the Law of the Sea, of the Agreement relating to the implementation of Part XI of the Convention and of the Agreement for the implementation of the provisions of the Convention relating to the conservation and management of

In a meeting of the Council of the European Union a directive was developed. “The aim of the Directive is to transpose the international rules on ship-source pollution of the MARPOL Convention into Community legislation and to establish harmonized rules for their enforcement. It also extends the measures to include offences occurring on the high seas in accordance with the provisions of the United Nations Convention on the Law of the Sea (UNCLOS). The council agreed on a general approach, pending the European Parliament’s opinion in the reading, concerning the proposal for a Regulation aiming at providing the European Marine Safety Agency with new tasks in the field of maritime security and in the process of Community recognition of the training and qualifications of third country seafarers, as well as additional competence and means to fight pollution caused by ships”.<sup>243</sup>

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straddling fish and highly migratory fish stocks,” 23 December 2003,  
[www.un.org/Depts/los/reference\\_files/status2003.pdf](http://www.un.org/Depts/los/reference_files/status2003.pdf)

<sup>243</sup> Council of the European Union, “2551th Council Meeting – Transport Telecommunications and Energy,” December 5, 2003,  
[ue.eu.int/newsroom/makeFrame.asp?MAX=1&BID=87&DID=78234&LANG=1&File=/pressData/en/trans/78234.pdf&Picture=0](http://ue.eu.int/newsroom/makeFrame.asp?MAX=1&BID=87&DID=78234&LANG=1&File=/pressData/en/trans/78234.pdf&Picture=0)

## 2003 Evian Interim Compliance Report Health: AIDS/Infectious Diseases

### Commitment:

2003-10: “We agreed on measures to strengthen the Global Fund to Fight AIDS, Tuberculosis and Malaria, and other bilateral and multilateral efforts, notably through our active participation in the donors’ and supporters’ conference to be hosted in Paris this July.”

### Background:

Combating the threat of infectious diseases is of great importance to the G8 countries. AIDS, Tuberculosis and Malaria, in particular are responsible for the deaths of 6 million people every year. AIDS infections continue to increase and an estimated 40 million people world-wide live with the disease. Since the AIDS virus was first identified, over 60 million people have become infected and 20 million have died.<sup>244</sup> Due to these numbers, the Global Fund’s efforts are urgently needed to respond to infectious diseases and promote social and economic development in developing countries.<sup>245</sup> With the incidence of these diseases on the rise, the Global Fund is a step toward finding an effective and enduring solution.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France			+1
Germany		0	
Italy			+1
Japan			+1
Russia			+1
United Kingdom			+1
United States			+1
EU*		0*	
Overall		0.875	

### Individual Country Compliance Breakdown:

#### 1. Canada: +1

Through the Canadian International Development Agency (CIDA), Canada has committed to contributing CDN\$100 million over the next five years to African-led programs and initiatives for the treatment, support, care and prevention of HIV/AIDS. Moreover, Canada has committed to allocating CDN\$50 million over five years to the International AIDS Vaccination Initiative (IAVI) and CDN\$12 million to support the work of a Canadian Coalition on HIV/AIDS dealing

<sup>244</sup> Kaiser Family Foundation, “HIV/AIDS,” [No Date] [www.kff.org/hivaids/index.cfm](http://www.kff.org/hivaids/index.cfm).

<sup>245</sup> Ministry of Foreign Affairs of Japan “Japan’s Additional Contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria” December 12, 2003 [www.mofa.go.jp/announce/announce/2003/12/1212.html](http://www.mofa.go.jp/announce/announce/2003/12/1212.html)

with the various social impacts of the disease. Canada was the first country to respond to the 30 August 2003 decision of the Generic Drug Agreement by the World Trade Organization by tabling legislative changes to the Patent and Food and Drug Acts. This will make vital medicines more accessible to those infected with HIV/AIDS and other infectious diseases in developing countries. Canada has committed itself to increasing overall bilateral investment to fight the spread of the AIDS pandemic to CDN\$270 million by 2005.<sup>246</sup>

## **2. France: +1**

In July 2003, France hosted the International AIDS Society conference to support the Global Fund to Fight AIDS, Tuberculosis and Malaria. At this conference, President Jacques Chirac confirmed his pledge that France would triple its annual contributions to the Global Fund.<sup>247</sup> Beginning in 2004, France will allocate €150 million per year to the Global Fund to Fight AIDS, Tuberculosis and Malaria. Furthermore, the French Ministry of Foreign Affairs has confirmed its intention to appoint an ambassador to oversee all affairs pertaining to France within the global response to fight HIV/AIDS and other infectious diseases.<sup>248</sup>

## **3. Germany: 0**

Germany fully paid its pledged amount for 2003 to the Global Fund to Fight AIDS, Tuberculosis and Malaria.<sup>249</sup> Germany also participated actively in the International Meeting to Support the Global Fund held in Paris on July 16<sup>th</sup>, 2003. The German Minister for Economic Cooperation and Development Heidemarie Wieczorek-Zeul, “emphasized the importance of poverty reduction to International Development Cooperation and urged support for efforts to make low cost drugs available to the poor”. Furthermore, in late December 2003 Germany made clear that it would provide US\$ 7.4 million to the Caribbean to help fight HIV/AIDS.<sup>250</sup> Even with these efforts, Germany among other EU members blocked EU legislation that would have allocated an additional €170 million to the Global Fund to fight AIDS and thus receives a score of 0, indicating a work in progress.<sup>251</sup>

## **4. Italy: +1**

The encouragement of the Italian presidency of the European Union resulted in the approval of the establishment of Centre for the Fight against SARS and communicable diseases in December 2003. Italy has committed an additional €200 million by way of contributions to the Global Fund

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<sup>246</sup> Canadian International Development Agency, “Canada bolsters HIV/AIDS programming in Africa,” 1 December 2003, [www.acdi-cida.gc.ca/cida\\_ind.nsf/0/5afc5045f75031e685256def00513919?OpenDocument](http://www.acdi-cida.gc.ca/cida_ind.nsf/0/5afc5045f75031e685256def00513919?OpenDocument).

<sup>247</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, “Summary Report – An International Meeting to Support the Global Fund,” 16 July 2003, [www.theglobalfund.org](http://www.theglobalfund.org).

<sup>248</sup> ‘Journée mondiale du SIDA’, Press Conference, Quai d’Orsay, French Foreign Ministry, 28 November 2003, URL.

<sup>249</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, “Pledges and Contributions,” 9 January 2004, [www.theglobalfund.org/en/files/pledges&contributions.xls](http://www.theglobalfund.org/en/files/pledges&contributions.xls).

<sup>250</sup> The Henry J. Kaiser Family Foundation, “Daily HIV/AIDS report”, 22 December 2003, [www.kaisernetwork.org/daily\\_reports/rep\\_index.cfm?hint=1&DR\\_ID=21455](http://www.kaisernetwork.org/daily_reports/rep_index.cfm?hint=1&DR_ID=21455).

<sup>251</sup> CNN, “EC refuses to add to AIDS fund,” 16 July 2003, [edition.cnn.com/2003/HEALTH/conditions/07/16/aids.funding.resistant/index.html](http://edition.cnn.com/2003/HEALTH/conditions/07/16/aids.funding.resistant/index.html).

since the Evian summit, in support of its pledge to the fund.<sup>252</sup> Other efforts against communicable diseases include the donation of US\$1,651,473 to the Joint United Nations Programme on HIV/AIDS (UNAIDS),<sup>253</sup> ranking Italy 5<sup>th</sup> among G8 members. Italy took an active leadership role amongst its European peers during the SARS crisis, establishing research, treatment or prevention programs in the wake of the outbreak.<sup>254</sup> The country has made advances toward developing multiple AIDS vaccines, is coordinating experimentation of these at a European level and has already selected human volunteers for testing.

## 5. Japan: +1

On 12 December 2003, at the Association of Southeast Asian Nations (ASEAN) Commemorative Summit, the Japanese Government announced an additional pledge to contribute up to US\$100 million in 2004 to the Global Fund to Fight AIDS, Tuberculosis and Malaria.<sup>255</sup> The Global Fund praised Japan's contribution for 2004, which increased from US\$40 million to US\$100 million. According to the Fund, this recent contribution demonstrated Japan's continued commitment to the cause and its assistance in fostering support from the Asia and Pacific region in the fight against infectious disease.<sup>256</sup> Furthermore, on 16 December 2003, the Japanese Government contributed up to US\$50.3 million in emergency grant aid to the Global Fund as part of Japan's contribution of US\$85 million for 2003.<sup>257</sup>

## 6. Russia: +1

In the fight against AIDS and infectious disease Russia is in a unique position. On the one hand, Russia has one of the fastest growing AIDS epidemics in the world<sup>258</sup>, in addition to widespread Tuberculosis. It has also been involved in multilateral efforts in which it has become the recipient of grants from the Global Fund<sup>259</sup>. On the other hand, Russia has complied with measures to strengthen the Global Fund as it has fulfilled its pledge of US\$4,000,000 for 2003 and has committed another US\$5,000,000 for 2004.<sup>260</sup> It has also taken part in bilateral efforts

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<sup>252</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, "Global Fund Praises New Funding Pledges by G8, underscores Need for US\$ 3 Billion by End of 2004," 6 June 2003, [www1.theglobalfund.org/en/media\\_center/press/pr\\_030606.asp](http://www1.theglobalfund.org/en/media_center/press/pr_030606.asp).

<sup>253</sup> UNAIDS, "Ranking of Government's Total Core Contributions 2003 as at (sic) 30 December 2003," 30 December 2003, [www.unaids.org/html/pub/Governance/PCB01/Core%202003\\_en\\_xls.htm](http://www.unaids.org/html/pub/Governance/PCB01/Core%202003_en_xls.htm).

<sup>254</sup> European Union, [europa.eu.int/comm/health/ph\\_threats/com/sars/sars\\_annexb\\_en.pdf](http://europa.eu.int/comm/health/ph_threats/com/sars/sars_annexb_en.pdf).

<sup>255</sup> Ministry of Foreign Affairs of Japan "Japan's Additional Contribution to the Global Fund to Fight AIDS, Tuberculosis and Malaria" 12 December, 2003, [www.mofa.go.jp/announce/announce/2003/12/1212.html](http://www.mofa.go.jp/announce/announce/2003/12/1212.html).

<sup>256</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, "Japan More Than Doubles 2004 Pledge to Global Fund: Prime Minister of Japan Announces 150% Increase in Japan's 2004 Contribution to the Global Fund", 12 December, 2003, [www.theglobalfund.org/en/media\\_center/press/pr\\_031212.asp](http://www.theglobalfund.org/en/media_center/press/pr_031212.asp).

<sup>257</sup> Ministry of Foreign Affairs of Japan, "Grant Aid to the Global Fund to Fight AIDS, Tuberculosis and Malaria", 16 December 2003, [www.mofa.go.jp/policy/health\\_c/aid0312.html](http://www.mofa.go.jp/policy/health_c/aid0312.html).

<sup>258</sup> Liam Plevan, "HIV/AIDS Newsroom," The Body - Provided by the Centers of Disease Control and Prevention, 6 August 2003, [www.thebody.com/cdc/news\\_updates\\_archive/2003/aug6\\_03/russia\\_hiv.html](http://www.thebody.com/cdc/news_updates_archive/2003/aug6_03/russia_hiv.html).

<sup>259</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, "Portfolio of Grants in Russian Federation", No Date, [www.theglobalfund.org/search/portfolio.aspx?lang=en&countryID=RUS](http://www.theglobalfund.org/search/portfolio.aspx?lang=en&countryID=RUS).

<sup>260</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, "Pledges and Contributions", DATE [www.theglobalfund.org/en/files/pledges&contributions.xls](http://www.theglobalfund.org/en/files/pledges&contributions.xls)

with the United States in which “deepening cooperation in the battle against HIV/AIDS” was a key area discussed.<sup>261</sup>

## **7. United Kingdom: +1**

The United Kingdom met its target pledge amount of £40,032,750<sup>262</sup> for the Global Fund in 2003. At the international conference to support the Global Fund, the UK pledged to allocate an additional US\$80 million to the Fund, thereby increasing its total contribution to US\$280 million by 2008.<sup>263</sup> On 1 December 2003 the United Kingdom’s Secretary of State for International Development, Hilary Benn, unveiled the government’s “Call for Action” on HIV/AIDS. This action plan declared that in 2004 the UK will double its funding to UNAIDS, increasing its contribution to £6 million. In the “Call for Action” the UK urges the international community to intensify its efforts to increase the global response to fight HIV/AIDS and other infectious diseases. More specifically the action plan calls for greater funding, stronger political direction and increased donor coordination in support of various HIV/AIDS programs.<sup>264</sup> Furthermore, the UK has announced that it will make HIV/AIDS a focal point of the UK presidencies of the G8 and the EU in 2005. The government has also announced that it will make HIV/AIDS a priority when distributing the extra £320 million that will be devoted to Africa by 2006.<sup>265</sup>

## **8. United States: +1**

In April, the United States passed legislation that authorized the donation of US\$15 billion to AIDS related programs over 5 years. US\$2 billion will be allocated in 2004, increasing by US\$500 million each year until the sum reaches \$4 billion in 2008.<sup>266</sup> The US further authorized up to US\$1 billion in 2004 for the Global Fund, making it the largest single country contributor.<sup>267</sup> It has also invested US\$500 million in the presidential initiative for the Prevention of Mother to Child Transmission (PMTCT) of HIV in Haiti and 13 other countries throughout Africa and the Caribbean.<sup>268</sup> In addition to these efforts, the US has committed to giving a grant of US\$100 million to UNAIDS.<sup>269</sup>

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<sup>261</sup> Office of the Press Secretary, “US – Russian Federation Joint Statement”, 27 September 2003, [www.whitehouse.gov/news/releases/2003/09/20030927-10.html](http://www.whitehouse.gov/news/releases/2003/09/20030927-10.html).

<sup>262</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, “Pledges and Contributions”, 9 January 2004, [www.theglobalfund.org/en/files/pledges&contributions.xls](http://www.theglobalfund.org/en/files/pledges&contributions.xls).

<sup>263</sup> Department for International Development, “Note on DFID Response to HIV/AIDS Epidemic and Support for the Global Health Fund”, 12 December 2003, [www.dfid.gov.uk](http://www.dfid.gov.uk).

<sup>264</sup> Department for International Development, ‘UK Government Launches “Call for Action” to Fight HIV/AIDS and Doubles Funding to UNAIDS’, 1 December 2003, [www.dfid.gov.uk](http://www.dfid.gov.uk).

<sup>265</sup> Department for International Development, “Note on DFID Response to HIV/AIDS Epidemic and Support for the Global Health Fund”, 12 December 12 2003, [www.dfid.gov.uk](http://www.dfid.gov.uk).

<sup>266</sup> US House of Representatives Committee on rules, “Summary of Amendments Submitted to the Rules Committee on H.R. 1298 -United States Leadership against HIV/AIDS, Tuberculosis, and Malaria Act of 2003,” 30 April 2003, [www.house.gov/rules/108amnd\\_1298.htm](http://www.house.gov/rules/108amnd_1298.htm).

<sup>267</sup> The Global Fund to Fight AIDS, “Global fund praises new funding pledges by G8, underscores need for US\$ 3 Billion by end of 2004,” 6 June 2003, [www.theglobalfund.org/en/media\\_center/press/pr\\_030606.asp](http://www.theglobalfund.org/en/media_center/press/pr_030606.asp).

<sup>268</sup> United States Diplomatic Mission to Italy, “Presidential HIV-Prevention Initiative Launched in Haiti, Other Countries, July 21, 2003,” 22 July 2003, [www.usembassy.it/file2003\\_07/alia/a3072208.htm](http://www.usembassy.it/file2003_07/alia/a3072208.htm).

<sup>269</sup> United States Diplomatic Mission to Italy, “U.S. an Ally in the Fight Against AIDS, Powell Says, September 22, 2003,” 22 September 2003, [www.usembassy.it/file2003\\_09/alia/a3092206.htm](http://www.usembassy.it/file2003_09/alia/a3092206.htm).

## 9. European Union: 0\*

The European Union has partially complied with their G8 commitment. The President of the European Commission, Romano Prodi has stated numerous times that he will encourage the European Union to donate a further €1 billion to the Global Fund in addition to the funds already contributed at Evian. This donation has not yet been approved. The European Union approved early disbursement of €170 million to enable rapid deployment to the Global Fund.<sup>270</sup> However, legislation to contribute an additional €170 million to the Global Fund to fight AIDS has been blocked by Germany, Denmark and the Netherlands.<sup>271</sup> The EU received a score of zero due to other health related efforts regarding infectious diseases such as the establishment of the European Centre for the fight against SARS and communicable diseases.<sup>272</sup> This includes a system of free circulation of patients and healthcare workers across Europe in order to allow access to the most effective treatments available. The EU has allocated approximately €860 million to numerous programs in the fight against AIDS,<sup>273</sup> none of which however is new money allocated to the Global Fund.

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<sup>270</sup> The Global Fund to Fight AIDS, Tuberculosis and Malaria, "Global Fund Welcomes EC Commitment of Further Eur 170 Million," 31 October 2003, [www.theglobalfund.org/en/media\\_center/press/pr\\_031031.asp](http://www.theglobalfund.org/en/media_center/press/pr_031031.asp).

<sup>271</sup> CNN, "EC refuses to add to AIDS fund," 16 July 2003, [edition.cnn.com/2003/HEALTH/conditions/07/16/aids.funding.resistant/index.html](http://edition.cnn.com/2003/HEALTH/conditions/07/16/aids.funding.resistant/index.html).

<sup>272</sup> Italian presidency of the Council of the European Union, "Sanita': semestre Italia, piu' forte l'Europa della salute," 24 December 2003, [www.ueitalia2003.it/ITA/Notizie/Notizia\\_12241402617.htm](http://www.ueitalia2003.it/ITA/Notizie/Notizia_12241402617.htm).

<sup>273</sup> Romano Prodi, Speech at International Meeting to Support the Global Fund, 16 July 2003, [www.theglobalhealthfund.org/en/in\\_action/events/paris/transcripts/prodi.asp](http://www.theglobalhealthfund.org/en/in_action/events/paris/transcripts/prodi.asp).



## 2003 Evian Interim Compliance Report Crime: Terrorist Financing

### Commitment:

2003 – 36: “We reaffirm our commitment to fight financial abuses and to encourage wider accession to and ratification of the U.N. Convention on Transnational Organised Crime so that money laundering, corruption and other relevant crimes are universally criminalized and that all countries have the power to identify, trace, freeze or seize and ultimately confiscate and dispose of assets from the proceeds of these crimes.”

### Background:

At the 2003 Evian Summit, G8 Members placed a strong emphasis on ensuring that financial resources in this area were directed towards their intended purpose, primarily through increased transparency and accountability. As a measure of this goal, the leaders committed to fighting transnational crime and recognized the initiatives already made in this area under the auspices of the United Nations.

On 29 September 2003, the United Nations Convention Against Transnational Organized Crime entered into force, having received the minimum 40 ratifications required as of July 2003. This agreement represents a significant achievement between states in the fight against organized crime, and presents several measures to cooperate against specific activities such as money laundering, corruption, and the obstruction of investigations or persecutions. The Convention was first officially adopted by the UN General Assembly at the Millennium Assembly in November 2000. Among the G8 members, all are signatories but few have ratified the agreement to date.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France			+1
Germany		0	
Italy		0	
Japan		0	
Russia		0	
United Kingdom		0	
United States		0	
Overall		0.250	

## Individual Country Compliance Breakdown:

### 1. Canada: +1

The Canadian government ratified the UN Convention on Transnational Organized Crime on 13 May 2002, thereby fulfilling a key element of its commitment as a G8 member. In addition, the Canadian government has taken several other initiatives to combat various forms of transnational crime, focusing particular attention on financial transactions.

In the Budget Plan for 2003, the Canadian government made provisions for teams of professionals from various sectors to cooperate in organized crime investigations.<sup>274</sup> As part of the Government of Canada's plan to bolster confidence in Canada's capital markets, the Minister of Justice introduced new legislation (Bill C-46) in June 2003 to ensure that individuals and companies that violate public trust through fraudulent activity involving the markets face punishments consistent with the seriousness of the crime.<sup>275</sup>

According to the Canadian National Report: Implementation of the Action Plan of the Quebec City Summit of the Americas in the Period September 2003 to December 2003, "In addition to supporting the Caribbean Financial Action Task Force (CFATF), a group fighting money laundering in the Americas, Canada contributed [CDN]\$45,000 towards the organization of an anti-money laundering seminar in Mexico in February 2004, that will cover judicial, legislative, and law-enforcement aspects of anti-money laundering procedures".<sup>276</sup>

### 2. France: +1

A signatory of the UN Convention on Transnational Organized Crime on 12 December 2000, the government of France ratified the Convention on 29 October 2002.<sup>277</sup> France has continued to advance the Convention's principles in its "hopes for the broadest possible ratification of the convention".<sup>278</sup> In 2003, France hosted a ministerial conference on central Asia and European drug routes, and was home to the presentation of ODC's annual global illicit drugs' trends (2002) report. Throughout the year, France has "actively participated in [Convention] negotiations in both a national capacity and as president of the G8, [and has proposed] in particular an important provision in regard to the restitution of illicit assets".<sup>279</sup>

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<sup>274</sup> Department of Finance Canada: "The Budget Plan 2003". [www.fin.gc.ca/budget03/pdf/bp2003e.pdf](http://www.fin.gc.ca/budget03/pdf/bp2003e.pdf)

<sup>275</sup> The Department of Justice: "Overview of Recent Activities and Achievements August 2003". [canada.justice.gc.ca/en/dept/pub/ach/2003/introduction.html#capitalmarkets](http://canada.justice.gc.ca/en/dept/pub/ach/2003/introduction.html#capitalmarkets)

<sup>276</sup> Canadian National Report: Implementation of the Action Plan of the Quebec City Summit of the Americas in the Period September 2003 to December 2003. [webapps.dfait-maeci.gc.ca/minpub/Publication.asp?FileSpec=/Min\\_Pub\\_Docs/106184.htm](http://webapps.dfait-maeci.gc.ca/minpub/Publication.asp?FileSpec=/Min_Pub_Docs/106184.htm)

<sup>277</sup> United Nations Office on Drugs and Crime, "United Nations Convention against Transnational Organized Crime," [www.unodc.org/unodc/en/crime\\_cicp\\_signatures\\_convention.html](http://www.unodc.org/unodc/en/crime_cicp_signatures_convention.html)

<sup>278</sup> Ministère des Affaires Étrangères, Palermo Convention – Statement by the Ministry of Foreign Affairs Spokesperson (26 September 2003), [www.france.diplomatie.fr/actu/impression.gb.asp?ART=37270](http://www.france.diplomatie.fr/actu/impression.gb.asp?ART=37270)

<sup>279</sup> Ministère des Affaires Étrangères, "U.N. Convention on Corruption – Statement by the French Foreign Ministry Spokesperson (10 December 2003), [www.france.diplomatie.fr/actu/impression.gb.asp?ART=39268](http://www.france.diplomatie.fr/actu/impression.gb.asp?ART=39268)

### 3. Germany: 0

Germany has yet to ratify the UN Convention of Transnational Organized Crime since signing it on 12 December 2000.<sup>280</sup> Germany did, however, on 11 December 2003, host the 7<sup>th</sup> International Berlin Workshop entitled: “Organized Crime as a Major Obstacle to Successful Peacebuilding”.<sup>281</sup> In his opening remarks at this workshop Minister of State Kerstin Müller outlined several examples of Germany’s active participation in international fora that are dedicated to fighting organized crime; including Interpol, the Commission on Crime Prevention and Criminal Justice and the Commission on Narcotic Drugs. Furthering Germany’s stated commitment to wider accession and ratification of U.N. conventions the Chancellor Gerhard Schroeder delivered a speech to the UN General Assembly on 24 September 2003 in which he advocated for expanding the UN Security Council to include representatives of developing countries in efforts against crime.<sup>282</sup>

### 4. Italy: 0

Italy has not yet ratified the UN Convention on Transnational Organized Crime which it signed on 12 December 2000, although attempts to introduce new agreements while reaffirming its commitment continue.<sup>283</sup> In March, at the fifth session of the Italian-Ukrainian Council for Economic, Industrial and Financial Co-operation, an agreement was officiated by delegates to ensure mutual administrative assistance in response to customs’ violations.<sup>284</sup>

Remarks made during May’s Central Asian Drug Traffic Route Conference on Central Asian Drug Routes clarified one Italian delegate’s belief in the chief, traditional role the country would assume in compelling international members to unearth the “formidable instruments of corruption and money laundering and, in some case[s], their ties to terrorist networks...”<sup>285</sup> Held in early July, a panel discussion on the International Rule of Law and Multilateral Treaties against Transnational Organized Crime and Terrorism was led by representatives of several countries, including Italy.<sup>286</sup> By September 2003, Under-Secretary of State for Foreign Affairs for Asian countries, Margherita Boniver, was quoted as recognizing her country’s “front line” role in the fight against terrorist-funding organizations.<sup>287</sup>

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<sup>280</sup> United Nations Office on Drugs and Crime, “United Nations Convention Against Transnational Organized Crime” [www.unodc.org/unodc/crime\\_cicp\\_signatures\\_convention.html](http://www.unodc.org/unodc/crime_cicp_signatures_convention.html)

<sup>281</sup> Federal Foreign Office, “Organized Crime as a Major Obstacle to Successful Peacebuilding” – Opening address by Minister of State Kerstin Mueller, [www.auswaertiges\\_amt.de/www/en/ausgabe\\_archiv?archiv\\_id=5189](http://www.auswaertiges_amt.de/www/en/ausgabe_archiv?archiv_id=5189)

<sup>282</sup> Schroeder, “United Nations role must be strengthened” 2003/09/25 [eng.bundesregierung.de/frameset/index.jsp](http://eng.bundesregierung.de/frameset/index.jsp)

<sup>283</sup> United Nations Office on Drugs and Crime, “United Nations Convention against Transnational Organized Crime,” [www.unodc.org/unodc/en/crime\\_cicp\\_signatures\\_convention.html](http://www.unodc.org/unodc/en/crime_cicp_signatures_convention.html)

<sup>284</sup> Ministero degli Affari Esteri, “Rome, 14 March 2003,” [www.esteri.it/attualita/2003/eng/notes/no30313c.htm](http://www.esteri.it/attualita/2003/eng/notes/no30313c.htm)

<sup>285</sup> Ministero degli Affari Esteri, “Central Asian Drug Traffic Route Conference on Central Asian Drug Routes,” [www.esteri.it/attualita/2003/eng/statjnt/index.htm](http://www.esteri.it/attualita/2003/eng/statjnt/index.htm)

<sup>286</sup> United Nations Treaty Collection, “Panel Discussion – The International Rule of Law: Multilateral Treatises Against Transnational Organized Crime and Terrorism,” [www.untreaty.org/English/Panel.pdf](http://www.untreaty.org/English/Panel.pdf)

<sup>287</sup> Elisa Calessi, “The Union cannot wait, it must cut off funds to Hamas,” *Libero* (4 September 2003), Ministero degli Affari Esteri. [www.esteri.it/attualita/2003/eng/statint/i030904a/htm](http://www.esteri.it/attualita/2003/eng/statint/i030904a/htm)

## **5. Japan: 0**

To date Japan has not fully complied with this commitment. On 12 December 2000 the Japanese government signed the UN Convention Against Transnational Crime, but they have yet to ratify this agreement. Regardless, this UN Convention came into force on 29 September 2003, having been ratified by the minimum forty states required.

Concurrently, the Japanese government under Prime Minister Junichiro Koizumi has indicated a commitment to counter transnational criminal activities. On 10 December 2003 Prime Minister Koizumi outlined Japan's desire to cooperate with the Association of South East Asian Nations (ASEAN) to respond to the economic threat of terrorism.<sup>288</sup> Japan has also committed at the 11<sup>th</sup> APEC Economic Leaders' Meeting this year to work with the Asian Development Bank "to support projects that enhance port security, combat terrorist finance, and achieve other counter-terrorism objectives".<sup>289</sup>

## **6. Russia: 0**

Russia has yet to ratify the UN Convention on Transnational Organized Crime, thus they have received a score of 0 for a work in progress. However, Russia has shown some support in committing themselves to measures against crimes relevant to the convention. These efforts are demonstrated through an agreement with Europol in November 2003, and their admission to and involvement with the Financial Action Task Force on Money Laundering (FATF) in June 2003. Russia's participation in the FATF is a major achievement and a step forward in confronting money laundering. The FATF member countries exchange information to help identify techniques used in money laundering.

On 6 November 2003, Russia and the European Police Office (Europol) agreed to enhance cooperation on combating forms of transnational criminal activities.<sup>290</sup> The parties agreed to cooperate in the area of "prevention, detection, suppression and investigation of crimes" in areas such as money laundering and illicit trafficking. In order to fulfil the objectives as laid out in the agreement, both participants stated they would cooperate in ways such as training, exchanging technical information with respect to methods and ways of committing crime, and exchanging legislation, literature and other related law enforcement information. As well, both parties established plans to hold regular meetings to strengthen and increase the effectiveness of their agreement.

## **7. United Kingdom: 0**

Although the United Kingdom signed the UN Convention on Transnational Organized Crime on 14 December 2000 it has yet to ratify the Convention.<sup>291</sup> New programs and legislation

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<sup>288</sup> Speech by Prime Minister Junichiro Koizumi at the ASEAN-Japan Investment-Business Alliance Seminar (AJBIS): [www.kantei.go.jp/foreign/koizumispeech/2003/12/10speech\\_e...](http://www.kantei.go.jp/foreign/koizumispeech/2003/12/10speech_e...)

<sup>289</sup> Bangkok Declaration on Partnership for the Future": [www.kantei.go.jp/foreign/koizumispeech/2003/10/21sengen...](http://www.kantei.go.jp/foreign/koizumispeech/2003/10/21sengen...)

<sup>290</sup> Financial Action Task Force on Money Laundering, "FATF-XIV Annual Report," 3 January 2004 [www.fatf-gafi.org/FATDocs\\_en.htm](http://www.fatf-gafi.org/FATDocs_en.htm)

<sup>291</sup> United Nations Office on Drugs and Crime, "United Nations Convention against Transnational Organized Crime," [www.unodc.org/unodc/en/crime\\_cicp\\_signatures\\_convention.html](http://www.unodc.org/unodc/en/crime_cicp_signatures_convention.html)

alterations, however, would seem to indicate imminent ratification. A new website, nascent of the five-year AGIS plan, was launched earlier this year to encourage UK bids for £43 million of EU research funding to fight organized crime.<sup>292</sup> A proposed amendment to the Crime (International Cooperation) Bill, furthermore, will require EU courts to act on UK court orders to freeze assets of suspected terrorist supporters and – according to Home Office Minister, Lord Firkin – will “enhance [the UK’s] ability to fight terrorism and serious crime”.<sup>293</sup> In February, the new Assets Recovery Agency, supported by a new taskforce and laws designed to tighten UK’s defences against money laundering (Proceeds of Crime Act 2002), began its mandate to seize, investigate and recover assets obtained as a result of illicit activity.<sup>294</sup> Responding to the Committee of Privy Counselors’ review of the 2001 Anti-terrorism, Crime and Security Act, Home Secretary David Blunkett said that he “[welcomed] the Committee’s support for strengthening measures to tackle terrorist finance”.<sup>295</sup>

## **8. United States: 0**

The United States has received a score of zero as they have not yet ratified the U.N. Convention against Transnational Crime. However, the US has shown some involvement and effort towards reducing international organized crime and working with other countries to promote efforts to reduce such crime through several statements made since the Evian summit.

In testimony before the Senate Foreign Relations Committee’s Subcommittee on European Affairs on 30 October 2003, Deputy Assistant Secretary Steven Pifer addressed the US’s efforts to combat transnational crime with respect to Russia and Ukraine. In his speech, Mr. Pifer stated that “strengthening the capacity of countries such as Russia and Ukraine to deal with today’s transnational crime problems, as well as improving bilateral and multilateral cooperation to counter these threats, will remain major parts of the U.S. agenda with these countries”.<sup>296</sup> The US government continues to counteract transnational crime in the former Soviet Union through such policy tools as law enforcement working groups, mutual legal assistance treaties (MLATs), the US-Russia Counterterrorism Working Group and multilateral efforts such as the Financial Action Task Force, of which the US is a strong participant.

On 19 November 2003, Treasury Secretary John Snow said: “President Bush and the Department of the Treasury are committed to cracking down on money laundering wherever it occurs”. This news release was part of the Treasury Department’s action to stay “consistent with the Financial Action Task Force’s (FATF) call on 3 November 2003 for its members to take anti-money laundering countermeasures against Burma.”<sup>297</sup>

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<sup>292</sup> 10 Downing Street, “EU anti-crime funding website launched,” [www.number-10.gov.uk/print/page1075.asp](http://www.number-10.gov.uk/print/page1075.asp)

<sup>293</sup> Home Office Press Release of 31 January 2003, “Crime Bill Amended to Enable Freezing of Terrorists’ Assets Throughout the EU,” [www.britainonline.org.uk/highcomm/downloads/31jan.pdf](http://www.britainonline.org.uk/highcomm/downloads/31jan.pdf)

<sup>294</sup> 10 Downing Street, “Assets Recovery Agency begins operations,” [www.number-10.gov.uk/print/page3071.asp](http://www.number-10.gov.uk/print/page3071.asp)

<sup>295</sup> HM Government; Home Office, “Response to the Report of the Anti-Terrorism, Crime and Security Act of 2001 Review,” [www.homeoffice.gov.uk/pageprint.asp?item\\_id=743](http://www.homeoffice.gov.uk/pageprint.asp?item_id=743)

<sup>296</sup> US Senate Committee on Foreign Relations, “Testimony for the Senate Foreign Relations Committee Subcommittee on European Affairs by Deputy Assistant Secretary Steven Pifer,” 2 January 2004 [foreign.senate.gov/testimony/2003/PiferTestimony031030.pdf](http://foreign.senate.gov/testimony/2003/PiferTestimony031030.pdf)

<sup>297</sup> U.S. Department of State, International Information Programs, “Treasury news release Nov. 19,” 2 January 2004 [usinfo.state.gov/topical/econ/mlc/03111940.htm](http://usinfo.state.gov/topical/econ/mlc/03111940.htm)

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## 2003 Evian Interim Compliance Report Terrorism: Counter-Terrorism Action Group

### Commitment:

2003-150: “The G8 will create a Counter-Terrorism Action Group, to focus on building political will, co-ordinating capacity building assistance where necessary. Other states, mainly donors, will be invited to join the group. A representative of the CTC will be invited to CTAG meetings. Representatives from relevant UN bodies, IFIs and other regional and functional organizations will be invited to relevant meetings (first meeting to be held by July 15).”

### Background:

This commitment represents an effort on behalf of the international community – and particularly the G8 – to coordinate international counter-terrorism activities as a means of eradicating the root causes of terrorism world-wide and ensuring that a repeat of September 11, 2001 does not occur in the free world.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France			+1
Germany			+1
Italy			+1
Japan			+1
Russia			+1
United Kingdom			+1
United States			+1
European Union*			+1*
Overall			+1

### Individual Country Compliance Breakdown:

#### Canada: +1

Canada’s commitment to combating terrorism was reaffirmed in statements following the Asia Pacific Economic Coordination (APEC) Summit in November, 2003. Canada pledged to help with capacity-building in Southeast Asia which included a pledge to “increase and better coordinate counter-terrorism activities, where appropriate, through effective collaboration, technical assistance and capacity building between APEC’s Counter-Terrorism Task Force, the Counter-Terrorism Action Group of the G8, the UN Security Council Counter-Terrorism Committee and other relevant international, regional and functional organizations”.<sup>298</sup> Canada

<sup>298</sup> Action Group Against Terrorism, Statements by the Ministry of Foreign Affairs Spokesperson, November 18, 2003 [www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612](http://www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612)

was also present at the 17 November 2003 CTAG meeting in Paris.<sup>299</sup> This was confirmed in a phone conversation on 9 January 2003, with Cathleen Bryden of the International Crime and Terrorism Division at the Department of Foreign Affairs and International Trade, who also stated that Canada was present at the first meeting in July 2003.

## **2. France: +1**

France has made some significant contributions to fulfilling their commitment. On 17 November 2003, Paris hosted the second session of the Counter-Terrorism Action Group. They issued a statement declaring the group's cooperation with specific actors, like the UNCTC for which Ambassador Inocencio Arrias was the representative, as well as Australia and Switzerland, indicating efforts to create capacities in non-G8 states. In this statement they also mentioned the date of the first session, which was held again in Paris on 2 July 2003, one month after the Evian Summit. The statement declared presence by all G8 member states and the European Commission, UNCTC, Switzerland and Australia.<sup>300</sup> This meeting outlined two priorities: the need in the Southeast Asian countries and the technical support required in fighting terrorist financing.<sup>301</sup> Thus France has shown significant evidence of complying with its G8 obligations.

## **3. Germany: +1**

The Counter-Terrorism Action Group held its second session in Paris, on 17 November 2003. Germany participated in the CTAG sessions with the other G8 members as well as Australia and Switzerland.<sup>302</sup> Germany has remained committed to counter-terrorism internationally. The German Bundestag [the lower house of the German parliament] agreed on 5 November 2003, to extend Germany's military commitment to operation "Enduring Freedom" for another year;<sup>303</sup> the agreement entails the supply of up to 3,100 soldiers for the operation.<sup>304</sup> On 29 September 2003, Germany handed over control of Task Force 150 to France. This force supports the war against international terrorism under the aegis of operation "Enduring Freedom".<sup>305</sup>

German Minister of Defence, Dr. Peter Struck, declared on 7 November 2003, that the "containment of international Terrorism is in the foreseeable future the central security challenge of all democracies". Struck noted further that facing this challenge will require more than just a military component.<sup>306</sup> The minister added that political, financial, and social elements are a part

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<sup>299</sup> Ibid. This information was echoed in a phone conversation on January 9<sup>th</sup>, 2004 with Cathleen Bryden of the Canadian Department of Foreign Affairs International Crime and Terrorism Division.

<sup>300</sup> Action Group Against Terrorism, Statements by the Ministry of Foreign Affairs Spokesperson, November 18, 2003 [www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612](http://www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612)

<sup>301</sup> Action Group Against Terrorism, Statements by the Ministry of Foreign Affairs Spokesperson, November 18, 2003 [www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612](http://www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612)

<sup>302</sup> Ministère des Affaires étrangères, "Statements by the Ministry of Foreign Affairs Spokesperson," November 18, 2003 [www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612](http://www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612)

<sup>303</sup> German Federal Government and Chancellor (Bundesregierung), "Einsatz der Bundeswehr innerhalb von "Enduring Freedom," November 5, 2003, [www.bundesregierung.de/Nachrichten-,417.65262/artikel/Einsatz-der-Bundeswehr-innerha.htm](http://www.bundesregierung.de/Nachrichten-,417.65262/artikel/Einsatz-der-Bundeswehr-innerha.htm).

<sup>304</sup> Ibid.

<sup>305</sup> Ibid.

<sup>306</sup> German Federal Ministry of Defence (Bundesverteidigungsministerium), "Verlängerung von Enduring Freedom - Rede des Bundesminister für Verteidigung, Dr. Peter Struck, am 07.11.2003 im Reichstag (Bundestagsdebatte)," November 7, 2003, [www.bmvg.de/archiv/reden/minister/031107\\_ef.php](http://www.bmvg.de/archiv/reden/minister/031107_ef.php)



of confronting international terrorism. The German role in Afghanistan is a key component of Germany's commitment to the task of international cooperation against terrorism. German Foreign Minister Joschka Fischer noted in an 20 November 2003 address at Princeton University, that the United Nations continues to play a "key role" in the fight against international terrorism.<sup>307</sup>

Germany supports a concerted global effort to addressing the challenge of international terrorism. Dual support of the UN Counter Terrorism Committee [CTC], and the multilateral operation "Enduring Freedom" are convincing evidence of German compliance with the G8 commitment. However, the Federal government needs to increase its dissemination of public information pertaining to the role it plays in countering terrorism.

#### **4. Italy: +1**

The Counter-Terrorism Action Group held its second session in Paris, on 17 November 2003. Italy participated in the CTAG sessions with the other G8 members as well as Australia and Switzerland.<sup>308</sup> Under the guidance of the Italian presidency of the European Union [EU], the EU Commission has put forward several proposals aimed at eliminating legal loopholes in the EU regarding terrorist offences.<sup>309</sup> Furthermore, a declaration issued by the Italian EU Presidency on 11 September 2003 confirmed the EU's commitment to the fight against terrorism.<sup>310</sup>

In recent months, Italy has received international media attention over a series of terrorist threats, attacks, and arrests of suspects. On 24 June 2003 authorities in Italy launched several police raids resulting in the arrests of six people suspected of ties to international terrorism.<sup>311</sup> A terrorist attack on 18 November 2003 resulted in Italy suffering its single worst military loss since World War II. The attack killed 17 Italian soldiers in Iraq.<sup>312</sup> Furthermore, prosecutors in Milan issued five arrest warrants against suspected militants on 29 November 2003.<sup>313</sup>

Although the terrorist attack of 18 November 2003 was a catastrophic loss for a country whose government supported the war in Iraq, and whose people largely opposed it, Italy has remained committed to international efforts that fight terrorism.<sup>314</sup> The Italian government continues to support the U.S. led operation "Enduring Freedom" and remains active in the EU's regional

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<sup>307</sup> Frankfurter Allgemeine Zeitung, "Fischer fordert neue strategische Allianz," November 20, 2003, [www.faz.net/s/Rub28FC768942F34C5B8297CC6E16FFC8B4/Doc~EC24D73F755CE4B2488E788BE342B83BD~ATpl~Ecommon~Scontent.html](http://www.faz.net/s/Rub28FC768942F34C5B8297CC6E16FFC8B4/Doc~EC24D73F755CE4B2488E788BE342B83BD~ATpl~Ecommon~Scontent.html)

<sup>308</sup> Ministère des Affaires étrangères, "Statements by the Ministry of Foreign Affairs Spokesperson," November 18, 2003, [www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612](http://www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612)

<sup>309</sup> EurActiv – Security & Defence, "Fight against terrorism," November 6, 2003, [www.euractiv.com/cgi-bin/cgint.exe?204&OIDN=2000466&-home=home](http://www.euractiv.com/cgi-bin/cgint.exe?204&OIDN=2000466&-home=home)

<sup>310</sup> The U.S. Mission to the E.U., "Declaration by the Italian EU Presidency on the Sept. 11 Anniversary, Sept. 11, 2003 [www.useu.be/Terrorism/EUResponse/Sept1103EUDeclarationSept11.html](http://www.useu.be/Terrorism/EUResponse/Sept1103EUDeclarationSept11.html)" October 29, 2003

<sup>311</sup> CNN World, "Six seized in Italy terror sweep," June 24, 2003, [www.cnn.com/2003/WORLD/europe/06/24/italy.arrests/index.html](http://www.cnn.com/2003/WORLD/europe/06/24/italy.arrests/index.html)

<sup>312</sup> The Guardian, "25 killed in Iraq blast," November 12, 2003, [www.guardian.co.uk/Iraq/Story/0,2763,1083284,00.html](http://www.guardian.co.uk/Iraq/Story/0,2763,1083284,00.html)

<sup>313</sup> CNN World, "Italy terror suspects arrested," November 29, 2003, [www.cnn.com/2003/WORLD/europe/11/29/italy.terror/](http://www.cnn.com/2003/WORLD/europe/11/29/italy.terror/)

<sup>314</sup> Associated Press, "Italy Vows to Keep Up Terror Fight," November 12, 2003 [www.foxnews.com/story/0,2933,102884,00.html](http://www.foxnews.com/story/0,2933,102884,00.html)

counter-terrorism efforts. Italy has complied with its summit commitments pertaining to terrorism.

## 5. Japan: +1

Since the creation of the Counter-Terrorism Action Group (CTAG) at the Evian Summit, Japan has participated in both meetings of the CTAG that have taken place so far.<sup>315</sup> Japan has also reaffirmed its commitment to the work and success of the CTAG through various declarations and statements.

In the context of the Second Japan-Russian Consultations on Counter-Terrorism, held in Moscow on 23 and 24 June 2003, Japan has emphasized “the need for the international community, under the leading role of the United Nations, to further consolidate its efforts for the prevention of international terrorism and in the fight against international terrorism”.<sup>316</sup> This indicates Japan’s understanding of the importance of close cooperation between the CTAG and the United Nations Counter-Terrorism Committee (UNCTC) in the fight against terrorism. A further indication of this is the affirmation made by the Head of the Japanese Delegation, Ambassador in Charge of International Counter-Terrorism Takahiko Horimura of Japan’s intention to work towards strengthening counter- terrorism measures at the bilateral level, but also within the framework of multilateral organizations and forums such as the United Nations, G8 (CTAG), APEC and ARF.<sup>317</sup> Horimura also affirmed the importance of improving counter-terrorism capabilities in developing countries.<sup>318</sup> This statement indicates the complementary nature of Japan’s counter-terrorism policy with the CTAG’s current work in the area of counter-terrorism capacity building in southeast Asia.

Japan’s commitment to the work of the CTAG as it relates to the UNCTC was also expressed by His Excellency Mr. Koichi Haraguchi, Permanent Representative of Japan at the United Nations. In a speech at the 23 July 2003 Public Meeting of the Security Council on Threats to International Peace and Security Caused by Terrorist Acts, he reiterated the importance of a show of political will on the part of the international community “to take forceful counter-terrorism measures, and to have the capacity to implement them”.<sup>319</sup> Haraguchi also stated that “it is increasingly more important that assistance for capacity-building be extended to developing countries, and Japan greatly appreciates the clearing-house function performed by the [UN]CTC in this regard”.<sup>320</sup> Finally, Haraguchi also reported that, “Japan, as a member of the G8 and CTAG, continues to cooperate in the activities of the [UN]CTC”.<sup>321</sup> These statements indicate

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<sup>315</sup> Ministry of Foreign Affairs of France, “Statement by the Ministry of Foreign Affairs Spokesperson,” Paris, July 1, 2003. [www.france.diplomatie.fr/actu/article.gb.asp?ART=35849](http://www.france.diplomatie.fr/actu/article.gb.asp?ART=35849); see also: Ministry of Foreign Affairs of France, “Statement by the Ministry of Foreign Affairs Spokesperson,” Paris, November 18, 2003. [www.france.diplomatie.fr/actu/article.gb.asp?ART=38612](http://www.france.diplomatie.fr/actu/article.gb.asp?ART=38612)

<sup>316</sup> Ministry of Foreign Affairs of Japan, “Joint Press Statement by Japan and the Russian Federation of the Results of the Japan-Russian Consultations on Counter-Terrorism.” [www.mofa.go.jp/region/europe/russia/consult0306.html](http://www.mofa.go.jp/region/europe/russia/consult0306.html)

<sup>317</sup> Ibid.

<sup>318</sup> Ibid.

<sup>319</sup> Ministry of Foreign Affairs of Japan, “At the Public Meeting of the Security Council on Threats to International Peace and Security Caused by Terrorist Acts.” Statement by H.E. Mr. Koichi Haraguchi, Permanent Representative of Japan at the United Nations. [www.mofa.go.jp/announce/speech/un0307-3.html](http://www.mofa.go.jp/announce/speech/un0307-3.html)

<sup>320</sup> Ibid.

<sup>321</sup> Ibid.

that Japanese foreign policy is congruent with the work of the CTAG. Japanese government statements in support of the work of the UNCTC and Japanese backing of G8-UNCTC cooperation mirror the mandate of the CTAG, which provides for cooperation with the UNCTC in the work of international counter-terrorism capacity building.

Also in accordance with the CTAG mandate, Japan has contributed to fostering multilateral cooperation between CTAG and regional organizations of which it is also a member, such as APEC. At the 20 August 2003 meeting of APEC's Counter Terrorism Task Force (CTTF) in Phuket, Thailand, Japan briefed the gathered diplomats on the outcomes of the first CTAG meeting in Paris, which took place on 2 July 2003.<sup>322</sup> Japan participated, along with other G8 CTAG representatives, in reaching an agreement of cooperation between the CTTF and CTAG.<sup>323</sup> As this agreement includes an invitation for CTAG to attend future CTTF meetings,<sup>324</sup> it is an important one for the work of CTAG, as it will permit the latter to better coordinate its work in capacity-building within APEC countries, specifically South East Asia. As a member of both APEC and the G8, Japan's contribution to CTAG in the context of such cooperation should prove significant.

## **6. Russia: +1**

The Russian Federation has complied with its G8 commitment to build international political will and capacity to combat terrorism through the institution of the CTAG. Addressing the press immediately following the Evian Summit, Russian Federation President Vladimir Putin iterated Russia's support for the new counter-terrorism body, saying "the Evian meeting on the whole will help strengthen the international antiterrorist coalition, for we understand that the success of the struggle against terror hinges directly on our unity and on the effectiveness of our combined efforts. Set up by a decision of the summit, the G8 group on antiterrorist actions is designed to become a serious instrument; its activities will be closely linked with the Counter-Terrorism Committee of the United Nations Security Council, the main coordinator for the efforts of the world community in this field. I must say that Russia is disposed to actively participate in the work of the new body, and it is only logical that the main focus on our part will be on the CIS space and the zone of operation of the Shanghai Cooperation Organization".<sup>325</sup>

In a statement released on 23 June 2003, the Russian Federation, along with Japan, "affirmed the importance of improving counter-terrorism capabilities in developing countries. In this connection, the two sides shared the view on the importance of cooperation through the Counter-Terrorism Action Group (CTAG), the establishment of which was decided at the G8 Evian

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<sup>322</sup> Taiwan Institute of Transportation. "Report on the Second Meeting of the Counter Terrorism Task Force, Phuket, Thailand, 20 August, 2003." [www.google.ca/search?q=cache:-reIhEpJ8LYJ:www.iot.gov.tw/apec\\_tptwg/TPT/tpt-main/Archives/tpt-wg22/Hod/CTTF-Report-SOM-III-draft2.doc+CTAG+G8&hl=en&ie=UTF-8](http://www.google.ca/search?q=cache:-reIhEpJ8LYJ:www.iot.gov.tw/apec_tptwg/TPT/tpt-main/Archives/tpt-wg22/Hod/CTTF-Report-SOM-III-draft2.doc+CTAG+G8&hl=en&ie=UTF-8)

<sup>323</sup> Ibid.

<sup>324</sup> Ibid.

<sup>325</sup> Russian President Vladimir Putin Remarks at Press Conference Following Group of Eight Heads of State and Government Meeting, Evian, France, June 3, 2003 (excerpted)

Russian American Nuclear Security Council. June 3 2003.

[www.ransac.org/Official%20Documents/Russian%20Government/Russian%20President/1162003103548AM.html](http://www.ransac.org/Official%20Documents/Russian%20Government/Russian%20President/1162003103548AM.html)

Summit”.<sup>326</sup> CTAG was again welcomed by the Russian Federation at the 15<sup>th</sup> APEC Ministerial meeting in late October 2003. At the APEC meeting, the Ministers “welcomed the cooperative efforts of economies and APEC fora to develop targeted capacity building programs, responding to the specific needs contained in the Counter Terrorism Action Plans, to help developing economies implement Leaders’ counter-terrorism commitments. In this context, Ministers welcomed the possibility of technical cooperation, where appropriate, with IFIs and relevant international, regional and functional organizations, including the United Nations Security Council Counter-Terrorism Committee the G8 Counter-Terrorism Action Group, ASEAN and the OECD Financial Action Task Force”.<sup>327</sup> The Russian Federation, and all other APEC members then agreed to “increase and better coordinate our counter-terrorism activities, where appropriate, through effective collaboration, technical assistance and capacity building, and cooperation between APEC’s Counter Terrorism Task Force, the Counter Terrorism Action Group (CTAG) of the G8, the United Nations Security Council Counter Terrorism Committee and other relevant international, regional and functional organizations”.<sup>328</sup> Representatives from the Russian Federation were also present at CTAG’s second session on 17 November 2003.<sup>329</sup> Through these commitments, Russia has reaffirmed its support for G8 counter terrorism efforts.

## 7. United Kingdom: +1

The United Kingdom has committed to the G8 action plan to build international political will and capacity to combat terrorism and to the establishment of a G8 Counter-Terrorism Action Group (CTAG) to help build this will and capacity. Counter-terrorism (CT) is the first of six thematic programmes funded by the U.K. Foreign and Commonwealth Office’s (FCO) Global Opportunities Fund (GOF). Making the “the world safer from global terrorism and weapons of mass destruction” is the first of the FCO’s designated “highest strategic international priorities for the U.K.”<sup>330</sup> and the GOF Counter terrorism programme aims to uphold this strategic pillar, having a stated programme objective “[t]o support the FCO’s Strategic Objective No.1: To increase international capacity to Counter Terrorism (CT) and other threats in support of UK bilateral and multilateral security objectives”.<sup>331</sup>

The GOF CT programme will, *inter alia*, “seek to support sustainable CT relationships with key countries to develop their long-term counter-terrorism capacity” by providing them with bilateral operational CT assistance.<sup>332</sup> Also, the GOF CT programme will provide “ UNSCR 1373 CT

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<sup>326</sup> Joint Press Statement by Japan and the Russian Federation on the Results of the Japan-Russian Consultations on Counter-Terrorism. The Ministry of Foreign Affairs of Japan. June 2003.

[www.mofa.go.jp/region/europe/russia/consult0306.html](http://www.mofa.go.jp/region/europe/russia/consult0306.html)

<sup>327</sup> 2003 15<sup>th</sup> APEC Ministerial Meeting: Joint Statement Summary of Key Issues. APEC. October 2003.

[www.apecsec.org.sg/apec/ministerial\\_statements/annual\\_ministerial/2003\\_15th\\_apec\\_ministerial.html](http://www.apecsec.org.sg/apec/ministerial_statements/annual_ministerial/2003_15th_apec_ministerial.html)

<sup>328</sup> Bangkok Declaration on Partnership for the Future. Ministry of Foreign Affairs of the Russian Federation.

October 21 2003. [www.ln.mid.ru/Ns-dipecon.nsf/arh/97A48FB7BF2B4FD343256DD5002A3794?OpenDocument](http://www.ln.mid.ru/Ns-dipecon.nsf/arh/97A48FB7BF2B4FD343256DD5002A3794?OpenDocument)

<sup>329</sup> Action Group Against Terrorism: Statements by the [French] Ministry of Foreign Affairs Spokesperson. French Ministry of Foreign Affairs. November 18, 2003. [www.france.diplomatie.fr/actu/article.gb.asp?ART=38612](http://www.france.diplomatie.fr/actu/article.gb.asp?ART=38612)

<sup>330</sup> A Strategy for the FCO: Highlights. Foreign and Commonwealth Office of the United Kingdom.

[www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1067967903739](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1067967903739)

<sup>331</sup> Global Opportunities Fund: Counter Terrorism Programme. Foreign and Commonwealth Office of the United Kingdom. Last Modified Dec 12 2003.

[www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1070989563678](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1070989563678)

<sup>332</sup> Ibid.

Assistance: In support of the work of the UN Counter-Terrorism Committee, assistance programmes are delivered to raise global standards of CT capacity in the areas of CT legislation, combating the financing of terrorism, charity regulation, border control and counter-proliferation”.<sup>333</sup> The United Kingdom has committed to the programme £3.2 million for fiscal year 2003/2004 and £6.2 million for fiscal year 2004/2005.<sup>334</sup>

At the second session, on 17 November 2003, of the newly formed G8 Counter-Terrorism Action Group (CTAG), the two main issues on the agenda were: “the need in the South East Asian countries [for CT aide] and two, technical assistance in the fight against terrorism financing”.<sup>335</sup> The United Kingdom was present and participated in both these talks, and both South East Asian countries and “combating the financing of terrorism” are key target areas/themes for the UK’s GOF CT programme.<sup>336</sup>

By supporting and working with the United Nations Counter Terrorism Committee and seeking to build CT capacity abroad, the United Kingdom is meeting its Evian commitments to help build up international political will and capacity to combat terrorism. These commitments are similar to many of the goals of the newly formed CTAG group.

## **8. United States: +1**

The United States has made significant strides to fulfil their goals addressing terrorism. In a joint statement with the EU following the Evian Summit, the US committed to enhancing the coordination of intelligence with their allies, as well as speeding up the extradition of suspects and improving their capacities to share information on suspected terrorists’ bank accounts.<sup>337</sup> The US has also pushed for capacity building in South East Asia and committed US\$5.4 million towards combating money laundering and terrorist financing.<sup>338</sup> APEC’s members also endorsed a US proposal to have APEC’s Counter-Terrorism Task Force collaborate with the G8 Counter-Terrorism Action Group<sup>339</sup>, the UN Security Council Counter-Terrorism Committee and other relevant international, regional and functional organizations.<sup>340</sup> Through these actions, the US has consistently confirmed its support for the global struggle to combat terrorism.

## **9. European Union: +1\***

In a joint statement made by the European Commission and the United States, the EU outlined its commitments to combating terrorist financing as well as coordinating efforts to best address

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<sup>333</sup> Ibid.

<sup>334</sup> Ibid.

<sup>335</sup> Action Group Against Terrorism: Statements by the [French] Ministry of Foreign Affairs Spokesperson. French Ministry of Foreign Affairs. November 18 2003. [www.france.diplomatie.fr/actu/article.gb.asp?ART=38612](http://www.france.diplomatie.fr/actu/article.gb.asp?ART=38612)

<sup>336</sup> Global Opportunities Fund: Counter Terrorism Programme. Last Modified Dec 12 2003.

[www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1070989563678](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1070989563678)

<sup>337</sup> President Bush, European Leaders act to fight Global Terror

[www.whitehouse.gov/news/releases/2003/06/20030625-12.html](http://www.whitehouse.gov/news/releases/2003/06/20030625-12.html), The Fight Against Terrorism, [ue.eu.int/dynadoc/news\\_search](http://ue.eu.int/dynadoc/news_search)

<sup>338</sup> Fact Sheet: New APEC Initiatives on Counterterrorism, [usembassy.state.gov/Islamabad/www03102202.html](http://usembassy.state.gov/Islamabad/www03102202.html)

<sup>339</sup> Ibid.

<sup>340</sup> [app1.chinadaily.com.cn/star/2003/1023/cn9-1.html](http://app1.chinadaily.com.cn/star/2003/1023/cn9-1.html); Canada - APEC [www.dfait-maeci.gc.ca/canada-apec/apec\\_declaration-en.asp](http://www.dfait-maeci.gc.ca/canada-apec/apec_declaration-en.asp)

the problem.<sup>341</sup> The European Commission was also present at the 17 November 2003 CTAG meeting in Paris.<sup>342</sup> In a Justice and Home Affairs Council Meeting in Brussels on 2–3 October 2003 the EU stated its commitment to establishing Multinational Ad Hoc Teams for Exchanging Information on Terrorists, which would identify “best practices” for identifying, isolating, and monitoring potential terrorist activity to prevent attack, while respecting the national laws of EU Member States.<sup>343</sup> The EU has also continued to complete regional terrorist threat analyses, and claims the process is ongoing.<sup>344</sup> The EU has also “acted swiftly by establishing a strategy for providing additional and focused projects on technical assistance to a number of third countries facilitating the implementation of UNSCR 1373 and other relevant international obligations”.<sup>345</sup> The EU continues to examine the possibilities of contributing to the “programmes in the field of the fight against terrorism of regional organizations such as OSCE and ASEAN”,<sup>346</sup> once again addressing the goal of increased coordination and specifically targeting Southeast Asia’s need. The Commission continues work on “the freezing of funds and economic resources with a view to preventing the financing of terrorism”.<sup>347</sup> In a fact sheet published by the EU following the EU-US Summit in Washington on 25 June 2003, the EU declared a New Strategy on “technical assistance to third countries, including the mainstreaming of counter-terrorism assistance within longer-term assistance programmes as well as targeted help to a small number of pilot countries” (Philippines, Pakistan, Indonesia).<sup>348</sup> Through these clear initiatives, as well as the above actions undertaken by the individual G8 EU member states, the EU has shown its adherence to the commitments outlined at the Evian summit.

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<sup>341</sup> The Fight Against Terrorism, [ue.eu.int/dynadoc/news\\_search](http://ue.eu.int/dynadoc/news_search)

<sup>342</sup> Action Group Against Terrorism, Statements by the Ministry of Foreign Affairs Spokesperson, November 18<sup>th</sup>, 2003 [www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612](http://www.diplomatie.gouv.fr/actu/article.gb.asp?art=38612)

<sup>343</sup> Background- Justice and Home Affairs Council Meeting Brussels, 2–3 October, 2003 [ue.eu.int/newsroom](http://ue.eu.int/newsroom)

<sup>344</sup> Presidency Conclusions – Thessaloniki, 19–20 June 2003 [ue.eu.int/newsroom](http://ue.eu.int/newsroom)

<sup>345</sup> Ibid.

<sup>346</sup> Ibid.

<sup>347</sup> Ibid.

<sup>348</sup> The Fight Against Terrorism, [ue.eu.int/dynadoc/news\\_search](http://ue.eu.int/dynadoc/news_search)

## 2003 Evian Interim Compliance Report Transport Security

### Commitment:

2003-168: “Given the increasing number of MANPADS (Man-Portable Air Defense Systems) in world-wide circulation, we commit ourselves to reducing their proliferation and call upon all countries to strengthen control of their MANPADS stockpiles”.

### Background:

The US-led ‘Global War on Terrorism’ is defined by the asymmetric threat that a small number of individuals armed with readily accessible weaponry can pose a serious threat to even the most secure military and civilian targets. Few arms exemplify this trend more clearly than MANPADS - shoulder-fired missiles that allow a single individual to potentially bring down an entire aircraft. The critical security risk posed by MANPADS was made readily clear on 28 November 2002, when a fully-loaded Israeli-chartered aircraft departing from Mombassa, Kenya narrowly missed a MANPAD projectile fired from the ground.<sup>349</sup> In addition, Black Hawk and Chinook helicopters operating in the US-led Coalition occupation of Iraq since May 2003 have repeatedly become favoured targets of insurgents in MANPAD attacks.<sup>350</sup> To counter this prevailing threat to military and commercial air transport, the US has made the non-proliferation of MANPADS a top priority of its anti-terror campaign, and a main item on President Bush’s agenda at the Evian G8 Summit. Recognizing the common risk posed by the continued proliferation of MANPADS from insecure national stockpiles (primarily in Russia and Afghanistan), G8 member-states eagerly endorsed Bush’s agenda.<sup>351</sup> The G8 released *Enhanced Transport Security And Control Of Man-Portable Air Defence Systems (Manpads): A G8 Action Plan* at the Evian Summit<sup>352</sup> as well as reiterating the importance of the issue in the *Chairman’s Summary*, from which the above commitment is extracted.<sup>353</sup>

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<sup>349</sup> Mark Phelps, “Do SAMs Pose a Real Threat to Civil Aviation?” Global Security (Alexandria, Virginia) January 2003. Date of Access: 29 December 2003 [www.globalsecurity.org/org/news/2003/0301-sam-threat01.htm](http://www.globalsecurity.org/org/news/2003/0301-sam-threat01.htm).

<sup>350</sup> Sandra I Erwin, “Man-Portable Missiles Imperil Both Military, Civilian Aircraft,” National Defense Magazine (Arlington, Virginia) August 2003. Date of Access: 3 January 2004 [www.nationaldefensemagazine.org/article.cfm?Id=1166](http://www.nationaldefensemagazine.org/article.cfm?Id=1166).

<sup>351</sup> Ibid.

<sup>352</sup> Enhanced Transport Security and Control of Man-Portable Air Defence Systems (Manpads): A G8 Action Plan, 2003 Sommet d’Evian Official Website (Evian/Paris) 3 June 2003. Date of Access: 3 January 2003 [www.g8.fr/evian/english](http://www.g8.fr/evian/english).

<sup>353</sup> Chairman’s Summary, 2003 Sommet d’Evian Official Website (Evian/Paris) 3 June 2003. Date of Access: 3 January 2003 [www.g8.fr/evian/english](http://www.g8.fr/evian/english).

## Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada		0	
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia			+1
United Kingdom			+1
United States			+1
Overall		0.375	

## Individual Country Compliance Breakdown:

### 1. Canada: 0

Canada showed a moderate level of compliance with its commitment to reducing MANPAD proliferation and improving control on stockpiles, mainly through reaffirmation of its commitment through multilateral forums such as the Asia-Pacific Economic Cooperation (APEC) Summit and the Wassenaar Arrangement Plenary, as well as arguing for the inclusion of MANPADS in the United Nations Conventional Arms Register (UNCAR). Nevertheless, the Canadian government has adopted few active state initiatives itself to counter MANPAD proliferation or to fully implement its multilateral obligations through domestic legislation.

As one of 21 member-states of Asia-Pacific Economic Cooperation (APEC), Canada was party to the *2003 Leaders' Declaration* issued at its annual summit, 21 October 2003 in Bangkok, Thailand.<sup>354</sup> This document outlined the organization's commitments to MANPADS non-proliferation which went even further than those agreed to by the G8 at the Evian Summit. Specifically, APEC nations, including Canada, pledged to: "adopt strict domestic export controls on MANPADS; secure stockpiles; take domestic action to regulate production, transfer, and brokering; ban transfers to non-state end-users; and exchange information in support of these efforts".<sup>355</sup> Furthermore, Canada, along with the other APEC members, promised to review its progress in achieving these goals at the next Summit in 2004, thereby suggesting a timetable in which progress should be made.<sup>356</sup>

Canada is also one of the 33 member-states of the Wassenaar Arrangement (WA) on Export Controls for Conventional Arms and Dual-Use Goods and Technologies. At its annual Plenary Meeting on 12 December 2003 the WA Group passed a resolution endorsing "multilateral efforts to develop strict controls"<sup>357</sup> on the transfer of MANPADS and included specific guidelines to

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<sup>354</sup> 2003 Leaders' Declaration. Asia-Pacific Economic Cooperation (Bangkok) October 21, 2003. Date of Access: 29 December 2003 [www.apecsec.org.sg/apec/leaders\\_\\_declarations/2003.html](http://www.apecsec.org.sg/apec/leaders__declarations/2003.html).

<sup>355</sup> Ibid.

<sup>356</sup> Ibid.

<sup>357</sup> Ministerial Statement, Wassenaar Arrangement (Vienna) 12 December 2003. Date of Access 6 January, 2004. [www.wassenaar.org/2003Plenary/Ministerial%20Statement.doc](http://www.wassenaar.org/2003Plenary/Ministerial%20Statement.doc).



evaluate members' compliance.<sup>358</sup> In particular, the WA Group adopted non-proliferation measures that “included tightening controls over MANPADS, agreeing to enhance the transparency of small arms and light weapons transfers, establishing elements for national legislation on arms brokering, and adopting end-use oriented controls encouraging member governments to impose export controls on certain unlisted items when necessary to support United Nations arms embargoes”.<sup>359</sup>

Canada, as a member of the Organization for Security and Co-operation in Europe (OSCE), participated in the first *OSCE Forum for Security Co-operation* in July 2003. In a statement issued on 23 July 2003, member-states recognized the danger of even small numbers of MANPADS posed to military and civilian air transport and promised to “promote the application of effective and comprehensive export controls” and to urge states to propose projects to improve such areas as “stockpile security...reduction and disposal” and prevention of illicit trafficking.<sup>360</sup> Furthermore, Evelyn Puxley, the Canadian ambassador to the OSCE's First Annual Security Review Conference in late June 2003, reaffirmed Canada's commitment to ensure that “terrorists are denied to SALW [small arms and light weapons], including man-portable defense systems (MANPADS)” and looked forward to “further discussion within the FSC [Forum for Security Cooperation] on achieving this goal”.<sup>361</sup>

Another major site of compliance by Canada is the speech delivered by the Canadian Delegation at the 58<sup>th</sup> session of the United Nations General Assembly First Committee on the UN Register on Conventional Weapons (UNCAR) on 20 October 2003. In the address, the Canadian Delegation stressed the danger of MANPADS to civil aviation and insisted that MANPADS be placed under the Category VII of the Register – Missiles and Missile Launchers – making it subject to annual UNCAR reporting.<sup>362</sup> Such a measure is designed to encourage improved accountability and control of stockpiles through increased transparency. Finally, Agnes Pust, a Canadian expert, was a member of the UN Group of Governmental Experts which recommended that MANPADS be included in the UN Register of Conventional Arms.<sup>363</sup>

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<sup>358</sup> Elements for Export Controls of Man-Portable Air Defence Systems (MANPADS). Wassenaar Arrangement (Vienna) 12 December 2003. Date of Access: Jan 6, 2004. [www.wassenaar.org/2003Plenary/MANPADS\\_2003.htm](http://www.wassenaar.org/2003Plenary/MANPADS_2003.htm).

<sup>359</sup> Wassenaar Group to Tighten Export Controls on MANPADS. The United States Embassy to Japan (Tokyo) 12 December 2003. Date of Access: 20 December 2003 [japan.usembassy.gov/e/p/tp-20031217-06.html](http://japan.usembassy.gov/e/p/tp-20031217-06.html).

<sup>360</sup> Decision No. 7/03 Man-Portable Air Defence Systems. Organization for Security and Cooperation in Europe (Vienna) 23 July 2003. Date of Access: 5 January 2004 [www.osce.org/docs/english/fsc/2003/decisions/fed0307.pdf](http://www.osce.org/docs/english/fsc/2003/decisions/fed0307.pdf).

<sup>361</sup> Statement by Ambassador Evelyn Puxley at the Plenary Session of the First Annual Security Review Conference, June 25, 2003. Organization for Security and Cooperation in Europe (Vienna) 27 June 2003. Date of Access: 10 January 2004 [www.osce.org/documents/sg/2003/06/402\\_en.pdf](http://www.osce.org/documents/sg/2003/06/402_en.pdf).

<sup>362</sup> Transparency in Armaments: United Nations Register on Conventional Arms (UNCAR). Department of Foreign Affairs and International Trade (Ottawa) 20 October 2003. Date of Access: 8 January 2004 [www.dfait-maeci.gc.ca/arms/intervene5-en.asp](http://www.dfait-maeci.gc.ca/arms/intervene5-en.asp).

<sup>363</sup> “Continuing Operations of the United Nations Register of Conventional Arms and its Further Development.” Secretary-General Report A/58/274 for the 58<sup>th</sup> Session of the General Assembly (New York) 13 August 2003. Date of Access: 13 December 2003 [www.smallarmsnet.org/issues/themes/unregister.pdf](http://www.smallarmsnet.org/issues/themes/unregister.pdf).

## 2. France: 0

As one of the major MANPADS producers,<sup>364</sup> France's obligation for reducing proliferation and strengthening control of stockpiles is great. Nevertheless, the country has registered a reasonable level of compliance, though its efforts have been registered entirely through passive participation in multilateral forums rather than through active state initiative.

France, as a member of the Organization for Security and Co-operation in Europe (OSCE), participated in its first forum for Security Co-operation in 2003. In a decision issued on 23 July 2003, member states recognized the danger of even small numbers of MANPADS being appropriated by rogue actors, and promised to "promote the application of effective and comprehensive export controls" and urge states to propose projects to improve such areas as "stockpile security...reduction and disposal" and prevention of illicit trafficking.<sup>365</sup>

Furthermore, as one of the 33 member-states of the Wassenaar Arrangement (WA) on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, France participated in its Plenary Meeting on 12 December 2003. In a ministerial statement issued that day, the WA Group endorsed "multilateral efforts to develop strict controls"<sup>366</sup> on the transfer of MANPADS and included specific guidelines to evaluate members' compliance.<sup>367</sup>

Furthermore, Maurice Bleicher of the French Ministry of Defence, was a member of the UN Group of Governmental Experts which was mandated to review the UN Register of Conventional Arms (UNCAR). On 13 August 2003, the Group issued their report, *Continuing Operations of the United Nations Register of Conventional Arms and its Further Development*, in which it recommended that MANPADS be included under Category VII of the UNCAR.<sup>368</sup> The effects of this recommendation would be to compel all states to voluntarily disclose all bilateral sales and transfers of MANPADS in order to encourage improved control and accountability over existing stockpiles through greater transparency.

## 3. Germany: 0

Germany has registered a moderate-level of compliance with regard to its efforts towards MANPAD non-proliferation. This has been achieved mainly through multilateral cooperation with institutions such as the Wassenaar Arrangement on Export Controls for Conventional Arms

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<sup>364</sup> Richard Carlson III and Ian Davis, EU and US Cooperation on arms export controls in a post 9/11 world: A roundtable discussion organised by the British-American Security Information Council (BASIC) and Saferworld. BASIC/Saferworld (Washington D.C.) 23 January 2003. Date of Access: 20 December 2003 [www.basicint.org/pubs/Joint/EUUSemReport.pdf](http://www.basicint.org/pubs/Joint/EUUSemReport.pdf).

<sup>365</sup> Decision No. 7/03 Man-Portable Air Defence Systems. Organization for Security and Cooperation in Europe (Vienna) 23 July 2003. Date of Access: 5 January 2004 [www.osce.org/docs/english/fsc/2003/decisions/fed0307.pdf](http://www.osce.org/docs/english/fsc/2003/decisions/fed0307.pdf).

<sup>366</sup> Ministerial Statement, Wassenaar Arrangement (Vienna) 12 December 2003. Date of Access: 6 January, 2004. [www.wassenaar.org/2003Plenary/Ministerial%20Statement.doc](http://www.wassenaar.org/2003Plenary/Ministerial%20Statement.doc).

<sup>367</sup> Elements for Export Controls of Man-Portable Air Defence Systems (MANPADS). Wassenaar Arrangement (Vienna) 12 December 2003. Date of Access: Jan 6, 2004. [www.wassenaar.org/2003Plenary/MANPADS\\_2003.htm](http://www.wassenaar.org/2003Plenary/MANPADS_2003.htm).

<sup>368</sup> "Continuing Operations of the United Nations Register of Conventional Arms and its Further Development." Secretary-General Report A/58/274 for the 58<sup>th</sup> Session of the General Assembly (New York) 13 August 2003. Date of Access: 13 December 2003 [www.smallarmsnet.org/issues/themes/unregister.pdf](http://www.smallarmsnet.org/issues/themes/unregister.pdf).

and Dual-Use Goods (WA) and the Organization for Security and Co-operation in Europe (OSCE). Nevertheless, Germany has undertaken few state initiatives itself to counter MANPAD proliferation or implement its multilateral obligations through domestic legislation.

The WA was “established by thirty-three states in order to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies”.<sup>369</sup> Since its founding, Germany has been actively involved with the WA. In December 2003, Germany and its fellow Wassenaar signatories ratified a key document, “Elements for Export Control of Man-Portable Air Defense Systems,” which outlined specific initiatives to be adopted for dealing with, *inter alia*, stockpile management and countering the proliferation of MANPADS around the world.<sup>370</sup> These initiatives “included tightening controls over MANPADS, agreeing to enhance the transparency of small arms and light weapons transfers, establishing elements for national legislation on arms brokering, and adopting end-use oriented controls encouraging member governments to impose export controls on certain unlisted items when necessary to support United Nations arms embargoes”.<sup>371</sup>

Through the Organization for Security and Cooperation in Europe (OSCE) in cooperation with the Conflict Prevention Centre, Germany has worked hard to develop the *Handbook of Best Practices on Small Arms and Light Weapons*.<sup>372</sup> The book is essentially a manual for governments, parliamentarians, non-governmental organizations (NGOs) and international organizations, outlining strict legislation and counter-proliferation programs regarding MANPADS and other small arms. Topics covered in the book include: national procedures for stockpile management and security, export control, tracing systems and licensing guidelines. In addition, Germany was also an active participant at the OSCE’s Ministerial Council Meeting in Maastricht, 1 December 2003, at which MANPADS was a central agenda item. In an address to the member-states of the OSCE at the ministerial, German Foreign Affairs Minister Joschka Fischer warmly endorsed the organization’s efforts to curb MANPAD proliferation and suggested that “the non-proliferation of MANPADS and the securing of conventional munitions stockpiles” could be a future niche for the OSCE in countering asymmetric terrorist threats.<sup>373</sup>

#### **4. Italy: 0**

Italy has registered a moderate level of compliance with regards to its commitments to MANPAD non-proliferation, with all of its efforts being the result of multilateral action taken with other states.

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<sup>369</sup> Welcome to the Wassenaar Arrangement, The Wassenaar Arrangement (Vienna). Date of Access: 18 December 2003 [www.wassenaar.org/welcomepage.html](http://www.wassenaar.org/welcomepage.html).

<sup>370</sup> Elements for Export Controls of MANPADS - 2003. The United States Mission to the Wassenaar Arrangement (Vienna) 7 December 2003. Date of Access: 9 December 2003 [www.usun-vienna.usia.co.at/wassenaar/public03b.html](http://www.usun-vienna.usia.co.at/wassenaar/public03b.html).

<sup>371</sup> Wassenaar Group to Tighten Export Controls on MANPADS. The United States Embassy to Japan (Tokyo) 12 December 2003. Date of Access: 20 December 2003 [japan.usembassy.gov/e/p/tp-20031217-06.html](http://japan.usembassy.gov/e/p/tp-20031217-06.html)

<sup>372</sup> “11<sup>th</sup> Ministerial Council 2003 – Handbook of Best Practices.” Organization for Security and Co-operation in Europe (Maastricht). Date of Access: 9 December 2003 [www.osce.org/events/mc/netherlands2003/handbook](http://www.osce.org/events/mc/netherlands2003/handbook).

<sup>373</sup> Statement by Mr Joschka Fischer, Federal Minister for Foreign Affairs, at the OSCE Ministerial Council, Maastricht, 1 December 2003, Federal Foreign Office (Berlin) 1 December 2003. Date of Access: 2 January 2004 [www.auswaertiges-amt.de/www/en/ausgabe\\_archiv?archiv\\_id=5151](http://www.auswaertiges-amt.de/www/en/ausgabe_archiv?archiv_id=5151).

Italy participated in 2003 Plenary Meeting of the Wassenaar Arrangements on Export Controls for Conventional Arms and Dual-Use Goods and Technologies in Vienna, 10–12 December 2003.<sup>374</sup> The 2003 Plenary approved a number of major initiatives, which broke important new ground for the Wassenaar Arrangement (WA) and make significant contributions to the fight against terrorism by means of WA export controls. At the heart of these efforts were several new initiatives to intended to counter the proliferation of MANPADS, which “included tightening controls over MANPADS, agreeing to enhance the transparency of small arms and light weapons transfers, establishing elements for national legislation on arms brokering, and adopting end-use oriented controls encouraging member governments to impose export controls on certain unlisted items when necessary to support United Nations arms embargoes”.<sup>375</sup>

Furthermore, Italy, as a member of the Organization for Security and Co-operation in Europe (OSCE), participated in its first forum for Security Co-operation in 2003. In a decision issued on 23 July 2003, member states recognized the danger of even small numbers of MANPADS being appropriated by rogue actors, and promised to “promote the application of effective and comprehensive export controls” and urge states to propose projects to improve such areas as “stockpile security...reduction and disposal” and prevention of illicit trafficking.<sup>376</sup>

## 5. Japan: 0

Japan has registered a moderate level of compliance with regards to its efforts towards MANPAD non-proliferation, principally achieved through multilateral cooperation with other states and institutions such as the UN, Asia-Pacific Economic Cooperation (APEC) and the Wassenaar Group. Nevertheless, the Japanese government has undertaken few state initiatives itself to counter MANPAD proliferation or to implement its multilateral obligations through domestic legislation. Japan has a heightened stake in these efforts as, along with the United States, Russia and China, it is among the world’s largest producers of MANPADS.

On 13 August 2003, the Group of Governmental Experts on the United Nations Register of Conventional Arms delivered its report to the UN Secretary-General, penned in part by Mitsuro Donowaki, Special Assistant to Japan’s Minister of Foreign Affairs.<sup>377</sup> The report recommended that the Register, a voluntary-based reporting regime of all major bilateral transfers of conventional arms each year, be expanded to include MANPADS. In particular, the report called for MANPADS to be included under Category VII of the register, Missile and Missile Launchers, thus requiring members to voluntarily disclose all export sales and shipments of these weapons to other states.<sup>378</sup> On 20 October 2003, Mr. Donowaki addressed the 58<sup>th</sup> General Assembly on the matter of the Group’s report, stating that “Japan has been one of the strongest

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<sup>374</sup> 2003 Plenary Meeting of the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies Date of Access: 04 January, 2004 [www.wassenaar.org/2003Plenary/public\\_statement2003.htm](http://www.wassenaar.org/2003Plenary/public_statement2003.htm).

<sup>375</sup> Wassenaar Group to Tighten Export Controls on MANPADS. The United States Embassy to Japan (Tokyo) 12 December 2003. Date of Access: 20 December 2003 [japan.usembassy.gov/e/p/tp-20031217-06.html](http://japan.usembassy.gov/e/p/tp-20031217-06.html).

<sup>376</sup> Decision No. 7/03 Man-Portable Air Defence Systems. Organization for Security and Cooperation in Europe (Vienna) 23 July 2003. Date of Access: 5 January 2004 [www.osce.org/docs/english/fsc/2003/decisions/fed0307.pdf](http://www.osce.org/docs/english/fsc/2003/decisions/fed0307.pdf).

<sup>377</sup> “Continuing Operations of the United Nations Register of Conventional Arms and its Further Development.” Secretary-General Report A/58/274 for the 58<sup>th</sup> Session of the General Assembly (New York) 13 August 2003. Date of Access: 13 December 2003 [www.smallarmsnet.org/issues/themes/unregister.pdf](http://www.smallarmsnet.org/issues/themes/unregister.pdf).

<sup>378</sup> Ibid.

supporters of the Register from the time of its establishment” and that Tokyo welcomed its expansion to include MANPADS. He also stated that “by including MANPADS the misuse of which by terrorists has become a matter of global concern after the 9.11 incident the Register will be made more relevant to all regions”.<sup>379</sup>

Japan also made a major contribution to MANPAD non-proliferation at the APEC Summit in Bangkok, Thailand on 21 October 2003, in which Japan in an influential and prominent member. At the multilateral meeting, Japan and APEC’s other 20 member-states adopted a resolution to severely reduce the proliferation and accessibility of MANPADS to non-state and rogue actors.<sup>380</sup> Leaders agreed to implement strict domestic export controls on MANPADS, secure existing stockpiles, regulate MANPADS production, transfer, and brokering; ban transfers to non-state end-users; and exchange information in support of these efforts. The issue of MANPADS was also secured on the agenda of the 2004 APEC Summit in Chile.<sup>381</sup>

The last major site of Japanese compliance with its MANPADS non-proliferation obligations is found in the work of the Wassenaar (WA) Group. The 33 nations party to the Wassenaar Arrangement (WA) on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, which includes Japan, agreed at their 12 December 2003 plenary meeting to sharply tighten controls over the sale and proliferation of MANPADS.<sup>382</sup> The WA Group expressly called for actions that “included tightening controls over MANPADS, agreeing to enhance the transparency of small arms and light weapons transfers, establishing elements for national legislation on arms brokering, and adopting end-use oriented controls encouraging member governments to impose export controls on certain unlisted items when necessary to support United Nations arms embargoes.”<sup>383</sup>

## **6. Russia: +1**

Russia has actively complied with its G8 commitment towards MANPAD non-proliferation. The majority of its compliance activities have been achieved through active multilateral cooperation with other states and institutions such as the UN and the Wassenaar Group. This commitment is of particular concern for the Russia Federation as it is among the world’s largest producers of MANPADS while also suffering from chronic security breaches and thefts from its arms stockpiles.<sup>384</sup>

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<sup>379</sup> Statement by H.E. Mr. Mitsuro Donowaki Alternative Representative of Japan on the Report of the 2003 Group of Governmental Experts on the United Nations Register of Conventional Arms to the 58<sup>th</sup> Session of General Assembly. The Ministry of Foreign Affairs of Japan (Tokyo) 20 October 2003. Date of Access: December 15, 2003 [www.mofa.go.jp/announce/speech/un0310-14.html](http://www.mofa.go.jp/announce/speech/un0310-14.html).

<sup>380</sup> New APEC Initiatives on Counter Terrorism: APEC Commits to Enhancing Counter Terrorism Capacity. The United States Embassy to Japan (Tokyo) 21 October 2003. Date of Access: 19 December 2003 [japan.usembassy.gov/e/p/tp-20031022a7.html](http://japan.usembassy.gov/e/p/tp-20031022a7.html).

<sup>381</sup> Ibid.

<sup>382</sup> Wassenaar Group to Tighten Export Controls on MANPADS. The United States Embassy to Japan (Tokyo) 12 December 2003. Date of Access: 20 December 2003 [japan.usembassy.gov/e/p/tp-20031217-06.html](http://japan.usembassy.gov/e/p/tp-20031217-06.html).

<sup>383</sup> Ibid.

<sup>384</sup> “Ukraine Ready to Consider Russia’s Proposal on Tightening MANPAD Sales,” Pravda (Moscow) 30 July 2003. Date of Access: 03 January 2004 [www2.pravda.com.ua/en/archive/2003/july/30/news/2.shtml](http://www2.pravda.com.ua/en/archive/2003/july/30/news/2.shtml).

The Russian Federation was a strong advocate of MANPAD non-proliferation at the meeting of the CIS Council of Defense Ministers in June 2003 in Kazakhstan. Russia tabled a resolution at the twelve-nation summit to tighten controls over the transfer of Igla- and Strela-type MANPADS and for all CIS member-states to share information about all bilateral sales of MANPADS, including those sold after the collapse of the USSR. The measure was initially opposed by the Ukraine, Azerbaijan, Georgia, and Uzbekistan to block passage of the resolution at the June meeting. Nevertheless, subsequent diplomatic pressure leveraged by Russia caused the Ukraine to announce on 30 August 2003 that it was ready to discuss the initiative with Moscow.<sup>385</sup>

Russia also made a major contribution to MANPAD non-proliferation at the APEC Summit in Bangkok, Thailand on 21 October 2003. At the multilateral meeting, leaders of 21 Asia-Pacific economies including Russia's President Vladimir Putin adopted a resolution to severely reduce the proliferation and accessibility of MANPADS to non-state and rogue actors.<sup>386</sup> Leaders agreed to implement strict domestic export controls on MANPADS, secure existing stockpiles, regulate MANPADS production, transfer, and brokering; ban transfers to non-state end-users; and exchange information in support of these efforts. Participants also agreed "to counter the emerging threat of MANPADS to civil aviation."<sup>387</sup>

The issue of MANPAD non-proliferation was also a key agenda item at the Organization for Security and Cooperation in Europe (OSCE)'s Ministerial Council Meeting in Maastricht, 1 December 2003. In his statements at the meeting, Russian Minister of Foreign Affairs Igor Ivanov praised the high-profile the organization has afforded the issue of MANPADS. Ivanov also stated that "the Organization [OSCE], unquestionably, has considerable potential in the military-political field. The adoption of the decisions on MANPADS and the liquidation of excess stocks of ammunition may serve as evidence of this. We welcome these steps as a weighty contribution to strengthening the regulatory base [for MANPADS] of the OSCE".<sup>388</sup>

Russia is also a signatory to the Wassenaar Arrangement (WA) on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, an agreement amongst 33 states to disclose all bilateral sales and transfers of conventional weapons. At a ministerial meeting of the Wassenaar Group held on 12 December 2003, member-states, including Russia, agreed to develop strict controls on the transfer of Man-Portable Air Defense Systems (MANPADS) that continue to pose one of the most serious threats to the safety of international civil aviation. In specific, the initiatives to which they committed themselves "included tightening controls over MANPADS, agreeing to enhance the transparency of small arms and light weapons transfers, establishing elements for national legislation on arms brokering, and adopting end-use oriented

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<sup>385</sup> Ibid.

<sup>386</sup> New APEC Initiatives on Counter Terrorism: APEC Commits to Enhancing Counter Terrorism Capacity. The United States Embassy to Japan (Tokyo) 21 October 2003. Date of Access: 19 December 2003 [japan.usembassy.gov/e/p/tp-20031022a7.html](http://japan.usembassy.gov/e/p/tp-20031022a7.html).

<sup>387</sup> P. Parameswaran, "APEC leaders to impose controls on shoulder-launched missiles", Agence France-Presse (AFP) (Paris) 17 October 2003. Date of Access: 03 January 2004 [quickstart.clari.net/qs\\_se/webnews/wed/ca/Qapac-missiles.RPzR\\_DOH.html](http://quickstart.clari.net/qs_se/webnews/wed/ca/Qapac-missiles.RPzR_DOH.html).

<sup>388</sup> Statement by Russian Minister of Foreign Affairs Igor Ivanov at the 11th OSCE Ministerial Council Meeting, Maastricht, December 1, 2003, Ministry of Foreign Affairs (Moscow) 1 December 2003. Date of Access: 2 January 2003 [www.in.mid.ru/BI.nsf/arh/5FA4FABA39344F9643256DF0003508A3?OpenDocument](http://www.in.mid.ru/BI.nsf/arh/5FA4FABA39344F9643256DF0003508A3?OpenDocument).

controls encouraging member governments to impose export controls on certain unlisted items when necessary to support United Nations arms embargoes”<sup>389</sup>.

## **7. United Kingdom: +1**

The United Kingdom is actively complying with its commitment to reducing MANPADS proliferation. This commitment is evidenced through its efforts to change domestic legislation, the UK’s involvement in the Wassenaar Arrangement (WA) on Export Controls for Conventional Arms and Dual-Use Goods and Technologies and the Organization for Security and Cooperation in Europe (OSCE).

According to Foreign Minister Denis MacShane, the government of the UK has been assessing export license applications on a case-by-case basis against Consolidated EU and National Arms Export Licensing Criteria.<sup>390</sup> Through this measure, the UK has prevented the export of MANPADS to ‘undesirables’ end-clients. In addition to the UK’s commitment to “ensure strong national regulation of production, transfer and brokering”, the government has also adopted secondary legislation under the Export Control Act 2002: “The Government’s secondary legislation under the Export Control Act 2002, laid before Parliament on 31 October 2003, implements this commitment. This legislation introduces controls on the brokering of all equipment on the UK’s military list, including MANPADS, where any part of the transaction is carried out in the United Kingdom. It represents a very significant step in preventing the involvement of UK persons in undesirable arms transfers”.<sup>391</sup> The secondary legislation essentially affords the government unhindered access to information pertaining to the numbers of MANPADS produced in the UK, who they are produced by, who they are produced for, and information pertaining to the time of delivery of each MANPADS for the explicit purpose of restricting and controlling the spread of MANPADS.

This strict export licensing regime is further buttressed by the terms of the Wassenaar Arrangement (WA) on Export Controls for Conventional Arms and Dual-Use Goods and Technologies. The WA was “established by thirty-three states in order to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies”.<sup>392</sup> The UK’s export criteria is thus informed by the “Elements for Export Controls of Man-Portable Air Defense Systems” agreed to by the WA on 12 December 2003. Under this new document, the participating states are obligated to: tighten controls over MANPADS, agree to enhance the transparency of small arms and light weapons transfers, establish elements for national legislation on arms brokering, and adopt end-use oriented controls encouraging member governments to impose export controls

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<sup>389</sup> Wassenaar Group to Tighten Export Controls on MANPADS. The United States Embassy to Japan (Tokyo) 12 December 2003. Date of Access: 20 December 2003 [japan.usembassy.gov/e/p/tp-20031217-06.html](http://japan.usembassy.gov/e/p/tp-20031217-06.html).

<sup>390</sup> Man-Portable Air Defense Systems: Strengthening Export Controls. Foreign and Commonwealth Office (London) 18 November 2003. Date of Access: 1 December 2003 [www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391629&a=KArticle&aid=1068718479626](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391629&a=KArticle&aid=1068718479626).

<sup>391</sup> Ibid.

<sup>392</sup> Welcome to the Wassenaar Arrangement. The Wassenaar Arrangement (Vienna). Date of Access: 18 December 2003 [www.wassenaar.org/welcomepage.html](http://www.wassenaar.org/welcomepage.html).

on certain unlisted items when necessary to support United Nations arms embargoes.<sup>393</sup> Through these measures, the UK has been able to control diversion and the re-exportation of MANPADS.<sup>394</sup>

The United Kingdom has also been pursuing efforts to combat MANPADS through its membership at the OSCE. In June 2003, members of the OSCE met in Vienna where MANPADS was one of the main foci of discussions.<sup>395</sup> It was agreed that the threat of MANPADS must be addressed by the OSCE. Since this meeting, the intentions of the UK and other members have been translated into concrete measures. Most notable is the *Handbook of Best Practices on Small Arms and Light Weapons* developed by the OSCE in cooperation with the Conflict Prevention Centre.<sup>396</sup> The book is a manual for governments, parliamentarians, non-governmental organizations (NGOs) and international organizations, outlining strict legislation and counter-proliferation programs regarding MANPADS and other small arms. Topics covered in the book include: national procedures for stockpile management and security, export control, tracing systems and licensing guidelines.

## **8. United States: +1**

The United States has exhibited a strong effort in complying with its commitment to counter the proliferation of MANPADS. This has been achieved by playing a proactive role in the Wassenaar Arrangement (WA), encouraging APEC leaders to cooperate with the global effort against MANPADS, and standing behind the expansion of the UN Register of Conventional Arms to include MANPADS.

The WA was “established by thirty-three states in order to contribute to regional and international security and stability, by promoting transparency and greater responsibility in transfers of conventional arms and dual-use goods and technologies”.<sup>397</sup> Along with the United Kingdom, the United States has recently pushed for the Arrangement to include MANPADS as a class of arms whose sale or transfer by a member-state would require full voluntary disclosure and reporting to the WA. These efforts took on a more concrete form at the WA Plenary Meeting on 12 December 2003 where all states agreed to the “Elements for Export Controls of Man-Portable Air Defense Systems”. Under this new agreement, the participating states are obligated to: tighten controls over MANPADS, agree to enhance the transparency of small arms and light weapons transfers, establish elements for national legislation on arms brokering, and adopt end-

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<sup>393</sup> Wassenaar Group to Tighten Controls on MANPADS. U.S. Department of State (Washington D.C.) 16 December 2003. Date of Access: 21 December 2003 [usinfo.state.gov/topical/pol/terror/texts/03121208.htm](http://usinfo.state.gov/topical/pol/terror/texts/03121208.htm).

<sup>394</sup> Man-Portable Air Defense Systems: Strengthening Export Controls. Foreign and Commonwealth Office (London) 18 November 2003. Date of Access: 1 December 2003 [www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391629&a=KArticle&aid=1068718479626](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391629&a=KArticle&aid=1068718479626).

<sup>395</sup> OSCE Security Conference Considers Fresh Options, Organization for Security and Co-operation in Europe (Vienna). 27 June 2003 Date of Access: 9 December 2003 [www.osce.org/news/generate.php3?news\\_id=3382](http://www.osce.org/news/generate.php3?news_id=3382).

<sup>396</sup> 11<sup>th</sup> Ministerial Council 2003 – Handbook of Best Practices. Organization for Security and Co-operation in Europe (Vienna). Date of Access: 9 December 2003 [www.osce.org/events/mc/netherlands2003/handbook](http://www.osce.org/events/mc/netherlands2003/handbook).

<sup>397</sup> Welcome to the Wassenaar Arrangement. The Wassenaar Arrangement (Vienna). Date of Access: 18 December 2003 [www.wassenaar.org/welcomepage.html](http://www.wassenaar.org/welcomepage.html).



use oriented controls encouraging member governments to impose export controls on certain unlisted items when necessary to support United Nations arms embargoes.<sup>398</sup>

At the APEC Summit in Thailand on 21 October 2003, the United States played an instrumental role in securing APEC's commitment to countering the MANPAD threat. Before the meeting adjourned, President Bush pushed for the adoption of a resolution to significantly reduce the proliferation and accessibility of MANPADS to non-state and rogue actors.<sup>399</sup> APEC leaders agreed to implement strict domestic export controls on MANPADS, secure existing stockpiles, regulate MANPADS production, transfer, and brokering; ban transfers to non-state end-users; and exchange information in support of these efforts. The issue of MANPADS was also secured on the agenda of the 2004 APEC Summit in Chile.<sup>400</sup>

In 2003, the United States participated in the Group of Governmental Experts on the U.N. Register of Conventional Arms, which produced a report outlining the need for changing key elements of the Register.<sup>401</sup> The group suggested that the Register, a voluntary reporting system for all major bilateral transfers of conventional arms each year, be expanded to include MANPADS. MANPADS are to be included under Category VII of the register, Missile and Missile Launchers, thus requiring members to voluntarily disclose all export sales and shipments of these weapons to other states.<sup>402</sup>

In recent months, the use of MANPADS by rogue elements targeting US military transports within Iraq have served to fuel the US effort against MANPADS even further. Thus, in light of these attacks and in fear of their increasing frequency, the US is making a concerted effort to collect and destroy MANPADS in Iraq and is continuing 'buy-back' programs in Iraq as well as other states in Asia.<sup>403</sup> In addition, the US has also directed efforts towards MANPAD proliferation in Latin America. Secretary of State Colin Powell held talks with Nicaraguan President Enrique Bolanos in November 2003 where he addressed the need for Nicaragua and other Latin American countries to secure and lower their stocks of MANPADS.<sup>404</sup> Powell suggested such actions would not only benefit the safety of Latin Americans, but would also contribute significantly to the wider global struggle against MANPADS. President Bolanos was

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<sup>398</sup> Wassenaar Group to Tighten Controls on MANPADS, U.S. Department of State (Washington D.C.) 16 December 2003. Date of Access: 21 December 2003 [usinfo.state.gov/topical/pol/terror/texts/03121208.htm](http://usinfo.state.gov/topical/pol/terror/texts/03121208.htm).

<sup>399</sup> New APEC Initiatives on Counter Terrorism: APEC Commits to Enhancing Counter Terrorism Capacity. The United States Embassy to Japan (Tokyo) 21 October 2003. Date of Access: 19 December 2003 [japan.usembassy.gov/e/p/tp-20031022a7.html](http://japan.usembassy.gov/e/p/tp-20031022a7.html).

<sup>400</sup> Ibid.

<sup>401</sup> U.S. Official Urges More Effective U.N. Role in Arms Control. U.S. Embassy to Italy (Rome) 09 October 2003. Date of Access: 21 December 2003 [www.usembassy.it/file2003\\_10/alia/A3100908.htm](http://www.usembassy.it/file2003_10/alia/A3100908.htm).

<sup>402</sup> "Continuing Operations of the United Nations Register of Conventional Arms and its Further Development." Secretary-General Report A/58/274 for the 58<sup>th</sup> Session of the General Assembly (New York) 13 August 2003. Date of Access: 13 December 2003 [www.smallarmsnet.org/issues/themes/unregister.pdf](http://www.smallarmsnet.org/issues/themes/unregister.pdf).

<sup>403</sup> Washington File, US Department of State (Washington D.C.) 27 July 2003. Date of Access: 13 December 2003 [usembassy-australia.state.gov/hyper/2003/0827/epf310.htm](http://usembassy-australia.state.gov/hyper/2003/0827/epf310.htm). See also: "American Morning: Missing Missiles." CNN (Atlanta) 9 October 2003. Date of Access: 16 December 2003 [edition.cnn.com/TRANSCRIPTS/0310/09/ltn.01.html](http://edition.cnn.com/TRANSCRIPTS/0310/09/ltn.01.html).

<sup>404</sup> Remarks with Nicaraguan President Enrique Bolanos Before Their Working Dinner. US Department of State (Washington D.C.) 3 November 2003. Date of Access: 18 December 2003 [www.state.gov/secretary/rm/2003/25916.htm](http://www.state.gov/secretary/rm/2003/25916.htm).

highly receptive of Powell's suggestions and vowed to not only address the issue within its borders, but also outside of its borders with other Latin American states.

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## 2003 Evian Interim Compliance Report Weapons of Mass Destruction

### Commitment:

2003-186: “We reaffirm our support for the IAEA (International Atomic Energy Agency), which should be granted the necessary means to implement its monitoring tasks.”

### Background:

The focus on weapons of mass destruction (WMD) at the 2003 Evian Summit was driven by the threat of nuclear proliferation in the three countries labelled by US President Bush as the ‘Axis of Evil’ in his 2002 State of the Union address: Iraq, Iran and North Korea.<sup>405</sup> At the time of the summit, many G8 member-states still supported the idea that the US had invaded Iraq prematurely and had failed to afford the IAEA adequate time to conclude its search for Iraq’s alleged WMD program. Furthermore, the US was also facing further criticism for denying the IAEA re-entry into Iraq to resume its search after the fall of the former regime in May 2003.<sup>406</sup> In light of these tensions, the strong commitment delivered at the Evian Summit for the work of the IAEA can be interpreted partly as a reconciliatory gesture by all member-states in an effort to mend trans-Atlantic ties frayed in the US-led war on Iraq. The majority, however, of the G8’s robust commitment towards the IAEA can be attributed to the alarming risk of nuclear proliferation in both North Korea and Iran that emerged in the first-half of 2003. In October 2002, North Korea announced that it had resumed operation of an illicit nuclear weapons program mothballed in 1994. In January 2002, the country officially withdrew from the Nuclear Non-Proliferation Treaty (NPT).<sup>407</sup> Grave concerns over the recent unchecked proliferation of nuclear weapons to unstable states were only reinforced amongst accusations by the United States in the summer of 2003 that Iran was seeking to develop a WMD program.<sup>408</sup> In both these instances, the United States and the international community have opted to chart a course of diplomacy and inspections as opposed to the use of force to counter nuclear proliferation. As a result, the G8 has directed renewed attention and support towards IAEA and its operations, which has been translated into several documents released at the Evian Summit pertaining to WMD. These documents include *Non-Proliferation of Weapons of Mass Destruction – A G8 Declaration*,<sup>409</sup> as well as a reference to the matter in the *Chairman’s Summary* from which the above commitment is extracted.<sup>410</sup>

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<sup>405</sup> “Timeline: Iran,” BBC World News: Internet Edition (London) 27 December 2003. Date of Access: 4 January 2003 [news.bbc.co.uk/2/hi/middle\\_east/806268.stm](http://news.bbc.co.uk/2/hi/middle_east/806268.stm).

<sup>406</sup> “Putting the World Back Together Again,” The Economist (London/Washington D.C.) 7 June 2003. Date of Access: 4 January 2003 [www.economist.com/displaystory.cfm?story\\_id=S%27%29HL%2EQ1%5F%27%23P%21%28%0A](http://www.economist.com/displaystory.cfm?story_id=S%27%29HL%2EQ1%5F%27%23P%21%28%0A).

<sup>407</sup> “Timeline: North Korea,” BBC World News: Internet Edition (London) 28 December 2003. Date of Access: 4 January 2003 [news.bbc.co.uk/2/hi/asia-pacific/1132268.stm](http://news.bbc.co.uk/2/hi/asia-pacific/1132268.stm).

<sup>408</sup> “Timeline: Iran,” BBC World News: Internet Edition (London) 27 December 2003. Date of Access: 4 January 2003 [news.bbc.co.uk/2/hi/middle\\_east/806268.stm](http://news.bbc.co.uk/2/hi/middle_east/806268.stm).

<sup>409</sup> Non-Proliferation of Weapons of Mass Destruction – A G8 Declaration, 2003 Sommet d’Evian Official Website (Evian/Paris) 3 June 2003. Date of Access: 3 January 2003 [www.g8.fr/evian/english](http://www.g8.fr/evian/english).

<sup>410</sup> Chairman’s Summary, 2003 Sommet d’Evian Official Website (Evian/Paris) 3 June 2003. Date of Access: 3 January 2003 [www.g8.fr/evian/english](http://www.g8.fr/evian/english).

## Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada			+1
France			+1
Germany			+1
Italy			+1
Japan			+1
Russia			+1
United Kingdom			+1
United States			+1
European Union*			+1*
Overall			1

## Individual Country Compliance Breakdown:

### 1. Canada: +1

Canada has maintained a high level of compliance throughout 2003 towards the weapons of mass destruction commitments proposed at the G8 Evian Summit. It has been able to do so through monitoring and dismantling projects in Russia, and an overall firm commitment to the G8 Global Partnership Initiative against the spread of weapons of mass destruction and other treaties pertaining to the latter, which are all administered or monitored by the IAEA. Canada has maintained this level of support for the IAEA due to its large exporter status of uranium, coupled with its status as a middle power country without a nuclear arsenal.

In August 2003, Rob McDougall, Director of Non-Proliferation Arms Control and Disarmament Division, of the Department of Foreign Affairs, restated Canada's commitment of CDN\$1 billion over the next ten years towards disarmament and non-proliferation issues in Russia in an effort to aid the IAEA in the region, and added that the commitment, "confirms this area as one of Canada's highest NACD priorities..."<sup>411</sup> In addition, on 19 November 2003, Canada and the United Kingdom signed a Memorandum of Understanding in Moscow, part of the project designed by the Global Partnership Against the Spread of Weapons and Materials of Mass Destruction, launched in June 2002 by G8 leaders in support of the IAEA's efforts, geared towards supporting Russia in destroying its chemical weapons stockpiles. Canada is to provide CDN\$33 million, which the UK will use to finance the project.<sup>412</sup>

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<sup>411</sup> Opening Remarks by Rob McDougall, Director Non-Proliferation Arms Control and Disarmament Division: Government Consultations with Civil Society on Issues Related to International Security, Nuclear Weapons and Other Weapons of Mass Destruction and their Delivery Systems, Department of Foreign Affairs and International Trade, (Ottawa), August 26, 2003. Date of Access: December 30, 2003. [www.dfait-maeci.gc.ca/arms/mcdougall6-en.asp](http://www.dfait-maeci.gc.ca/arms/mcdougall6-en.asp).

<sup>412</sup> UK and Canada Cooperate to Assist Russia in Destroying Chemical Weapons, Department of Foreign Affairs and International Trade, (Ottawa) November 19, 2003. Date of Access: January 2, 2004. [www.dfait-maeci.gc.ca/foreign\\_policy/global\\_partnership/uk\\_canada-en.asp](http://www.dfait-maeci.gc.ca/foreign_policy/global_partnership/uk_canada-en.asp).

More universally, Canada has attempted to take a leadership role in the area of non-proliferation of weapons of mass destruction by providing active support towards such non-proliferation treaties as the Comprehensive Nuclear-Test-Ban Treaty (CTBT) and the Nuclear Non-Proliferation Treaty (NPT), which are administered and monitored by the IAEA.

Finally, Canada has also applauded Libya's decision to dismantle its weapons of mass destruction program and both it and Iran's decisions to accept IAEA inspectors in to their countries. In October 2003, Paul Meyer, Ambassador for Disarmament, stated at the UN General Assembly that, "we [Canada] are determined to strengthen the prohibitions against WMDs, to reinforce the non-proliferation and disarmament regimes, to advance the promising conventional arms control agenda and to contribute to the efficacy of UN and multilateral machinery in the entire field".<sup>413</sup>

## **2. France: +1**

France has revealed a high level of compliance in regards to the weapons of mass destruction commitments laid out at the 2003 Evian G8 Summit, principally through the IAEA's efforts in Libya and in Iran. France has repeatedly taken a strong stance in support of the IAEA's efforts due to its status as a nuclear power, not only militarily but through its civilian nuclear energy programs, and it being a permanent member of the UN Security Council.

Since February 2003, the IAEA has been occupied in verifying the Iranian nuclear program and its history. France has been a strong supporter of this task and has mobilized its efforts with those of its European partners to gain Iran's ascension to the IAEA Additional Protocol to the Nuclear Non-Proliferation Treaty. In October 2003, M. Dominique de Villepin, Minister of Foreign Affairs visited the Iranian Foreign Minister, Mr. Kharrazi, in Tehran in order to guarantee that Iran's obligations to the IAEA follow through, and was quoted as saying that, "it is an important visit because proliferation issues are at the heart of our [France's] concerns...".<sup>414</sup> In November 2003, France, along with Germany and Britain, also drafted a resolution, that was favoured strongly by the Board of Governors of the IAEA, where by Iran would commit itself to IAEA inspections and halt its uranium enrichment programs rather than be in violation of the Non-Proliferation Treaty (NPT) and succumb to UN sanctions.<sup>415</sup> France went on to congratulate Iran on its signing of the IAEA's Additional Protocol for Nuclear Safeguards on 18 December 2003, viewing the method of political approach to the Iranian dilemma as an effective and peaceful method to such a risky situation: "this approach stands as an example, and we hope that other States resolutely embark on the same path".<sup>416</sup>

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<sup>413</sup> Statement by Paul Meyer Ambassador for Disarmament To the First Committee of The Fifty-eighth Session of the General Assembly of the United Nations, Department of Foreign Affairs and International Trade, (Ottawa October 8, 2003. Date of Access: December 30, 2003. [www.dfait-maeci.gc.ca/arms/meyer-en.asp](http://www.dfait-maeci.gc.ca/arms/meyer-en.asp).

<sup>414</sup> Visit to the Islamic Republic of Iran: Interview given by M. Dominique De Villepin, Minister of Foreign Affairs, to the Press, Ministry of Foreign Affairs (Paris) October 21, 2003. Date of Access: December 30, 2003. [www.diplomatie.gouv.fr/actu/bulletin.gb.asp?liste=20031022.gb.html#Chapitre2](http://www.diplomatie.gouv.fr/actu/bulletin.gb.asp?liste=20031022.gb.html#Chapitre2).

<sup>415</sup> Most IAEA board members favor EU trio-backed resolution, International Atomic Energy Agency, (Vienna) November 20, 2003. Date of Access: January 10, 2004. [www.globalsecurity.org/wmd/library/news/iran/2003/iran-031120-irna02.htm](http://www.globalsecurity.org/wmd/library/news/iran/2003/iran-031120-irna02.htm).

<sup>416</sup> Libya Statement to the Media by M. Dominique De Villepin, Minister of Foreign Affairs, to the Press, Ministry of Foreign Affairs (Paris) December 20, 2003. Date of Access: December 30, 2003.

France has also welcomed Libya's decision to abandon its projects involving weapons of mass destruction in December 2003, stating that it was "an important step towards that country's fully-fledged return to the international community."<sup>417</sup> Furthermore, in regards to North Korea's nuclear program, although not belonging to the six-nation talks on the Korean Peninsula, France has supported the IAEA's efforts there and has demanded that North Korea dismantle its military nuclear program and allow IAEA inspectors into the country forthwith.<sup>418</sup>

Finally, to further stress France's support for non-proliferation and the IAEA's activities, in September 2003, at the opening of the 58<sup>th</sup> Session of the General Assembly of the United Nations in New York, President Chirac emphasized the need for unity towards non-proliferation of weapons of mass destruction. He proposed a permanent team of inspectors under the control of the Security Council as a plan of action: "we must unite to assure the universality of agreements and the effectiveness of non-proliferation methods".<sup>419</sup>

### **3. Germany: +1**

Germany has registered a high level of interim compliance with commitments made at Evian regarding weapons of mass destruction in a very limited focus area. Most of Germany's effort has been focused on negotiations with Iran to allow the IAEA to inspect.

Iran was criticized this year very strongly for its failure to allow IAEA inspectors to monitor their nuclear program. Germany, together with the United Kingdom and France, entered into negotiations with Iran to encourage them to cooperate with the IAEA and to sign the Additional Protocol of the IAEA's Nuclear Non-Proliferation Treaty. On 21 October 2003 Foreign Minister Joschka Fischer met with his counterparts from France and the United Kingdom in Tehran to discuss the situation with senior Iranian officials.<sup>420</sup> On 25 November 2003, the IAEA released a resolution urging Iran to cooperate with inspectors and to sign on to the Additional Protocol. The German government was strongly in favour of this resolution, and joined France and the UK in blocking a US proposal calling for the matter to be automatically transferred from the IAEA to the UN Security Council in the event of Iranian non-compliance – a move that would have greatly diminished the ability of the IAEA to regulate the crisis itself.<sup>421</sup> Germany, France and the United Kingdom compromised with the United States by agreeing to condemn Iran's nuclear program while ensuring that management of the crisis would remain in the immediate jurisdiction of the IAEA and not the United Nations' Security Council where sanction would

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[www.diplomatie.gouv.fr/actu/bulletin.gb.asp?liste=20031222.gb.html#Chapitre1](http://www.diplomatie.gouv.fr/actu/bulletin.gb.asp?liste=20031222.gb.html#Chapitre1).

<sup>417</sup> Ibid.

<sup>418</sup> Discours de Monsieur Jacques Chirac, President de la Republique Francaise a l'Ouverture de la 58eme Session de L'Assemblee Generale des Nations Unies, Le Palais de l'Elysee, Office of the President of the Republic (Paris) September 23, 2003. Date of Access: January 2, 2004. [www.elysee.fr/ang/rech/rech\\_.htm](http://www.elysee.fr/ang/rech/rech_.htm).

<sup>419</sup> Ibid.

<sup>420</sup> Bundeskanzler dankt Joschka Fischer fuer erfolgreiche Vermittlung in Iran, Office of the Chancellor of the Federal Republic of Germany (Berlin) 22 October 2003. Date of Access 3 January 2004. [www.bundeskanzler.de/-7698.545309/Bundeskanzler-dankt-Joschka-Fischer-fuer-erfolgr...htm](http://www.bundeskanzler.de/-7698.545309/Bundeskanzler-dankt-Joschka-Fischer-fuer-erfolgr...htm).

<sup>421</sup> "US Welcomes Iran Report," BBC World News UK Edition (London) 26 November 2003. Date of Access 3 January 2004. [news.bbc.co.uk/1/hi/world/middle\\_east/3241662](http://news.bbc.co.uk/1/hi/world/middle_east/3241662).

have been likely imposed.<sup>422</sup> Germany is further encouraging Iran's continued cooperation with the IAEA by promising, along with the United Kingdom and France, to cooperate in future technological developments with Iran<sup>423</sup>

Notably, Germany has been quite silent diplomatically in terms with regards to efforts by the international community to compel North Korea to return to the Nuclear Non-Proliferation Treaty and allow IAEA inspectors in the country. Similarly, Germany had comparatively few comments about the decision by Libya on 19 December 2003 to scrap its weapons of mass destruction program and submit to IAEA inspections.

#### **4. Italy: +1**

Italy has registered a high level of interim compliance with respects to Evian's weapons of mass destruction commitments, focusing primarily upon the IAEA's efforts towards non-proliferation regarding North Korea and Iran. Italy in the unique position as a country without civilian or military atomic energy programs, as well as the country that held presidency in the European Union from 1 July to 20 December 2003.

One of the areas where Italy used its presidency of the EU to make a stand was with regards to the North Korean nuclear crisis. Although Italy and EU Presidency are not party to the six-way talks, they nonetheless worked towards the international community's goal of seeing North Korea return to the IAEA's Nuclear Non-Proliferation Treaty. Guido Martini, Director-General, Department of Asia and Oceania of Italian Ministry of Foreign Affairs, led the nine-member EU delegation to North Korea. The delegation visited the country in order to discuss about the next round of multilateral talks. Martini said that "the trip was very good for all of us".<sup>424</sup> Martini made it clear to Pyongyang that EU would only cooperate with the North economically on condition that the nuclear crisis is settled and North Korea rejoins the Nuclear Non-Proliferation Treaty<sup>425</sup>.

The other area where Italy, both as an independent state and as the President of the Council of the European Union, reiterated its support to IAEA was in its efforts to compel Iran to abandon its suspected nuclear weapons program and to sign the Additional Protocol to the Nuclear Non-Proliferation Treaty. On 14 July 2003, Italian Foreign Minister Frattini had a telephone conversation with his Iranian counterpart Khamal Kharrazi during which he "reiterated the European Union's call for Iran to cooperate fully and transparently with the International Atomic Energy Agency (IAEA)". In addition Martini "recalled that Italy's European partners wanted to continue constructive dialogue with Iran".<sup>426</sup> Such a dialogue continued in October 2003, when

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<sup>422</sup> "Interview with Mohamed El Baradei." CNN.com International 26 November 2003. Date of Access 2 January 2004. [edition.cnn.com/TRANSCRIPTS/0311/26/I\\_qoa.01.html](http://edition.cnn.com/TRANSCRIPTS/0311/26/I_qoa.01.html).

<sup>423</sup> "Tehran Pledges to Work With the IAEA," BBC World News UK Edition (London) 29 November 2003. Date of Access 2 January 2003. [news.bbc.co.uk/1/hi/world/middle\\_east/3248854.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3248854.stm).

<sup>424</sup> "Six-nation nuclear talks on N. Korea planned", USA Today (McLean, Virginia) 12 December 2003. Date of Access: 05 January 2004. [nuclearno.com/text.asp?7377](http://nuclearno.com/text.asp?7377).

<sup>425</sup> "EU envoys brief Seoul on discussions with North", JoongAng Daily, 13 December 2003, Date of Access: 05 January 2004. [www.iht.com/pdfs/jai/H200312131003000JAI.pdf](http://www.iht.com/pdfs/jai/H200312131003000JAI.pdf).

<sup>426</sup> Frattini, Kharrazi Confirm Desire to Continue EU-Iran Talks. Italian Presidency of the Council of the European Union (Rome) 14 July 2003. Date of Access: 29 December 2003 [www.ueitalia2003.it/EN/Notizie/affariGeneraliRelazioniEsterne/Notizia\\_07141730740.htm](http://www.ueitalia2003.it/EN/Notizie/affariGeneraliRelazioniEsterne/Notizia_07141730740.htm).

the British, German and French foreign ministers traveled to Tehran for direct discussions with the Iranian leadership – an visit for which Italy expressed firm support and strong encouragement.<sup>427</sup> Prior to their departure to Iran, Frattini engaged in communication with the ministers during which he highlighted “Italy’s attention to its relations with Iran and its interest in the action of these three countries, to which Italy, while supporting it, chose not to associate itself at this time, in light of its duties as the as the President of the EU”.<sup>428</sup> In October 2003, Frattini praised Tehran’s promise to sign the Protocol.<sup>429</sup>

Finally, Italy expressed deep satisfaction with Libya’s decision to accept the Additional Protocol. Prime Minister Silvio Berlusconi claimed that Italy was involved in the agreement and was personally praised by the US.<sup>430</sup> Minister Frattini said that this development was “the crowning of Italy’s constructive dialogue-based approach”.<sup>431</sup>

## 5. Japan: +1

Japan has registered a notably high level of interim compliance with respects to Evian’s weapons of mass destruction commitments, focusing primarily upon the IAEA’s efforts towards non-proliferation regarding North Korea and Iran. Japan has a heightened stake in the IAEA’s activities due to its standing as the sole great power without nuclear arsenal, its extensive civilian atomic energy program, and it being the only country to have experienced a nuclear attack.

North Korea’s expulsion of IAEA inspectors in late 2002 and its withdrawal from the IAEA’s Nuclear Non-Proliferation Treaty (NPT) in January 2003 has been the primary focus of Japan’s WMD compliance efforts. Japan is an active party to the six-nation multilateral talks to negotiate an end North Korea’s nuclear weapons program, and attended the group’s unsuccessful first meeting on 27–29 August 2003 in Beijing. At the talks, Japan clearly stated that “the nuclear problem...must be solved before the normalization of the relations between Japan and North Korea,” which included the latter returning to the NPT regime.<sup>432</sup> On 17 September 2003 Japanese Prime Minister Junichiro Koizumi traveled to Pyongyang for a state visit with General Secretary Kim Jong Il. During his stay, Koizumi publicly stated that the Jong Il “made it clear that all relevant international agreements [namely the NPT] would be adhered to,” but stressed that, “what is important is that North Korea act on its promises”. Compelled by international pressure and deal-making sponsored partly by Japan, North Korea announced on 27 December 2003 that it would participate in another round of six-nation negotiations in 2004. Senior Japanese Foreign Ministry official Mitoji Yabunaka is scheduled to meet with South Korean

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<sup>427</sup> Information Paper, Italian Ministry of Foreign Affairs, Rome, 20 October 2003, Date of Access: 10 January 2004. [www.esteri.it/attualita/2003/eng/notes/n031020a.htm](http://www.esteri.it/attualita/2003/eng/notes/n031020a.htm).

<sup>428</sup> Communication from Minister Frattini to Ministers Straw, de Villepin and Fischer on the eve of their visit to Iran, Italian Presidency of the Council of the European Union (Rome) 20 October 2003. Date of Access: 29 December 2003

<sup>429</sup> Ibid.

<sup>430</sup> “World leaders send clear signals to Libya after arms decision”, AFP (Paris), 20 December 2003, Date of Access: 10 January 2004. [uk.news.yahoo.com/031220/323/ehjxb.html](http://uk.news.yahoo.com/031220/323/ehjxb.html).

<sup>431</sup> Information Paper, Italian Ministry of Foreign Affairs (Rome) 22 December 2003, DATE OF ACCES: 10 January 2004. [www.esteri.it/attualita/2003/eng/notes/n031222a.htm](http://www.esteri.it/attualita/2003/eng/notes/n031222a.htm).

<sup>432</sup> “Six-Party Talks on North Korean Issues (Overview and Evaluation),” The Ministry of Foreign Affairs of Japan (Tokyo) September 2003. Date of Access: 20 December 2003. [www.mofa.go.jp/region/asia-paci/n\\_korea/6party0308.html](http://www.mofa.go.jp/region/asia-paci/n_korea/6party0308.html).



Deputy Foreign Minister Lee Soo-hyuck and China's Fu Ying on 28 December 2003 to discuss strategy for ending North Korea's nuclear weapons program and returning IAEA inspectors.<sup>433</sup>

The other main arena of Japan WMD-compliance efforts involves the Islamic Republic of Iran and related suspicions that it has launched a covert nuclear weapons program. On 26 August 2003, Japan hosted the Japan-Iran Expert Meeting on the International Atomic Energy Agency (IAEA) Additional Protocol. At this bilateral meeting Japan "requested again that the Iranian side cooperate fully with the IAEA, and promptly and unconditionally sign, ratify and fully implement the Additional Protocol".<sup>434</sup> In September 2003, Iranian Foreign Minister Sr. Seyyed Kamal Kharrazi attended a state visit to Tokyo, during which he presented a letter from Iranian President Khatami stating that Iran had "decided to expand its cooperation with the IAEA and begin talks on the IAEA Additional Protocol with the IAEA".<sup>435</sup> On 16 September 2003, Japan co-sponsored a strongly-worded resolution passed by the IAEA Board of Governors condemning Iran for its covert nuclear weapons program. The resolution demanded that "Iran fully disclose uranium enrichment and other programs that can be directly linked to the development of nuclear weapons and sign an additional protocol to enable the IAEA to conduct inspections without prior notification".<sup>436</sup> In addition, Japan endorsed the IAEA's 22 November 2003 report outlining Iran nuclear questionable activities. Along with the United States, Canada, the Netherlands, and Australia, Japan also held out for stronger language in the IAEA Board of Governors' statement demanding Iran cooperate more fully with the IAEA and sign the NPT Additional Protocol.<sup>437</sup> The Government of Japan warmly welcomed Iran's signing of the NPT Additional Protocol on 18 December 2003, and offered to share "with Iranian experts... Japan's experience of the conclusion and implementation of the Additional Protocol".<sup>438</sup>

Lastly, Japan, like many other countries, openly applauded Libya's decision to voluntarily submit to IAEA weapon's inspectors on 20 December 2003. Japanese Prime Minister Koizumi stated that "North Korea should take the decision (by Libya) seriously and adopt a co-operative policy with the international community over the nuclear issue...Libya has judged that co-operating with the international community would lead to its prosperity".<sup>439</sup>

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<sup>433</sup> "North Korea Confirms Nuclear Talks," BBC World New UK Edition (London) 27 December 2003. Date of Access: 27 December 2003 [BBC World New UK Edition (London) 22 December 2003. Date of Access: 23 December 2003 [news.bbc.co.uk/1/hi/world/asia-pacific/3351615.stm](http://news.bbc.co.uk/1/hi/world/asia-pacific/3351615.stm)].

<sup>434</sup> Japan-Iran Expert Meeting on the IAEA Additional Protocol, The Ministry of Foreign Affairs (Tokyo) August 2003. Date of Access: 23 December 2003 [www.mofa.go.jp/region/middle\\_e/iran/iaea0308.html](http://www.mofa.go.jp/region/middle_e/iran/iaea0308.html).

<sup>435</sup> Visit to Japan by Dr. Seyyed Kamal Kharrazi, Minister of Foreign Affairs of the Islamic Republic of Iran (Overview and Evaluation) The Ministry of Foreign Affairs (Tokyo) 16 September 2003. Date of Access: 23 December 2003 [www.mofa.go.jp/region/middle\\_e/iran/fmv0308.html](http://www.mofa.go.jp/region/middle_e/iran/fmv0308.html).

<sup>436</sup> Statement by the Press Secretary/Director-General for Press and Public Relations, Ministry of Foreign Affairs, on the International Atomic Energy Agency (IAEA) Board of Governors' Adoption of the Resolution concerning the Nuclear Issues of Iran, The Ministry of Foreign Affairs (Tokyo) September 2003. Date of Access: 23 December 2003 [www.mofa.go.jp/announce/announce/2003/9/0916-2.html](http://www.mofa.go.jp/announce/announce/2003/9/0916-2.html).

<sup>437</sup> "US Wants Tough Resolution on Iran: Move Follows IAEA Report of Clandestine Nuclear Program," CNN.com (Atlanta) 22 November 2003. Date of Access: 22 December 2003 [www.cnn.com/2003/US/11/22/us.iran.nuclear](http://www.cnn.com/2003/US/11/22/us.iran.nuclear).

<sup>438</sup> Statement by Minister for Foreign Affairs Yoriko Kawaguchi on Iran's signing of the International Atomic Energy Agency (IAEA) Additional Protocol, The Ministry of Foreign Affairs (Tokyo) 19 December 2003. Date of Access: 23 December 2003 [www.mofa.go.jp/announce/press/2003/12/1219.html#1](http://www.mofa.go.jp/announce/press/2003/12/1219.html#1).

<sup>439</sup> "Libya Faces Early Nuclear Checks," BBC World New UK Edition (London) 22 December 2003. Date of Access: 23 December 2003. [news.bbc.co.uk/1/hi/world/africa/3339347.stm](http://news.bbc.co.uk/1/hi/world/africa/3339347.stm).

## 6. Russia: +1

Russia has obtained a high level of interim compliance with its Evian's commitments on weapons of mass destruction, focusing primarily upon the IAEA's efforts towards non-proliferation regarding North Korea and Iran. Russia has a unique position as a country with the second biggest nuclear arsenal in the world, an extensive civilian atomic energy program and the closest ties with Iran and North Korea of all other members of G8.

Russia showed strong support to IAEA during the First Committee of the United Nations General Assembly. In this 5 November 2003 speech Russian Minister of Atomic Energy Alexander Rumiantsev said that "Russia will fight to achieve universal acceptance of principles, adopted in Evian and Kananaskis by the leaders of G8, aiming at preventing access for terrorists and their supporters to weapons of mass destruction".<sup>440</sup>

On 2 December 2003 Russian Deputy Minister of Foreign Affairs Yuri Fedotov met in Vienna with the Director General of IAEA, Mohamed ElBaradei. They confirmed that approaches of Russia and the Agency coincide with regards to the solution of the questions linked to the nuclear programs of Iran and the DPRK.<sup>441</sup>

Russia has a strong relationship with Iran but previous reluctance on the part of Iran was hurting their cooperation in the field of peaceful uses of atomic energy. On 10 November 2003 Hasan Rohani, Secretary of the Supreme National Security Council of Iran, met with Russian President Vladimir Putin in Moscow and declared that Iran was going to comply with the requirements of the IAEA.<sup>442</sup>

The other area where Russia demonstrated a readiness to help further IAEA goals, was North Korea's nuclear weapons program. Russia took part in the first round of talks on the North Korean nuclear problem, held in Beijing at the end of August, together with the representatives of the US, the DPRK, the Republic of Korea, Japan and China. On 13 November 2003 Deputy Minister of Foreign Affairs of the Russian Federation Alexander Losyukov received the Ambassador of the Democratic People's Republic of Korea to Russia, Pak Ui Chun. In the course of the talk that took place, questions of preparation for a possible second round of six-way talks on the nuclear problem of the Korean Peninsula were touched upon. Both sides emphasized their readiness to conduct a constructive search for a just and mutually acceptable solution to this problem which would lead to the safeguarding of a de-nuclearized status for the peninsula with security guarantees for all the region's states, including the DPRK, and the establishment of

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<sup>440</sup> Intervention by Alexander Rumiantsev, Minister of the Atomic Energy, Ministry of Atomic Energy Press Centre (Moscow), Nov 2003. Date of Access: 05 January 2004. [www.minatom.ru/presscenter/document/news/PRINT\\_news412.htm](http://www.minatom.ru/presscenter/document/news/PRINT_news412.htm).

<sup>441</sup> Transcript of Russian Deputy Minister of Foreign Affairs Yuri Fedotov's Interview with State Television Corporation of the State of Qatar, Daily News Bulletin of the Ministry of Foreign Affairs of Russian Federation (Moscow), December 22, 2003. Date of Access: 05 January 2004. [www.ln.mid.ru/Bl.nsf/arh/E1E7F121FF467202C3256E07005856CE?OpenDocument](http://www.ln.mid.ru/Bl.nsf/arh/E1E7F121FF467202C3256E07005856CE?OpenDocument).

<sup>442</sup> "Iranian Atom and Kremlin Prestige" Krasnaya Zvezda (Moscow) 12 November 2003. Date of Access: 05 January 2004. [www.redstar.ru/2003/11/12\\_11/3\\_02.html](http://www.redstar.ru/2003/11/12_11/3_02.html).

favorable conditions for their economic and social development.<sup>443</sup> Another meeting between them took place on 2 December 2003.<sup>444</sup>

Moscow also has received with satisfaction the statement by the Libyan leadership that Tripoli is giving up its plans to develop and produce weapons of mass destruction and is ready for the widest cooperation in this area with the international community. Russian Minister of Foreign Affairs noted that: “The Russian side had invariably called for this in the framework of its contacts with the Libyan partners for the last few years. We welcome Libya’s declared readiness to sign an Additional Protocol to the IAEA Safeguards Agreement Pursuant to the Nuclear Nonproliferation Treaty, accede to the Chemical Weapons Convention and adhere to the Missile Technology Control Regime”.<sup>445</sup>

## **7. United Kingdom: +1**

The United Kingdom has registered a high level of interim compliance with the commitments made at Evian regarding weapons of mass destruction. The United Kingdom has supported the IAEA’s efforts in Libya, Iran, and North Korea, and has worked closely with the United States and the European Union to reduce the threat of WMDs.

The United Kingdom has cooperated closely with the United States and the International Atomic Energy Agency (IAEA) in its efforts to convince Libya to dismantle its nuclear program. Since being approached by envoys of Colonel Gaddafi in March 2003, Prime Minister Tony Blair has been negotiating with Libya and the United States. Largely as a result of those negotiations, Libya has agreed to allow IAEA inspectors into the country.<sup>446</sup> In response to Libya’s cooperation, Blair stated: “We have offered our support to Libya in presenting its programs to these international bodies and are prepared to offer assistance with dismantlement”.<sup>447</sup>

The United Kingdom has also made progress with Iran. Following the Evian Summit, Tony Blair called upon Iran to cooperate with the IAEA “without delay or condition”.<sup>448</sup> On 21 October 2003, Jack Straw, Foreign Minister of the United Kingdom, met with the Foreign Ministers of France and Germany in Tehran to encourage Iran to cooperate with the IAEA.<sup>449</sup> On 29 November 2003, Iran announced that it would cooperate with the IAEA. This decision was

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<sup>443</sup> Press Release, The Ministry of Foreign Affairs of the Russian Federation (Moscow), 13 November 2003. Date of Access: 05 January 2004. [www.in.mid.ru/BI.nsf/arh/8BF15C3EEF40CD9343256DDE00310965?OpenDocument](http://www.in.mid.ru/BI.nsf/arh/8BF15C3EEF40CD9343256DDE00310965?OpenDocument).

<sup>444</sup> Daily News Bulletin, The Ministry of Foreign Affairs of the Russian Federation (Moscow), 02 December 2003. Date of Access: 05 January 2004.

[www.in.mid.ru/BI.nsf/arh/61E58B287C8EA30943256DF0004349F0?OpenDocument](http://www.in.mid.ru/BI.nsf/arh/61E58B287C8EA30943256DF0004349F0?OpenDocument).

<sup>445</sup> Statement by Russian Minister of Foreign Affairs Igor Ivanov Regarding Libya's Decision to Give Up Its Weapons of Mass Destruction Programs, Daily News Bulletin, The Ministry of Foreign Affairs of the Russian Federation (Moscow), 22 December 2003. Date of Access: 05 January 2004.

[www.in.mid.ru/BI.nsf/arh/3F90085ABF261FA7C3256E04004F0C05?OpenDocument](http://www.in.mid.ru/BI.nsf/arh/3F90085ABF261FA7C3256E04004F0C05?OpenDocument).

<sup>446</sup> “Libyan FM Confirms Nuclear Stance,” BBC World News UK Edition (London) 27 December 2003. Date of Access 30 December 2003. [news.bbc.co.uk/1/hi/world/africa/3350645.stm](http://news.bbc.co.uk/1/hi/world/africa/3350645.stm).

<sup>447</sup> PM Welcomes Libyan WMD Announcement, Office of the Prime Minister (London) 19 December 2003. Date of Access 31 December 2003. [www.number-10.gov.uk/output/page5086.asp](http://www.number-10.gov.uk/output/page5086.asp).

<sup>448</sup> PM Briefs MPs on G8 Summit, Office of the Prime Minister (London) 4 July 2003. Date of Access 27 December 2003. [www.number-10.gov.uk/output/page3817.asp](http://www.number-10.gov.uk/output/page3817.asp).

<sup>449</sup> “Iran’s Nuclear Move in Press Spotlight,” BBC World News UK Edition (London) 23 October 2003. Date of Access 10 January 2004. [news.bbc.co.uk/1/hi/world/middle\\_east/3207261.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3207261.stm).

reached after the United Kingdom, France, and Germany offered to cooperate with Iran in the development of future technology.<sup>450</sup>

Blair has put less effort into North Korea. He called on North Korea to dismantle its nuclear weapons program, asserting that it represented a breach of international obligations.<sup>451</sup> He has also expressed its support for the Six Party talks in North Korea<sup>452</sup>, but the United Kingdom is not a party to those negotiations.

Tony Blair has continued to support the United States' policy towards Iraq. Despite a lack of weapons of mass destruction at this point, Blair believes that they exist and will be found. He also regards Iraq as a "test case" to determine what action may be taken against states suspected of having WMDs.<sup>453</sup> Blair's government has also made moves to involve the United Nations more in Iraq, and supports eventual cooperation with the multilateral organization – the first step in allowing for the potential return of UN IAEA inspectors to the country.<sup>454</sup>

## **8. United States: +1**

The United States has shown a sometimes ambivalent yet in the end strong level of compliance with this particular commitment. Despite working closely with the IAEA in Libya and North Korea, however, the United States has been less supportive of the IAEA in Iran and Iraq.

The United States has made the most progress in terms of the IAEA with Libya. Covert negotiations began between the United States, the United Kingdom and Libya in March of 2003, with inspectors from both the US and UK visiting Libya in October and December of that year.<sup>455</sup> Libya announced that they would cooperate on this issue with both governments on 19 December 2003. In a statement regarding the announcement, President George W. Bush affirmed his support of the IAEA, and suggested that this move would improve relations between the United States and Libya.<sup>456</sup> On 29 December 2003, Mohamed El Baradei, head of the IAEA, confirmed that the program had been largely dismantled.<sup>457</sup>

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<sup>450</sup> "Tehran Pledges to Work With the IAEA," BBC World News UK Edition (London) 29 November 2003. Date of Access 2 January 2004. [news.bbc.co.uk/1/hi/world/middle\\_east/3248854.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3248854.stm).

<sup>451</sup> PM Briefs MPs on G8 Summit, Office of the Prime Minister (London) 4 July 2003. Date of Access 27 December 2003. [www.number-10.gov.uk/output/page3817.asp](http://www.number-10.gov.uk/output/page3817.asp).

<sup>452</sup> PM Welcomes Libyan WMD Announcement, Office of the Prime Minister (London) 19 December 2003. Date of Access 31 December 2003. [www.number-10.gov.uk/output/page5086.asp](http://www.number-10.gov.uk/output/page5086.asp).

<sup>453</sup> "Blair Issues 'Rogue Regime' Plea," BBC World News UK Edition (London) 4 January 2004. Date of Access 4 January 2004. [news.bbc.co.uk/1/hi/uk/3367717.stm](http://news.bbc.co.uk/1/hi/uk/3367717.stm).

<sup>454</sup> "Analysis: Turning Point for Iraq?" BBC World News UK Edition (London) 14 December 2003. Date of Access 3 January 2004. [news.bbc.co.uk/1/hi/world/middle\\_east/3318257.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3318257.stm).

<sup>455</sup> Press Background Briefing by Senior Administration Officials, Office of the Press Secretary of the White House (Washington D.C.) 19 December 2003. Date of Access 4 January 2004. [www.whitehouse.gov/news/releases/2003/12/20031219-14.html](http://www.whitehouse.gov/news/releases/2003/12/20031219-14.html).

<sup>456</sup> President Bush: Libya pledges to dismantle WMD programs, Office of the Press Secretary of the White House (Washington D.C.) 19 December 2003. Date of Access 4 January 2004. [www.whitehouse.gov/news/releases/2003/12/20031219-9.html](http://www.whitehouse.gov/news/releases/2003/12/20031219-9.html).

<sup>457</sup> "Libya's Nuclear Program Mostly Dismantled, U.N. inspector says," New York Times On-Line Edition, 29 December 2003. Date of Access 3 January 2004. [www.nytimes.com/2003/12/29/international/middleeast/29CND-LIBY.html](http://www.nytimes.com/2003/12/29/international/middleeast/29CND-LIBY.html).

North Korea continues to be an issue for the United States. The US has maintained that it has no desire for a military conflict with North Korea and that it hopes to solve the problem through diplomacy and work through the IAEA.<sup>458</sup> President George W. Bush has refused offers by North Korea to continue negotiations in exchange for concessions from the US. In spite of this, Korea will continue to participate in the six-nation talks, in which the US has been a leading figure.<sup>459</sup> President Bush, in an interview on 22 October 2003, expressed the hope that talks with the United States, China, Russia, Japan, and South Korea would encourage North Korea to cooperate with the IAEA.<sup>460</sup> On 6 January 2004, the North Korean government announced that it is willing to suspend its nuclear program in order to improve relations with the United States.<sup>461</sup>

The United States has worked less closely with the IAEA over the issue of Iran and related suspicions that it is building a nuclear weapons program. In November 2003, the US promoted a resolution at the IAEA Board of Governors stating that in the event of further non-compliance by Iran, the issue would be automatically removed from the immediate jurisdiction of the IAEA and referred to the United Nations Security Council for further action.<sup>462</sup> Since the IAEA did not recommend imposing sanctions on Iran, the United States was arguably eager to transfer the issue out of the Agency's control and to the Security Council where sanctions could be levied.<sup>463</sup> In addition, the US has also been skeptical of reports by the IAEA that there is no evidence that Iran is building an atomic bomb.<sup>464</sup> However, President George W. Bush has noted that since Iran has been cooperating with the IAEA, he supports the IAEA in their effort to hold Iran to its obligations.<sup>465</sup>

The United States is still involved in Iraq, but has chosen not to include the IAEA in their search for WMD. They have formed their own organization, the Iraq Survey Group, to look for WMD in Iraq. The Iraq Survey Group has at this point failed to make any significant discoveries or find evidence of WMD.<sup>466</sup> Mohamed El Baradei, head of the IAEA, has called for the organization to

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<sup>458</sup> President Bush Meets With President Roh Moo-hyun, Office of the Press Secretary of the White House (Washington D.C.) 20 October 2004. Date of Access 10 January 2004. [www.whitehouse.gov/news/releases/2003/10/20031020-2/html](http://www.whitehouse.gov/news/releases/2003/10/20031020-2/html).

<sup>459</sup> "Timeline: North Korea Nuclear Crisis," BBC World News UK Edition (London) 2 January 2004. Date of Access 3 January 2004. [news.bbc.co.uk/1/hi/world/asia-pacific/2604437.stm](http://news.bbc.co.uk/1/hi/world/asia-pacific/2604437.stm).

<sup>460</sup> Roundtable Interview of the President by the Press Pool, Office of the Press Secretary of the White House (Washington D.C.) 22 October 2003. Date of Access 4 January 2004. [www.whitehouse.gov/news/releases/2003/10/20031022-7.html](http://www.whitehouse.gov/news/releases/2003/10/20031022-7.html).

<sup>461</sup> "N Korea Makes Nuclear Offer," BBC World News UK Edition (London) 6 January 2004. Date of Access 8 January 2004. [news.bbc.co.uk/1/hi/world/asia-pacific/3371267.stm](http://news.bbc.co.uk/1/hi/world/asia-pacific/3371267.stm).

<sup>462</sup> Press Briefing by Scott McClellan, Office of the Press Secretary of the White House (Washington D.C.) 25 September 2003. Date of Access 10 January 2004. [www.whitehouse.gov/news/releases/2003/09/20030925-7.html](http://www.whitehouse.gov/news/releases/2003/09/20030925-7.html).

<sup>463</sup> Most IAEA board members favor EU trio-backed resolution, International Atomic Energy Agency (Vienna) November 20, 2003. Date of Access: January 10, 2004. [www.globalsecurity.org/wmd/library/news/iran/2003/iran-031120-irna02.htm](http://www.globalsecurity.org/wmd/library/news/iran/2003/iran-031120-irna02.htm).

<sup>464</sup> "Timeline: Iran Nuclear Crisis," BBC World News UK Edition (London) 27 November 2003. Date of Access 5 January 2004. [news.bbc.co.uk/1/hi/world/middle\\_east/3210412.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3210412.stm).

<sup>465</sup> President Bush: Libya pledges to dismantle WMD programs, Office of the Press Secretary of the White House (Washington D.C.) 19 December 2003. Date of Access 4 January 2004. [www.whitehouse.gov/news/releases/2003/12/20031219-9.html](http://www.whitehouse.gov/news/releases/2003/12/20031219-9.html).

<sup>466</sup> "Iraq top WMD hunter 'will resign'," BBC World News UK Edition (London) 19 December 2003. Date of Access 4 January 2004. [news.bbc.co.uk/1/hi/world/middle\\_east/333909.stm](http://news.bbc.co.uk/1/hi/world/middle_east/333909.stm).

return to Iraq, but his requests have been ignored by the coalition.<sup>467</sup> Although it is noteworthy that the US has continued the search for WMD, the fact that the IAEA has not been permitted to participate calls their commitment to the resolution into question.

## 9. European Union: +1\*

The European Union (EU) has taken positive steps towards the resolutions agreed upon for weapons of mass destruction at the G8 Evian Summit.

On 16 June 2003 the European Council at Thessaloniki agreed to implement an Action Plan to counter the proliferation of WMDs. Specifically, the aim of the plan was to take a united common position towards the, “reinforcement of multilateral agreements in the field of non-proliferation on WMD and their means of delivery...”.<sup>468</sup> The EU has extended its support of the IAEA with the Action Plan through a commitment to implement and ratify any future Additional Protocols created by the IAEA, and to support “an adequate increase in the IAEA safeguards budget to ensure the credibility of the IAEA’s verification systems on an urgent and exceptional basis...”.<sup>469</sup> Furthermore, in November 2003, the European Council of Foreign Affairs reaffirmed the decision, implemented in the Action Plan, to entrench a clause of nuclear non-proliferation into any agreements concluded with a country from the Global South.<sup>470</sup> It was finally remarked that the “fight against proliferation of WMD and their means of delivery is a high priority”.

The EU has shown support for the IAEA in its efforts to increase its safeguards and prevent the proliferation of weapons of mass destruction. In a joint statement by European Council President Costas Simitis, European Commission President Romano Prodi and U.S. President George W. Bush, in Washington in June 2003, it was agreed that both parties would, “support an adequate increase in the IAEA safeguards budget to ensure the credibility of the IAEA’s verification system,” and that, “proliferation is a threat not only to our security, but also to the wider international system”.<sup>471</sup>

The European Union has also played a decisive role in bilateral talks with Iran over its nuclear program. On 31 August 2003 Tehran invited EU High Representative for the Common Foreign and Security Policy (CFSP) Javier Solana to discuss a bilateral cooperation to, “prevent the

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<sup>467</sup> In Focus: IAEA and Iraq, International Atomic Energy Agency (Vienna), 16 October 2003. Date of Access 5 January 2004. [www.iaea.org/NewsCenter/Focus/IaeaIraq](http://www.iaea.org/NewsCenter/Focus/IaeaIraq).

<sup>468</sup> 2541st Council Meeting of External Relations Provisional Version 14500/03 Presse 321 – Weapons of Mass Destruction Council Conclusion, Council of the European Union, (Brussels) November 17, 2003. Date of Access: January 2, 2004. [ue.eu.int/newsroom/NewMain.asp?LANG=1](http://ue.eu.int/newsroom/NewMain.asp?LANG=1), 21.

<sup>469</sup> Weapons of Mass Destruction: Basic principles, Council conclusions and Action Plan, Council of the European Union, (Brussels) June 16, 2003. Date of Access: January 9, 2004. [ue.eu.int/newsroom/makeFrame.asp?MAX=1&BID=111&DID=76328&LANG=1&File=/pressData/en/reports/76328.pdf&Picture=0](http://ue.eu.int/newsroom/makeFrame.asp?MAX=1&BID=111&DID=76328&LANG=1&File=/pressData/en/reports/76328.pdf&Picture=0), 6–7.

<sup>470</sup> Conseil Affaires Generales et Relations Exterieures: Conclusions – Extraits, Quai d’Orsay, French Ministry of Foreign Affairs (Paris), November 17, 2003. Date of Access: January 2, 2004. [www.doc.diplomatie.fr/BASIS/epic/www/doc/DDW?M=9&K=927465481&W=DATE+%3D+%2717.11.2003%27+ORDER+BY+DATE/Descend](http://www.doc.diplomatie.fr/BASIS/epic/www/doc/DDW?M=9&K=927465481&W=DATE+%3D+%2717.11.2003%27+ORDER+BY+DATE/Descend).

<sup>471</sup> EU-US SUMMIT - Washington, 25 June 2003 - Joint Statement on the Proliferation of Weapons of Mass Destruction, Council of the European Union (Brussels) June 25, 2003. Date of Access: January 2, 2004. [ue.eu.int/newsroom/NewMain.asp?LANG=1](http://ue.eu.int/newsroom/NewMain.asp?LANG=1).

politicization of Iran's nuclear programs".<sup>472</sup> In a meeting with the Head of Iran's Atomic Energy Organization (IAEO) Gholam-Reza Aqazadeh, Solana remarked that, "Tehran's cooperation with IAEA will remove ambiguities and hasten to assuage the prevailing political atmosphere". In October 2003, foreign ministers from France, Britain and Germany, representing the EU, were invited to Tehran to provide Iran with their viewpoints on the additional protocols of Non-Proliferation Treaty (NPT) designed by the IAEA. There, the ministers were able to emphasize the importance of the protocols and aid the IAEA in its efforts in Iran. British Foreign Minister Jack Straw was quoted as saying that they had managed to achieve "an agreed statement from the government in Iran and three foreign ministers who were present about the co-operation by Iran with the IAEA".<sup>473</sup> In December 2003, Dr. Javier Solana welcomed Iran's signing of the IAEA's Additional Protocol by saying that it was, "important step in building international confidence about the peaceful nature of Iran's nuclear program".<sup>474</sup>

The European Union has also been involved in aiding the IAEA in its efforts with the non-proliferation of weapons of mass destruction in other countries as well in 2003. The EU has also demonstrated an interest in stemming the tensions on the Korean Peninsula by urging North Korea in June 2003, "to visibly, verifiably and irreversibly dismantle that program and to come into full compliance with international non-proliferation obligations," and supporting the six-nation talks to which the EU is not a party.<sup>475</sup> Dr. Solana remarked in a statement at the time that, "the European Union remains willing to contribute to an overall resolution of the situation".<sup>476</sup>

A statement by the Deputy Foreign Minister of Italy, Roberto Antonione, on behalf of the EU at the 47<sup>th</sup> Annual IAEA Conference in Vienna in September 2003, commended "the Agency [IAEA] for its efforts since last September, and supports efforts by the Director General to seek dialogue with the DPRK in order to find a solution".<sup>477</sup> Mr. Antonione also urged North Korea to

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<sup>472</sup> "Iran invites EU to cooperation on nuclear programs: Aqazadeh," Islamic Republic News Agency (Tehran) August 31, 2003. Date of Access: January 2, 2004. [www.globalsecurity.org/wmd/library/news/iran/2003/iran-030831-irna02.htm](http://www.globalsecurity.org/wmd/library/news/iran/2003/iran-030831-irna02.htm).

463 Ibid.

<sup>473</sup> Iran visit represented the 'Best of European Cooperation' – Straw – Edited Transcript of An Interview Given by the Foreign Secretary, Jack Straw for BBC Radio 4, British Foreign and Commonwealth Office, (London) October 23, 2003. Date of Access: January 9, 2004. [www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391629&a=KArticle&aid=1065717863726](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391629&a=KArticle&aid=1065717863726).

<sup>474</sup> "EU warmly welcomes Iran's signature to Additional Protocol," Islamic Republic News Agency (Brussels) December 19, 2003. Date of Access: January 2, 2004. [www.globalsecurity.org/wmd/library/news/iran/2003/iran-031219-irna07.htm](http://www.globalsecurity.org/wmd/library/news/iran/2003/iran-031219-irna07.htm).

<sup>475</sup> EU-US SUMMIT - Washington, 25 June 2003 - Joint Statement on the Proliferation of Weapons of Mass Destruction, Council of the European Union (Brussels) June 25, 2003. Date of Access: January 2, 2004. [ue.eu.int/newsroom/NewMain.asp?LANG=1](http://ue.eu.int/newsroom/NewMain.asp?LANG=1).

<sup>476</sup> HR Javier Solana welcomes North Korea's agreement to participate in multilateral talks, Council of the European Union, (Brussels) August 4, 2003. Date of Access: January 2, 2004. [ue.eu.int/newsroom/NewMain.asp?LANG=1](http://ue.eu.int/newsroom/NewMain.asp?LANG=1).

<sup>477</sup> Statement by the Deputy Foreign Minister of Italy Roberto Antonione on behalf of the EU at the 47th Annual IAEA Conference in Vienna, International Atomic Energy Agency, (Vienna), September 15-19, 2003. Date of Access: January 9, 2004.

[www.iaea.org/About/Policy/GC/GC47/Statements/eu.pdf#xml=www.iaea.org/search97cgi/s97\\_cgi?action=View&VdkVgwKey=http%3A%2F%2Fwww%2Eiaea%2Eorg%2FAbout%2FPolicy%2FGC%2FGC47%2FStatements%2Feu%2Epdf&doctype=xml&Collection=IaeaSite&QueryZip=EU&](http://www.iaea.org/About/Policy/GC/GC47/Statements/eu.pdf#xml=www.iaea.org/search97cgi/s97_cgi?action=View&VdkVgwKey=http%3A%2F%2Fwww%2Eiaea%2Eorg%2FAbout%2FPolicy%2FGC%2FGC47%2FStatements%2Feu%2Epdf&doctype=xml&Collection=IaeaSite&QueryZip=EU&)

469 Ibid

unconditionally allow the, “full implementation of all the required safeguards measures at all times including the return of IAEA inspectors”.

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## 2003 Evian Interim Compliance Report Energy

### Commitment:

2003 – 75: “We commit to participating in the International Conference on Renewable Energies, spring 2004 in Bonn”.

### Background:

The International Conference for Renewable Energies will take place from 1–4 June 2004 in Bonn, Germany. The Conference will attempt to address several issues relating to the use and development of renewable energies, such as wind, solar, water, and biomass. The conference will concentrate on the following three themes: the “formation of enabling political framework conditions allowing the market development of renewable energies”; “increasing private and public financing in order to secure reliable demand for renewable energies”; and, “human and institutional capacity building, and co-ordination and intensification of research and development”.<sup>478</sup>

The G8 recognizes the importance of developing renewable energy sources and the long-term economic, social, and environmental advantages that will result. Each G8 member has shown a commitment to the research and development of renewables since the Evian Summit and all seem poised to help make Bonn 2004 a success.

### Assessment:

Score	Lack of Compliance -1	Work in Progress 0	Full Compliance +1
Canada		0	
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia		0	
United Kingdom		0	
United States		0	
Overall		0.00	

### Individual Country Compliance Breakdown:

#### 1. Canada: 0

Throughout 2003 Canada has demonstrated its commitment to promoting the greater use of renewable energies in the form of both monetary contributions and direct formal statements. Despite the fact that Canada is not directly involved in the logistical planning of the 2004

<sup>478</sup> Renewables 2004, [www.renewables2004.de/en/2004/default.asp](http://www.renewables2004.de/en/2004/default.asp)

Renewable Energies conference, its continued commitment to developing new environmentally efficient and safe renewable energy sources is indicative of Canada's dedication and support for work undertaken in this field.<sup>479</sup>

In October 2003 Minister of Natural Resources, Herb Dhaliwal, and U.S. Secretary of Energy, Spencer Abraham, affirmed their commitment to collaborate in accelerating the development of the hydrogen economy as part of their increased cooperation on energy.<sup>480</sup> The aim of the work is to provide a secure form of clean and environmentally sound energy through the use of hydrogen technology. The two men stated that they will "seek to build on our ongoing collaboration and complementarities in our research efforts and actively explore and understand technology options, including renewable energy sources, for boosting the development of hydrogen energy".<sup>481</sup>

For its part, the Canadian government has continued to conduct and support new research into the applicability of renewable energies such as hydrogen-fuel technologies. In 2003 Minister Dhaliwal announced a CDN\$4.5 million investment in three projects designed to develop and test hydrogen fuel-cell technologies and systems that would put them into widespread use.<sup>482</sup> On behalf of the Minister of Industry Canada, Alan Rock, Minister Dhaliwal also declared a CDN\$9.6-million dollar investment in a CDN\$32-million dollar research and development plan proposed by QuestAir Technologies Inc.<sup>483</sup>

On 25 and 26 November the Canadian government also held the Independent Power Producers' Society of Ontario's (IPPSO) 2003 Conference entitled "Completing the Power Equation: What's missing from the electricity market in Ontario?" in Toronto, Ontario. Of significance, in terms of Canada's commitment to the research and development of renewable energies, another conference was held in conjunction with the first called "Today's business opportunities in Green Power." At the conference key issues such as the economic and environmental benefits of green power for Ontario and Canada were discussed with specific attention directed toward Environment Canada's Guidelines on Renewable Low-Impact Electricity. The conference was

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<sup>479</sup> "International Steering Committee Membership," International Conference for Renewable Energies Website, [www.renewables2004.de/en/preparation/sc.asp](http://www.renewables2004.de/en/preparation/sc.asp), Date Accessed: January 10, 2004.

<sup>480</sup> "Joint Statement On The Hydrogen Economy by the United States Department of Energy and Natural Resources Canada," October 16, 2003, Canadian Environmental Website, [www.canadianenvironmental.com/bin/cf\\_external\\_frameset.cfm?new\\_url=www.ec.gc.ca/Press/2003/030731\\_s\\_e.htm](http://www.canadianenvironmental.com/bin/cf_external_frameset.cfm?new_url=www.ec.gc.ca/Press/2003/030731_s_e.htm), Date Accessed: January 10, 2004.

<sup>481</sup> "Joint Statement On The Hydrogen Economy by the United States Department of Energy and Natural Resources Canada," October 16, 2003, Canadian Environmental Website, [www.canadianenvironmental.com/bin/cf\\_external\\_frameset.cfm?new\\_url=www.ec.gc.ca/Press/2003/030731\\_s\\_e.htm](http://www.canadianenvironmental.com/bin/cf_external_frameset.cfm?new_url=www.ec.gc.ca/Press/2003/030731_s_e.htm), Date Accessed: January 10, 2004.

<sup>482</sup> "Government of Canada Supports Innovative Hydrogen-Fuel Projects," Canadian Environmental Website, [www.canadianenvironmental.com/bin/cf\\_external\\_frameset.cfm?new\\_url=www.nrcan.gc.ca/media/newsreleases/2003/200338\\_e.htm](http://www.canadianenvironmental.com/bin/cf_external_frameset.cfm?new_url=www.nrcan.gc.ca/media/newsreleases/2003/200338_e.htm), Date Accessed: June 10, 2004.

<sup>483</sup> "Government of Canada Supports Innovative Hydrogen-Fuel Projects," Canadian Environmental Website, [www.canadianenvironmental.com/bin/cf\\_external\\_frameset.cfm?new\\_url=www.nrcan.gc.ca/media/newsreleases/2003/200338\\_e.htm](http://www.canadianenvironmental.com/bin/cf_external_frameset.cfm?new_url=www.nrcan.gc.ca/media/newsreleases/2003/200338_e.htm), Date Accessed: June 10, 2004.

intended to encourage and promote the greater use and development of “green power” including renewable energies.<sup>484</sup>

Canada is committed to innovation in the renewable energy sector however, it has yet to publicly commit to attending the 2004 International Conference on Renewable Energies in Bonn, Germany.

## **2. France: 0**

The strengthening of international co-operation on global observation has been a subject of many statements by various members of the French government over the months following the Evian Summit in June 2003.

In 2002 France received the Award for best national project from Renewable Energy for Europe.<sup>485</sup> ADEME (agence de l’environnement et de la maitrise de l’énergie) negotiated a State-Region plan that will develop renewable energy until the year 2006.

In his opening speech at the “Sommet De Dialogue 5+5” in Tunis-Tunisia on 5 December 2003, President Jacques Chirac spoke of the need for North African and European countries to work together in key economic and environmental sectors including energy:

“En encourageant et en dynamisant l’integration economique migraine, en amen ant le Maroc, l’Algerie et la Tunisie a travailleed ensemble, avec l’Europe, dans les secteurs economiques prioritaires comme l’énergie, la gestion d’eau, les transports ou encore les technologies d’information, ces cooperations erigeron le Maghreb en region <<pilote>>, dont l’exemple aura vocation a rayonner et a s’etendre a tous les pay de la rive Sud.”<sup>486</sup>

The objective of coordinated efforts between European and developing countries was also addressed at the Sommet Franco-Britannique Environment (Franco-British Environmental Summit) on 24 November 2003. In a joint declaration at the Summit, the French representative reconfirmed France’s commitment to realizing the goals of the Evian Action Plan:

“Durant la presidence britannique et au-dela, le Rotaume-Uni et la France travaillerent ensemble pour: cooperer dans le domaine de l’efficacite energetique; mettre en uvre la partie energie du plan d’action adopte a Evian par les chefs de government en juin 2003; faire en sorte que les activites de la communaute internationale sur les technologies nouvelles et emergentes progressent de facon coordonnee. Ils travailleront, a fin que leur cooperation active en matiere d’energies durables (initiative europeenne REEEP-

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<sup>484</sup> “Completing the Power Equation: What’s missing from the electricity market in Ontario?” Natural Resources Canada Website, [www.newenergy.org/conf/updatedprogram.html](http://www.newenergy.org/conf/updatedprogram.html), Accessed January 10, 2004.

<sup>485</sup> Renewable Energy for Europe, “Take-off campaign for Renewable Energy Sources in France,” [europa.eu.int/comm/energy/en/renewable/idae\\_site/depoy/prj006/prj006\\_1.html](http://europa.eu.int/comm/energy/en/renewable/idae_site/depoy/prj006/prj006_1.html)

<sup>486</sup> Government of France: “Discours D’Ouverture De Monsieur Jacques Chirac, President De La Republic Francaise Lors Du Sommet Du Dialogue 5+5” December 5, 2003. [www.elysee.fr/anh/disc/disc\\_.htm](http://www.elysee.fr/anh/disc/disc_.htm).

paternalist pour les energies durables et la maitrise d'energie-etc) et leur soutien a la conference de Bonn sur l'energies renouvelable...<sup>487</sup>

The French National Strategy for sustainable development taken from the Evian action plan was reviewed and presented to the council of ministers on 22 December 2003 by Mme. Tokia Saifi, Secretary of State for Sustainable Development. The communication predicted that the majority of the strategy's measures could be achieved by the end of 2004, but did not outline the specific steps that need to be taken:

“C'est ainsi que 80% des mesures prevues par la Strategie nationale dont l'echeance intervient avant la fin de 2004 sont realisee ou en cours de mise en oeuvre”<sup>488</sup>

France, as a member of the European Union, made a commitment at the UNFCCC COP-9 meetings in December of 2003 to contribute money to the new Special Climate Change Fund and the Least Developed Countries Fund.<sup>489</sup> Sustainable development was also addressed in the France's budget for 2004. One of the “Grandes Orientations” for 2004 presented in the budget is to fight climate change and to further develop the national strategy for sustainable development. The budget provides ADEME with funds to undertake “actions en faveur de l'elimination des dechets et des nuisances et maitrise de l'energie”. Specifically, ADEME will receive:

“d'une capacite d'engagement de 167 million d'euros a laquelle s'ajoutent 31 millions d'euros en provenance desministeres de l'industrie et de la recherché, consacree notamment a la maitrise de l'energie, les dechets menagers, la depollution des sols, la pollution atmospherique et le suivi de la qualite de l'air...”<sup>490</sup>

On 10 September 2003 the French Ministry of Industry, Resources and Environment released a report promoting the development of wind power at the local level.<sup>491</sup> Local initiatives like the one in the city of Clermont-Ferrand, which was recently allocated an annual budget of €150 000, help promote the development of renewable energy throughout France.<sup>492</sup>

Jean-Louis Bal, the Assistant Director of the Renewable Energy Department of ADEME is participating in the planning of Renewables 2004 as a member of the International Steering Committee (ISC).<sup>493</sup>

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<sup>487</sup> Government of France: “Sommet Franco-Britannique Environnement Declaration Conjointe” November 24, 2003. [www.elysee.fr/ong/disc/disc\\_.htm](http://www.elysee.fr/ong/disc/disc_.htm).

<sup>488</sup> Government of France: “Communication en conseil des ministres du 22 decembre: Tokia Saifi dresse un bilan positif de la mise en oeuvre de la Strategie nationale de developpment durable adoptee en juin 2003” December 23, 2003. [www.environnement.gouv.fr/actua/com2003/decembre/23-sndd.htm](http://www.environnement.gouv.fr/actua/com2003/decembre/23-sndd.htm).

<sup>489</sup> “Summary of the Ninth Conference of the Parties to the UN Framework Convention on Climate Change: 1-12 December 2003” Vol.12, No.231. Monday, December 15, 2003. [www.iisd.ca/vol12/enb122311.html](http://www.iisd.ca/vol12/enb122311.html).

<sup>490</sup> Government of France: “Projet de loi de finances pour 2004-Depenses” January 6, 2004. [www.minefi.gouv.fr/PLF2004](http://www.minefi.gouv.fr/PLF2004).

<sup>491</sup> Comité de Liason Énergies Renouvelables, “Promotion de l'énergie éolienne terrestre à l'attention des préfets,” 22 September 2003 [www.cler.org/info/article.php3?id\\_article=977](http://www.cler.org/info/article.php3?id_article=977).

<sup>492</sup> Comité de Liason Énergies Renouvelables, “La Ville de Clermont-Ferrand oeuvre pour la MDE et les EnR,” 9 October 2003 [www.cler.org/info/article.php3?id\\_article=973](http://www.cler.org/info/article.php3?id_article=973).

<sup>493</sup> Renewables 2004, “ISC Members,” [www.renewables2004.de/pdf/Members\\_ISC.pdf](http://www.renewables2004.de/pdf/Members_ISC.pdf)

### 3. Germany: 0

The German Bundestag adopted a law on compensation for electricity generated by solar radiation energy on 27 November 2003. The law will most likely enter into force early in 2004, after a December reading in the Bundesrat.<sup>494</sup> The law is a clarification of the Renewable Energy Sources Act (EEG), which had not discussed compensation for this energy source. The EEG addresses compensation for those using biomass, hydropower, and geothermal power and provides a bonus for electricity obtained through fuel cells.<sup>495</sup> This legal amendment shows commitment to the Action Plan goals concerning the acceleration of research, development and diffusion of energy technologies.<sup>496</sup>

Germany is also in the midst of its preparations for the “Renewables 2004” conference to be held in Bonn next June. The Organizing Committee for this conference includes representatives from the Federal Ministry for Economic Cooperation and Development (BMZ), the Federal Ministry for the Environment, Natural Conservation, and Nuclear Safety (BMU), the Federal Foreign Office (AA), and the City of Bonn as well as the Conference Secretariat. The International Steering Committee (ISC) has already had its Constituent meeting, 11–12 June 2003 and a second meeting 15–16 December 2003. The National Advisory Committee (NAC) held its first constituent meeting on 26 May 2003. The thematic background papers for the conference will cover the following topics: rationale for renewable energies, targets, national policy instruments, level playing field, financing renewable energies, clean development mechanism and joint implementation, research and development, capacity development, international institution arrangements, potentials and demands, traditional use of biomass, and gender<sup>497</sup>.

Although Germany is the host of the 2004 International Conference on Renewable Energies and has thus confirmed its attendance, until the conference actually takes place, a compliance score cannot be assigned. As such, Germany, is awarded a “work in progress” until its attendance is confirmed in June 2004.

### 4. Italy: 0

Italy hosted the 9<sup>th</sup> United Nations Framework Convention on Climate Change (UNFCCC, COP-9) in Milan from 1–12 December 2003. The goal of the conference was to assess the progress of the member governments in addressing the climate change issue.<sup>498</sup> Italian representatives made a strong showing at the convention:

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<sup>494</sup> Government of Germany: “Course is set for promoting solar energy” November 28, 2003. [www.bmu.de/en/800/js/topics/renewableenergy/solar\\_energy](http://www.bmu.de/en/800/js/topics/renewableenergy/solar_energy).

<sup>495</sup> Government of Germany: Joint Press Statement by the Federal Environment Ministry and the Federal Ministry of Economics and Labour. “Ministries agree on the further development of the Renewable Energy Sources Act” November 5, 2003. [www.bmu.de/en/800/js/news/pressrelease0311105](http://www.bmu.de/en/800/js/news/pressrelease0311105). \*NOTE: also see linked background paper: [www.bmu.de/de/800/js/English/renewable/background\\_paper](http://www.bmu.de/de/800/js/English/renewable/background_paper).

<sup>496</sup> “Science And Technology for Sustainable Development: A G8 Action Plan”. [www.g8.fr/evian/english/navigation/2003\\_g8\\_summit/summit\\_documents/science\\_and\\_technology\\_for\\_sustainable\\_development-a\\_g8\\_action\\_plan.html](http://www.g8.fr/evian/english/navigation/2003_g8_summit/summit_documents/science_and_technology_for_sustainable_development-a_g8_action_plan.html).

<sup>497</sup> Government of Germany: “Renewables2004” [www.renewables2004.delen/cd/default.asp](http://www.renewables2004.delen/cd/default.asp).

<sup>498</sup> “Milan Conference To Promote Stronger National Action On Climate Change” [www.un.org/News/Press/docs/2003/envdev743.doc.htm](http://www.un.org/News/Press/docs/2003/envdev743.doc.htm).

“Altero Matteoli, Italy’s Minister for the Environment and Territory, said COP-9 provided an opportunity to identify new and stronger initiatives for combating climate change. Roberto Formigoni, President of the Region of Lombardy, stressed the importance of regional action on climate change, while Gabriel Albertini, Mayor of Milan, said delegates must take long-term views of climate change, its impacts, and the well-being of future generations. Luigi Cocchiario, for the President of the Province of Milan, called for increased implementation in the areas of transport and renewable energy”.<sup>499</sup>

Domestically, Italy has had some energy troubles in 2003. A major blackout occurred in September that has been used to criticize Italy’s dependence on imported power. Italy imports approximately 17 percent of its power, while other European countries import only about 2 percent on average, as the building of new power plants within the country has been prevented by environmental opposition groups.<sup>500</sup>

Corrado Clini, the Director General of the Ministry for the Environment and Territory is participating in the planning of Renewables 2004 as a member of the International Steering Committee (ISC).<sup>501</sup>

## 5. Japan: 0

Natural resources are scarce in Japan and traditional energy resources are no exception as 80 percent of the energy supply comes from overseas and 50 percent is dependent on oil alone.<sup>502</sup> As a result Japan seeks to develop new energy initiatives that focus on the development of innovative renewable energies. In the foreign policy arena, Japan includes the promotion of the diffusion of renewable energy to developing countries and various multilateral and bilateral energy research and development initiatives.<sup>503</sup>

On 19 July 2003 the Prime Ministers of Japan and the UK released a joint statement on the environment that outlined each country’s intention to collaborate on renewable energy initiatives.<sup>504</sup> The leaders pledged to exchange “information and experience in order to better understand the challenges associated with a greater volume of renewables and embedded generation in the national grid”, and to work “together to promote renewables internationally, through such initiatives as the Renewable Energy Efficiency Partnership and the Energy Literacy Initiative”.<sup>505</sup>

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<sup>499</sup> “Summary of the Ninth Conference of the Parties to the UN Framework Convention on Climate Change: 1-12 December 2003” December 15, 2003. [www.iisd.ca/vol12/enb12231e.html](http://www.iisd.ca/vol12/enb12231e.html).

<sup>500</sup> BBC News: “Blackout exposes Italy power crisis” September 29, 2003. [news.bbc.co.uk/1/hi/world/Europe/3147810.stm](http://news.bbc.co.uk/1/hi/world/Europe/3147810.stm).

<sup>501</sup> Renewables 2004, “ISC Members,” [www.renewables2004.de/pdf/Members\\_ISC.pdf](http://www.renewables2004.de/pdf/Members_ISC.pdf)

<sup>502</sup> Japanese Agency for Natural Resources and Energy, “New Energy Policy,” [www.enecho.meti.go.jp/english/policy/new\\_energy/policy.html](http://www.enecho.meti.go.jp/english/policy/new_energy/policy.html)

<sup>503</sup> Japanese Ministry of Foreign Affairs, “Strategy and Approaches of Japan’s Energy Diplomacy,” [www.mofa.go.jp/policy/energy/diplomacy.html](http://www.mofa.go.jp/policy/energy/diplomacy.html)

<sup>504</sup> Japan Ministry of Foreign Affairs, “Joint Statement by the Prime Ministers of Japan and the United Kingdom: Tackling Environmental Challenges Together,” 19 July 2003 [www.mofa.go.jp/region/europe/uk/pmv0307/environment.html](http://www.mofa.go.jp/region/europe/uk/pmv0307/environment.html)

<sup>505</sup> Ibid.

On 7 August 2003 the Third Meeting of the US-Japan High-Level Consultations on Climate Change took place.<sup>506</sup> Both states noted that their research and development effort are “contributing greatly to the implementation of the G8 Summit Action Plan on Science and Technology for Sustainable Development”.<sup>507</sup> An Annex to the Joint Statement outlined US-Japan Joint Science and Technology Projects, including the research and development of renewable and alternative energy technologies, resources and products.<sup>508</sup>

Two members of the International Steering Committee (ISC) for the Renewables 2004 conference in Bonn originate from Japan: Tsutomu Higuchi, Director Policy and Planning Division, Energy Conservation and Renewable Energy, Agency of Natural Resource and Energy of the Ministry of Economy, Trade and Industry (METI), representing the Japanese government; and, Takashi Tomita, Group Deputy General Manager and Division General Manager of Solar Systems Division, Solar Systems Group of the SHARP Corporation, representing a Japanese-based private firm.<sup>509</sup>

## **6. Russia: 0**

The Russian Federation has undertaken many initiatives in order to show their commitment to the spirit of the Spring 2004 International Conference on Renewable Energies in Bonn, Germany. However, only goals have been set concerning Russian energy initiatives and no real figures or capital investment promises have as of yet been put forth to achieve these goals.

Among these initiatives is a G8 Plan that was released by the Russian Ministry of Foreign Affairs, in which they explicitly state that they will “support efforts aimed at substantially increasing the share of renewable energy sources in global energy use”.<sup>510</sup> In this document they also outline their support for a number of other issues concerning technological availability and greater dialogue concerning energy issues, however, there has not been any definitive plan set out in order to achieve these goals. The Russian Federation did continue to show their enthusiasm for future dialogue concerning energy by hosting the World Climate Change Conference from 29 September - 3 October 2003 that was opened by Russian President Vladimir V. Putin.

In addition, the EU-Russia Energy Technology Centre (OPET Russia) is continuing their efforts to “provide a forum for the exchange of ideas and information on energy technologies”<sup>511</sup> between Russia and the EU, which will aid in the Bonn conference’s expectation to form the “establishment of a follow-up process ... [to] assure the monitoring of goals, measures, actions

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<sup>506</sup> Japanese Ministry of Foreign Affairs, “Third Meeting of the U.S.-Japan High-Level Consultations on Climate Change Joint Statement,” 7 August 2003 [www.mofa.go.jp/policy/environment/warm/cop/joint0308.html](http://www.mofa.go.jp/policy/environment/warm/cop/joint0308.html)

<sup>507</sup> Ibid.

<sup>508</sup> Ibid.

<sup>509</sup> Renewables 2004, “ISC Members,” [www.renewables2004.de/pdf/Members\\_ISC.pdf](http://www.renewables2004.de/pdf/Members_ISC.pdf)

<sup>510</sup> Ministry of Foreign Affairs for the Russian Federation, “Science and Technology for Sustainable Development,” 5 June, 2003, [www.ln.mid.ru/BI.nsf/arh/CEF9ABE827A4EB4243256D3D004F398A?OpenDocument](http://www.ln.mid.ru/BI.nsf/arh/CEF9ABE827A4EB4243256D3D004F398A?OpenDocument)

<sup>511</sup> EIR Development Partners, “EU-RUSSIA Energy Technology Centre – OPET RUSSIA,” [www.eir.gr/html/main\\_frame.php?URL=areas](http://www.eir.gr/html/main_frame.php?URL=areas)

and other political obligations, and, second, secure the linkage to other international processes”.<sup>512</sup>

Oleg Borisowitsch Plushnikow of the Ministry for Energy of the Russian Federation is participating in the planning of Renewables 2004 as a member of the International Steering Committee (ISC).<sup>513</sup>

## **7. United Kingdom: 0**

The UK’s new initiatives concerning climatic change point towards active participation at the Bonn conference. In February 2003 the government released a report entitled “Energy White Paper: Our energy future - creating a low carbon economy” which outlined the UK’s attitude toward climatic change and contained many proposals to help slow or stop it. In it, British Prime Minister Tony Blair stated: “We are showing leadership by putting the UK on a path to a 60% reduction in its carbon dioxide emissions by 2050”.<sup>514</sup>

The UK government also sent out a news release in May 2003 entitled “Fuelling the Future - Fuels Cells Launched in London”, where UK Fuel Cells (Funded in part by the UK government) was launched. A key statement in this launch was that “Government and the research community must pull together, and Fuel Cells UK will play the leading role in making this happen”.<sup>515</sup>

In December 2003 plans for the UK largest wind farm were passed. The 130 megawatt wind farm at Hadyard Hill in South Ayrshire will provide enough electricity to meet the average electricity needs of 80,000 homes. A spokesperson from Scottish and Southern Energy, the firm in charge of the project, noted that this initiative will help meet “the UK Government’s new target of generating 15% of electricity from renewable sources by 2015”.<sup>516</sup> The UK Government has also approved wind farm plans in Wales<sup>517</sup>, offshore England<sup>518</sup>

A UK renewable energy charity, Environment Trust, is developing blueprints for a two-directional tidal lagoon to harness tides in Swansea Bay, Wales, that can generate up to 30 megawatts of power on incoming and outgoing tide.<sup>519</sup> Plans are under consideration to harness the Atlantic Ocean’s energy in Cornwall, which could produce up to 30 megawatts of electricity.<sup>520</sup>

Solar panels are being rented out at a subsidized rate to home owners in Leicester, England, where the city council plans to meet its target of generating 20 percent of energy from renewable

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<sup>512</sup> International Conference for Renewable Energy, [www.renewables2004.de/en/2004/outcome.asp](http://www.renewables2004.de/en/2004/outcome.asp)

<sup>513</sup> Renewables 2004, “ISC Members,” [www.renewables2004.de/pdf/Members\\_ISC.pdf](http://www.renewables2004.de/pdf/Members_ISC.pdf)

<sup>514</sup> Department of Trade and Industry, United Kingdom, “Our Energy Future - creating a low carbon economy”, February 2003, [www.managenergy.net/download/r189.pdf](http://www.managenergy.net/download/r189.pdf)

<sup>515</sup> Department of Trade and Industry, United Kingdom, “Fuelling the Future - Fuel Cells UK Launched in London” 07 May, 2004, [www.wired-gov.net/WGArticle.asp?WCI=htmArticleView&WCU=ARTCL%5FPKEY%3D16969](http://www.wired-gov.net/WGArticle.asp?WCI=htmArticleView&WCU=ARTCL%5FPKEY%3D16969)

<sup>516</sup> BBC News, “ ‘Largest’ wind farm plans passed,” 23 December 2003 [news.bbc.co.uk/1/hi/scotland/3345243.stm](http://news.bbc.co.uk/1/hi/scotland/3345243.stm)

<sup>517</sup> BBC News, “Giant windfarm plan unveiled,” 18 December 2003 [news.bbc.co.uk/1/hi/wales/3329257.stm](http://news.bbc.co.uk/1/hi/wales/3329257.stm)

<sup>518</sup> BBC News, “Britain unveils wind energy plans,” 18 December 2003 [news.bbc.co.uk/1/hi/england/3329537.stm](http://news.bbc.co.uk/1/hi/england/3329537.stm)

<sup>519</sup> BBC News, “Tidal power plan for Swansea Bay,” 24 November 2003 [news.bbc.co.uk/1/hi/wales/south\\_west/3234548.stm](http://news.bbc.co.uk/1/hi/wales/south_west/3234548.stm)

<sup>520</sup> BBC News, “Wave power plan unveiled,” 30 October 2003 [news.bbc.co.uk/1/hi/england/cornwall/3228677.stm](http://news.bbc.co.uk/1/hi/england/cornwall/3228677.stm)



sources by 2020.<sup>521</sup> Solar panels were also installed on the roof of Powys County Hall in Wales, which provide enough power to light to whole building.<sup>522</sup>

On 23 October 2003 the UK launched the Renewable Energy and Energy Efficiency Partnership (REEEP). The event brought together energy and environment ministers from around the world to discuss the identification and removal of regulatory barriers to market development on a regional basis, matching finance with renewable and energy efficiency projects, and the provision of strategic direction and communications.<sup>523</sup>

The Foreign and Commonwealth Office (FCO) is requesting applications for funds from the Global Opportunities Fund, Climate Change and Energy Programme. The FCO already committed £4.6 million in FY 2003/04 and plans to commit £3.6 million in FY 2004/05. The Programme aims to “promote change in the governance of international energy resources and systems to help secure the UK’s medium-term global climate change objectives” and targets the following countries: Angola, Brazil, China, India, Indonesia, Kazakhstan, Mexico, Nigeria, Philippines, Russia, and South Africa.<sup>524</sup>

Robert Mason of the Climate Change and Renewable Energy Team in the Environment Policy Department of the Foreign and Commonwealth Office is participating in the planning of Renewables 2004 as a member of the International Steering Committee (ISC).<sup>525</sup>

## **8. United States: 0**

In 2001, approximately 86 percent of the energy consumed in the United States came from coal, oil and natural gas. About 8 percent came from nuclear power plants and the remaining 6 percent from renewable energy resources.<sup>526</sup> The United States Department of Energy is pursuing several policy initiatives utilizing different strategies to research and address issues surrounding climate change, energy efficiency and renewable energy sources. Due to this process several governmental departments have been developed including the Office of Energy, Efficiency and Renewable Energy, the Office of Fossil Energy and the Office of Nuclear Energy, Science and Technology. In 2002, the President required the Department of Energy to improve the current voluntary emission reduction registration program. He has also established a Committee on Climate Change Science and Technology Integration.<sup>527</sup> One of the Bush administration’s newest

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<sup>521</sup> BBC News, “Green energy for rent,” 9 September 2003 [news.bbc.co.uk/1/hi/england/leicestershire/3095124.stm](http://news.bbc.co.uk/1/hi/england/leicestershire/3095124.stm)

<sup>522</sup> BBC News, “Sun’s energy powers Powys,” 9 September 2003 [news.bbc.co.uk/1/hi/wales/mid/3093242.stm](http://news.bbc.co.uk/1/hi/wales/mid/3093242.stm)

<sup>523</sup> Foreign and Commonwealth Office, “Global Partnership for Sustainable Energy Launched in London,” 23 October 2003

[www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391638&a=KArticle&aid=1065717742247](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029391638&a=KArticle&aid=1065717742247)

<sup>524</sup> Foreign and Commonwealth Office, “Global Opportunities Fund,”

[www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1070989563933](http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1070989563933)

<sup>525</sup> Renewables 2004, “ISC Members,” [www.renewables2004.de/pdf/Members\\_ISC.pdf](http://www.renewables2004.de/pdf/Members_ISC.pdf)

<sup>526</sup> United States Department of Energy, “Contribution of Renewable Energy to the United States Energy Supply,” [www.eere.energy.gov/consumerinfo/refbriefs/da8.html](http://www.eere.energy.gov/consumerinfo/refbriefs/da8.html)

<sup>527</sup> United States Department of Energy, “Climate Change,” [www.energy.gov/engine/content.do?BT\\_CODE=ST\\_SS4](http://www.energy.gov/engine/content.do?BT_CODE=ST_SS4)

policies, following the refusal to ratify the Kyoto Protocol, emphasizes increased research and further negotiations within the United Nations framework.<sup>528</sup>

In 2002, the G8 Energy Minister's Meeting was held in Detroit. Leaders promised to explore new sources of energy and finalized recommendations on energy security, sustainability and alternative fuel technologies.<sup>529</sup>

The US government is particularly focussed on the development of hydrogen fuel cells. President Bush launched his Hydrogen Fuel Initiative by pledging US\$1.2 billion over five years in research funding in his 2003 State of the Union Address.<sup>530</sup> On 17 July 2003 Secretary of Energy Spencer Abraham announced that 13 firms and educational institutions in twelve states would receive US\$75 million in "cost-shared awards to fund new research in advanced fuel cell technology for vehicles, buildings and other applications".<sup>531</sup> On 31 July 2003 Abraham announced the release of two solicitations, amounting to US\$200 million over four to five years, to support the President's Hydrogen Fuel Initiative.<sup>532</sup> On 17 September 2003 Abraham announced the allocation of US\$4.2 million to 10 research projects aimed at resolving obstacles to fuel cell use.<sup>533</sup> On 28 October 2003 the Department of Energy launched an effort to introduce science students across the US to the promise of hydrogen and fuel cell technology.<sup>534</sup> Finally on 20 November 2003 Abraham's, along with Ministers representing 14 other states and the European Commission, signed an agreement that formally established the International Partnership for the Hydrogen Economy (IPHE). Abraham noted that the "vision of the International Partnership for the Hydrogen Economy is that a participating country's consumers will have the practical option of purchasing a competitively priced hydrogen power vehicle, and be able to refuel it near their homes and places of work, by 2020".<sup>535</sup>

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<sup>528</sup> G8 Research Group, "Issue Objectives for the Genoa Summit Meeting 2001: Environment,"

[www.g8.utoronto.ca/evaluations/2001genoa/objectives/environment.html](http://www.g8.utoronto.ca/evaluations/2001genoa/objectives/environment.html)

<sup>529</sup> G8 Research Group, "The 2001 G8 Compliance Report," [www.g8.utoronto.ca/evaluations/index.html#2001](http://www.g8.utoronto.ca/evaluations/index.html#2001)

<sup>530</sup> US Department of Energy, "Energy Department Awards \$75 Million for Advanced Hydrogen Fuel Cell R&D," 17 July 2003

[www.energy.gov/engine/content.do?PUBLIC\\_ID=13801&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRES\\_SRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=13801&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRES_SRELEASE)

<sup>531</sup> Ibid.

<sup>532</sup> US Department of Energy, "DOE Solicits Bids for \$200 Million Hydrogen Production, Delivery and Storage Projects," 31 July 2003

[www.energy.gov/engine/content.do?PUBLIC\\_ID=13890&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRES\\_SRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=13890&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRES_SRELEASE)

<sup>533</sup> US Department of Energy, "Fuel Cells to Advance Zero-Emissions Energy in the Economy," 17 September 2003 [www.energy.gov/engine/content.do?PUBLIC\\_ID=14162&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRES\\_SRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=14162&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRES_SRELEASE)

<sup>534</sup> US Department of Energy, "DOE Launches Hydrogen and Fuel Cell Technology Education Effort in Nation's Schools," 28 October 2003

[www.energy.gov/engine/content.do?PUBLIC\\_ID=14363&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRES\\_SRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=14363&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRES_SRELEASE)

<sup>535</sup> US Department of Energy, "Secretary of Energy Abraham Joind International Community to Establish the International Partnership for the Hydrogen Economy," 20 November 2003

[www.energy.gov/engine/content.do?PUBLIC\\_ID=14481&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRES\\_SRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=14481&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRES_SRELEASE)

On 8 August 2003 Secretary of Energy Spencer Abraham announced the allocation of US\$2.2 million to seven Native American tribes to support the development of renewable energy resources on tribal lands. The funds will help develop wind, solar, and biomass energy projects throughout the US.<sup>536</sup> On 13 August 2003 Abraham announced the provision of US\$17 390 442 for 187 energy efficiency and renewable energy projects in 48 states. The funds will support the development of “renewable energy sources such as wind, solar, geothermal and biomass”.<sup>537</sup> On 5 September 2003 the US Department of Agriculture and the US Department of Energy announced the allocation of US\$23 million through a joint grant program to 19 biomass research, development and demonstration projects.<sup>538</sup>

USAID supports the Global Village Energy Partnership (GVEP), which “seeks to increase access to modern energy services to those in developing countries around the world, in a manner that enhances economic and social development and reduces poverty”.<sup>539</sup> The GVEP partners developed and developing countries with multilateral organizations, private firms, and NGOs, furthering The Clean Energy Initiative (CEI) launched at the WSSD in 2002.

The US has also recently released joint statements with India<sup>540</sup>, Japan<sup>541</sup> and South Africa<sup>542</sup> that have focussed on their partnerships in the areas of climate change and renewables.

David K. Garman, the Assistant Secretary for Energy Efficiency and Renewable Energy of the Department of Energy is participating in the planning of Renewables 2004 as a member of the International Steering Committee.<sup>543</sup>

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<sup>536</sup> US Department of Energy, “Energy Department Awards Spur Development Of Tribes’ Renewable Energy Resources,” 8 August 2003  
[www.energy.gov/engine/content.do?PUBLIC\\_ID=13890&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRESSRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=13890&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRESSRELEASE)

<sup>537</sup> US Department of Energy, “Energy Department to Award \$17.3 Million for 187 Energy-Saving Projects,” 13 August 2003  
[www.energy.gov/engine/content.do?PUBLIC\\_ID=13988&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRESSRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=13988&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRESSRELEASE)

<sup>538</sup> US Department of Energy, “USDA and Energy Department Award \$23 Million in Joint Biomass Research and Development Initiative,” 5 September 2003  
[www.energy.gov/engine/content.do?PUBLIC\\_ID=14100&BT\\_CODE=PR\\_PRESSRELEASES&TT\\_CODE=PRESSRELEASE](http://www.energy.gov/engine/content.do?PUBLIC_ID=14100&BT_CODE=PR_PRESSRELEASES&TT_CODE=PRESSRELEASE)

<sup>539</sup> US Department of State, “The Global Village Energy Partnership: U.S. Contribution,” 11 September 2003  
[www.state.gov/g/oes/rls/fs/2003/19909.htm](http://www.state.gov/g/oes/rls/fs/2003/19909.htm)

<sup>540</sup> US Department of State, “Overview of the U.S.-India Climate Change Partnership,” 11 November 2003  
[www.state.gov/g/oes/rls/rm/2003/26110.htm](http://www.state.gov/g/oes/rls/rm/2003/26110.htm)

<sup>541</sup> US Department of State, “Joint Statement of the United States and Japan on High-Level Consultation on Climate Change,” 7 August 2003  
[www.state.gov/g/oes/rls/or/23114.htm](http://www.state.gov/g/oes/rls/or/23114.htm)

<sup>542</sup> US Department of State, “United States-South Africa Joint Statement on Climate Change,” 28–29 July 2003  
[www.state.gov/g/oes/rls/or/22912.htm](http://www.state.gov/g/oes/rls/or/22912.htm)

<sup>543</sup> Renewables 2004, “ISC Members,” [www.renewables2004.de/pdf/Members\\_ISC.pdf](http://www.renewables2004.de/pdf/Members_ISC.pdf)