



G20-B20 DIALOGUE EFFICIENCY TASK FORCE

**FROM TORONTO TO SAINT PETERSBURG: ASSESSING G20-
B20 ENGAGEMENT EFFECTIVENESS**

DRAFT REPORT



I O R I

INTERNATIONAL ORGANISATIONS
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UNIVERSITY OF
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June 2013

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Preface

Has the G20 lived up to its early success as an anti-crisis mechanism and its claim to act as its members' premier forum for international economic cooperation? In a world which needs global collective political will and coordinated action to address persistent imbalances and steer the economy towards strong, sustainable and balanced growth, it is still not obvious that the G20 summitry is delivering on its pledges. Critics claim G20 should become more transparent, legitimate and effective.

G20-B20 Dialogue should be instrumental in enhancing G20 efficiency by both responding to the business interests and concerns and engaging private sector in generating growth and jobs. B20 (G20 Business Summit) was first initiated by the Canadian Council of Chief Executives (CCCE) on the eve of the Toronto summit in June 2010. To date four B20 meetings, including the one in Toronto, have been organized each putting forward recommendations for G20 leaders: in Seoul in November 2010, in Cannes in November 2011, and in Los Cabos in June 2012.

Investment made into the dialogue by both business and governments warrants an independent, unbiased and rigorous analysis of what has been achieved and what lessons should be learnt. In the run up to B20 mini anniversary of fifth summit the B20 Task Force on G20-B20 Dialogue Efficiency initiated a review of all B20 recommendations made since Toronto and their impact on G20 decision-making as reflected in the G20 documents. The review also looks into how G20 members comply with B20 related commitments focusing on the decisions made in Los Cabos.

The report is not meant to criticize or assess either G20 or B20. Its purpose is to review the progress of G20-B20 engagement, identify what works, support continuity of B20 efforts on the key areas of policy coordination with G20, and help in developing B20 recommendations for future G20 actions.

To ensure quality and independence, as agreed in B20 Los Cabos recommendations, the report has been produced by an international network of scholars under the leadership of the International Organizations Research Institute of the National Research University Higher School of Economics (IORI HSE) and the G20 Research Group at the University of Toronto in the run-up to the B20 Summit in St. Petersburg in June 2013. Responsibility for this report's contents lies exclusively with the authors and analysts of the IORI HSE and their partners at the G20 Research Group. To ensure accuracy, comprehensiveness and integrity, we encourage comments and feedback, which can be sent to LarionovaMV@b20russia.com.

The report is based on the analysis of B20 reports and recommendations, G20 official documents and international organizations data. A full catalogue of all B20 recommendations made since Toronto, produced for the review, might be helpful for the future B20 presidencies consolidating B20 members' individual wisdom into an institutional memory.

The study is the product of a team of dedicated and hard-working analysts. It would not be possible without their commitment, ingenuity and thoroughness. We are especially indebted to our colleagues at IORI HSE: Andrei Sakharov, Andrey Shelepov and Mark Rakhmangulov, and the colleagues at the G20 Research Group: Madeline Koch, Caroline Bracht and Julia Kulik.

We would also like to acknowledge unwavering support from McKinsey & Company, which has been vital for the success of this project.

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Executive Summary

The report reviews the progress of G20-B20 engagement since Toronto to St. Petersburg with the objective to identify what works, support continuity of B20 efforts on the key areas of policy coordination with G20, and help promote G20 compliance with commitments related to B20 priorities. With this objective in mind the study is focused on two dimensions:

1. B20 recommendations influence on G20 deliberation, direction setting and decision making on the basis of analysis of how the B20 specific recommendations are reflected in the G20 documents. This dimension represents the G20 institutional performance.

It should be emphasized that neither G20 nor B20 are assessed, the score is used as an indication of G20-B20 engagement progress on B20 recommendations.

The analysis focus is cycle based, that is it looks whether B20 recommendations made to G20 within a certain presidency were addressed in the documents G20 agreed within the same presidency. This straightforward approach has its limitations as the periods between the B20 report presentation to G20 and the summits in Toronto and Seoul were too short for recommendations to be addressed. However, as there are too many variables which influence G20 decision-making, an assumption of a B20 recommendation influence across several presidencies may not be justified, especially if B20 did not reiterate it in subsequent cycles, which is often the case.

The review does not look into the B20 recommendations effect on other international institutions unless there is a related G20 mandate, thus if an international institution takes actions in line with B20 recommendations or priorities, but there is no evidence that it was guided by G20 decision/mandate, it is not regarded as a causal relationship.

2. B20 influence on G20 delivery on the pledges made is assessed by monitoring G20 compliance with the B20 related commitments. This dimension mostly represents the G20 members' performance, analyzing G20 members' compliance with eight commitments made by the G20 leaders at the Los Cabos summit in the key areas of cooperation.

The executive summary and the issues reports which follow draw on the data from the study "How B20 Recommendations Translate into G20 Decisions". This study as well as the full country reports both are available on the B20 web-site at B20Russia.com

B20 Recommendations Inclusion into G20 Documents

B20 Recommendations Inclusion into G20 Documents

Of the total of 262 recommendations 93 (or 35.5%) have been reflected in the G20 documents as commitments and/or mandates. The Toronto kick start proved the most productive with the caveat that the 11 B20 recommendations came as a response to the G20 priorities on the eve of the summit, when G20 decisions by and large had been already agreed, and were not presented in a document but reported by chair of the B20 meeting. Seoul and Cannes saw a substantive increase in the number of B20 recommendations, incorporating new areas of green growth, ICT and innovations, infrastructure development and health in Seoul; food security, anticorruption, global governance and financing for development in Cannes. B20 recommendations expansion to new areas responded to the G20 expanding agenda (Table 1).

Table 1. B20 Recommendations Distribution by Areas and Summits

Area	Toronto		Seoul		Cannes		Los Cabos		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
Green Growth	0	0	14	24.6	14	11.9	6	7.9	34	13
Employment, Human Capital, Social Issues	1	9.1	8	14	8	6.8	12	15.8	29	11.1
Trade	2	18.2	6	10.5	10	8.5	11	14.5	29	11.1
Financial Regulation	3	27.3	6	10.5	11	9.3	5	6.6	25	9.5
Food Security	0	0	0	0	6	5.1	18	23.7	24	9.2
Corruption	0	0	0	0	6	5.1	15	19.7	21	8
ICT, Technologies and Innovations	0	0	5	8.8	11	9.3	4	5.3	20	7.6
Macroeconomic	5	45.5	4	7	6	5.1	0	0	15	5.7
Investment	0	0	5	8.8	6	5.1	3	3.9	14	5.3
Energy	0	0	1	1.8	12	10.2	0	0	13	5
International Monetary System	0	0	0	0	11	9.3	0	0	11	4.2
Infrastructure	0	0	5	8.8	3	2.5	2	2.6	10	3.8
Financing for development	0	0	3	5.3	6	5.1	0	0	9	3.4
Global Governance	0	0	0	0	8	6.8	0	0	8	3.1
Total	11	100	57	100	118	100	76	100	262	100

In the assessment a scoring system was applied where:

(+1) means the B20 recommendation was addressed in the G20 documents and G20 actions or mandates are in line with this B20 recommendation.

(0) The B20 recommendation was addressed in the G20 documents but no commitments / mandates in line with this B20 recommendation have been agreed.

(-1) The B20 recommendation was not addressed in the G20 documents.

The number/percent of B20 recommendations which were translated into G20 decisions reached 16 in Seoul (28%), 45 in Cannes (38%) and 25 in Los Cabos (33%) (Table 2). Thus the dynamics across presidencies is mixed.

Table 2. Recommendations Scores Distribution by Summits

Scoring	Toronto		Seoul		Cannes		Los Cabos		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%
-1	0	0	30	52.6	47	39.8	28	36.8	105	40.1
0	4	36.4	11	19.3	26	22	23	30.3	64	24.4
1	7	63.6	16	28.1	45	38.1	25	32.9	93	35.5
Total	11	100	57	100	118	100	76	100	262	100

In terms of policy areas B20 recommendations on financial regulation, international monetary system reform, as well as the macroeconomic policies, which belong to the G20 core mission and objectives, have registered the highest levels of correlation with the G20 decisions (with a positive score for 64%, 63.6% and 46.7% of recommendations respectively).

Financial regulation is an area where B20 has consistently identified and successfully promoted relevant issues in the dialogue with the G20. Given that financial reforms remain at the core of

the G20 agenda, B20 should augment cooperation in this area, with due regard of newly emerging challenges and relevance of previous B20 recommendations not addressed by the G20.

B20 recommendations on International Monetary System high level of reflection in G20 decisions did not result from the B20 influence on G20 decisions, but rather from the fact that the Task Force shared the G20 established agenda and reflected it in the recommendations.

B20 recommendations on macroeconomic policy addressed by the G20 mainly deal with traditional issues on the G20 agenda. Taking into account the limited value of reiterating recommendations already being dealt with by G20, B20 should focus on priorities which retain their relevance, but were previously neglected by the G20, or/and work towards recommendations supporting structural reforms which are key for generating growth and jobs with due regard of the members' individual national circumstances.

Recommendations on Food Security agreed for Cannes and Los Cabos also get a good track record in decisions of the G20 summits with the overall total positive score of 62.5% or 15 out of 24 recommendations responded to by G20. Given G20 extensive and demanding agenda on food security, B20 could add value by focusing on the specific aspects of the G20 decisions' implementation, and agreeing its own commitments which would support G20 efforts. Thus B20 could transform recommendations on value chains into the B20 commitments.

Trade fares relatively well, though less than half of recommendations on trade are reflected in G20 commitments (12 out of 29). Analysis of B20 recommendations on Trade leads to four simple conclusions. First, the value of continued emphasis on completing Doha Development Round, trade liberalization and combating protectionism is limited given that they constitute an inherent part of the G20 core agenda and B20 thus simply reiterates its support for the commitments made. Second, the B20 recommendations which were not taken up by the G20 tend to be dropped from the subsequent B20 reports; this begs a question of consistency and continuity of B20 priorities and /or coordination process across presidencies. Third, G20 fails to translate some of the more specific recommendations into commitments for obvious reasons: they fall short of the leaders' level, they belong to specialized organizations mandate, and, finally, it is always more complicated to reach consensus on concrete commitments, than on broad decisions. Thus, the B20 needs to find a balance between the broad recommendations which form the core of G20 agenda and the specific ones, which it prioritizes in a consistent way consolidating positions across presidencies.

Investment and infrastructure are a challenge with a positive track record of 28.6% (4 out of 14 recommendations) and 30% (3 out of 10 recommendations) in the G20 decisions. G20-B20 dialogue on investment needs to be boosted. The level of B20 recommendations reflection by the G20 is low. The only core sub-area where B20 recommendations are constantly reflected in the G20 documents is freedom of international investment flows. Given that this is a traditional issue on the G20 agenda, the degree of B20 influence on G20 decisions in this area is questionable. Recommendations on developing an international legal framework on investment were not reflected in the G20 documents, despite the fact that B20 has changed the wording and approaches from summit to summit, trying to better adapt it to the G20 mandate and principles. This fact could prove a G20's adamant position not to include this issue on its agenda. Thus the 2013 B20 Task Force on Investment and Infrastructure faces a special responsibility in a combination of these two policy areas.

The 2013 B20 Task Force on Job Creation, Employment and Investment in Human Capital has got a heritage of 29 recommendations with only 7 (24%) positively reflected in the G20 documents decisions. Employment is a good example of B20 leading the dialogue, rather than following G20 on its core areas of coordination. Track record of the Task Forces dealing with employment and social policies provides evidence that B20 is capable of identifying key challenges which G20 members face and pursuing their priorities consistently in the dialogue

with G20 to get the issues addressed by the leaders. Hopefully the current and future presidencies will consolidate the efforts in that regard.

Green growth, innovations and energy efficiency which fall within the portfolio of the 2013 B20 Task Force on Innovation have had a modest success on average, though for green growth response to 10 recommendations out of the total of 34 can be traced in G20 commitments, whereas for ICT and innovations none of the 20 recommendations made by B20 has been acted upon by the G20. The core of the B20 recommendations on Green Growth that were reiterated in each B20 report is very broad. The B20 impact in reducing fossil-fuel subsidies is unclear, as the issue had been on the G20 agenda long before the B20 made any recommendations in this regard. The G20 responsiveness to the core recommendations is most visible in the area of green technologies and innovations promotion. B20 could consider revisiting some of their recommendations which retain their relevance and reemphasize the need for new financing solutions facilitating long term investments into new energy efficient technologies.

On infrastructure, similarly to many other policy areas, general recommendations have been better reflected in the G20 decisions compared with targeted ones. B20 proposals focusing on new issues tended to be ignored. It does not follow that innovative issues should not be pursued by B20 in the dialogue with G20. However, as reiteration of recommendations which have already become part of G20 core agenda, does not add significant value to the G20-B20 Dialogue, B20 should be both selective and consistent in defining priorities they decide to advocate, coordinating positions and consolidating efforts across presidencies.

Recommendations on ICT, Technologies and Innovations area have been made by the B20 to all summits starting from Seoul and represent a relatively considerable share of 7.6% of all recommendations made to four summits. However, inclusion of recommendations in this area into the G20 documents is the lowest among all policy spheres. None were acted upon by the G20 and only 15% were reflected in the summits' documents in the form of deliberation. It can be explained by the fact that neither Information and Communications Technologies (ICT) nor Innovations have been high on the G20 priorities agenda. Russia's G20 Presidency does not plan to include it as a separate priority either. As ICT, Technologies and Innovations are not included in the G20 agenda effectiveness of a separate B20 task force may be undermined. The B20 might consider whether it needs to create a special task force on innovations each year or other task forces should integrate elements of technologies and innovations in their respective recommendations, such as for instance green growth, structural reforms or food security.

The B20 recommendation on energy issues do not have a clear focus, the attention is spread between multiple areas such as regulation of energy markets, safety standards, information exchange, efficiency promotion, etc. However, only the recommendations on enhancing international dialogue and information exchange have been addressed by the G20. Even though there is no TF on energy within the 2013 B20 Presidency given the Russian G20 priority on making energy and commodity markets transparent and more predictable and promoting energy efficiency and green growth; B20 could consider revisiting and emphasizing some of the recommendations made earlier which retain their relevance, such as the recommendation to establish genuine market mechanisms to encourage investments and facilitate access to energy in developing countries, the recommendation to develop dialogue between producers and consumers including governments and business, or the recommendation to ensure timely information on supply, demand and storage flows.

G20 Compliance with B20 Related Commitments

The report reviews compliance with a sample of eight commitments made by the G20 leaders at the Los Cabos summit in the following areas: Labour and Employment, Business Environment for Investors, Refraining from Protectionist Measures, Food and Agriculture (Scaling Up Nutrition and Sustainable Agriculture), Crime and Corruption, Financial Inclusion and Emerging Markets Growth.

Selection of Commitments

Selection of the commitments for monitoring was guided by several factors. First, relevance of the commitment to the B20, based on the three criteria: direct references to the B20; mentions of the keywords “business”, “private sector”; degree of G20 statements matching B20 recommendations. Second, the nature of the commitments should allow design transparent and comprehensive interpretive guidelines and collect reliable data to ensure the accuracy of the compliance report. Third, to bring added value the assessment should not duplicate the G20 formal accountability. The set of commitments selected for monitoring within the annual G20 Research Group and Higher School of Economics studies on G20 compliance was also considered.

Evaluation Methodology

In assessing compliance the study draws on the methodology developed, tried and tested since the G20 inception at the leaders’ level back in 2008.¹ The use of this existing methodology builds cross-issue and cross-member consistency and also allows compatibility with compliance assessments of the G8 and BRICS.

The methodology uses a scale from -1 to +1, where +1 indicates full compliance with the stated commitment, -1 indicates a failure to comply or action taken that is directly opposite to the stated goal of the commitment, and 0 indicates partial compliance or work in progress, such as initiatives that have been launched but are not yet near completion and whose results can therefore not be assessed. Each member assessed receives a score of -1, 0 or +1 for each commitment. For convenience, the scores in the tables have been converted to percentages, where -1 equals 0% and +1 equals 100%.²

The evaluation is defined by the nature of the policy area and concrete decisions and is described in the interpretive guidelines to each commitment in the full report. However, use of a common methodology ensures cross-members and cross-area comparability.

The monitoring timeframe spans the period from the Los Cabos summit on June 19, 2012 to the end of April 2013. The analysis is based on official documents issued by G20 members and international organizations relevant to the issues, as well as media reports and other publicly available information. The review is focused on the decisions implementation and does not attempt to estimate the impact or effectiveness of the G20 actions.

G20 Compliance Performance

The average level of G20 members’ compliance on B20 related commitments is 61% (Table 3). It is lower than the G20 average score for the Cannes (76.5%) and Seoul (75%) summits’ sets of general non B20 focused commitments analyzed in the G20RG-HSE annual reports.³ The lower scores for B20 related commitments can be explained by the fact that they are more specific. Another explanation is a shorter monitoring period (some G20 members usually take a lot of compliance actions within two or three months prior to the next summit). Once the annual compliance report is released for Saint-Petersburg summit, the comparison will be revisited.

Performance by Issue Areas

¹ Based on the methodology employed by the G20 Research Group and Higher School of Economics to assess compliance with G8, G20 and BRICS. See G8 and G20 Reference Manual for Commitment and Compliance Coding. http://www.hse.ru/en/org/hse/iori/G20_analytics#method

² The formula to convert a score into a percentage is $P=50 \times (S+1)$, where P is the percentage and S is the score.

³ The annual report on the Los Cabos summit will be released by the time of the G20 summit in September. Other reports can be found at <http://www.g20.utoronto.ca/analysis/index.html#compliance>.

The G20 performance varies across countries and policy areas with the highest compliance level on Labour and Employment at 97.5%. All members except one have taken actions to strengthen their education, skills development and training policies to support a successful school-to-work transition.

Most of G20 members pursued the objective of maintaining a supportive business environment for investors at both national and multilateral levels, thus the average level of compliance on the Business Environment for Investors commitment is 92.5%. Only three countries partially complied with the commitment to support a favorable business environment for investors undertaking actions either domestically or internationally.

Compliance level with the commitment to promote a range of reforms for development, including improving the investment climate and enhancing infrastructure investment by Emerging Markets (ten countries) was also high (85%), as the majority of G20 emerging countries continued or initiated new reforms to foster economic development, focusing on infrastructure investment. It is worth noting that compliance with a similar Cannes summit commitment on Emerging Markets Resilience was assessed at exactly the same level.

Compliance performance with the commitment on Refraining from Protectionist Measures is higher (72.5%) than the score for the same commitment in the previous monitoring cycle (62.5%), with five members failing to comply; two countries – partially complying, and 13 members fully complying with it.

Performance on the commitments on Crime and Corruption, Scaling Up Nutrition and Financial Inclusion is lagging below 50% with the score of 15%, 30% and 45% respectively.

In Los Cabos the leaders endorsed the G20 Anti-Corruption Working Group principles for denial of entry to their countries of corrupt officials, and those who corrupt them, and pledged to continue to develop frameworks for cooperation. The level of compliance with this commitment was the lowest among all commitments analyzed. None of the G20 members has fully complied and only six members have showed partial compliance (Australia, Germany, Saudi Arabia, US, EU, Russia). Australia and Russia have promoted international cooperation on this issue, but have not taken domestic measures to enforce relevant legislation. Four other partially complying members drafted or adopted the legislation which complies with the Denial of Safe Haven principles. It should be noted that usually the G20 compliance with such commitments as enforcement of the UN Convention Against Corruption is much higher. Given that Denial of Safe Haven is rather new issue on the agenda, mechanisms of multilateral cooperation within the G20 should be developed and common principles further specified.

The average compliance with the commitment on Scaling Up Nutrition (SUN) was rather low as only Canada, Japan, UK and EU have participated in the SUN movement to combat chronic malnutrition and encouraged other countries to engage with the SUN. Four countries (Australia, Germany, Indonesia and US) participated in the SUN activities but have not encouraged wider involvement of other stakeholders into the Initiative.

The average compliance performance with the commitment to increase Financial Inclusion was low, with only 4 members receiving the maximum score of +1, and 7 members registering non-compliance. Almost all advanced countries have taken measures consistent with at least four of the nine principles for innovative financial inclusion endorsed at the Toronto G20 Summit in 2010, namely: leadership, diversity, innovation, protection, empowerment, cooperation, knowledge, proportionality and framework, reflecting international standards, national circumstances and support for a competitive landscape. Thus, compliance among advanced G20 members was generally higher in comparison with emerging economies.

Compliance by Member

Australia which will chair the G20 next year showed the highest level of compliance at 85.7%. Canada, UK, US and EU are tied for second place with a score of 78.6%. They are followed by

Germany and Japan at 71.4%. Russia, currently holding the G20 Presidency, is at the fourth place with 68.8%. The average level of emerging G20 members' compliance is 53.8%.

Conclusions

The average level of compliance with the B20 related commitments proved to be lower than that with the general set of commitments. Apparently B20 should consider the G20 ability to comply when developing business community recommendations for the G20 leaders. A high level of B20 recommendations' inclusion into G20 actions does not guarantee subsequent implementation of the commitments made. The B20 should ensure continuity on their priority recommendations in the dialogue with G20 and engage in the follow up process by more actively participating in the G20 agreed initiatives and projects at the national and global levels. Progress on B20 related commitment should be reviewed and made public for each summit. If history of G20 compliance performance and its monitoring is any guide such engagement will help advance implementation of B20 related commitments.

Future Reports

The information contained in this report provides G20 members and other stakeholders with an indication of their compliance in the period immediately following the Los Cabos Summit. This draft has been produced as an invitation for others to provide additional or more complete information on compliance before the final report will be published in the time for G20 September summit. Feedback should be sent to LarionovaMV@b20russia.com. The authors hope that Australia as the next B20 Chair will support the process of monitoring G20 members' performance on B20 related commitments, thus increasing transparency and accountability of the G20 and promoting the effectiveness of the G20-B20 dialogue.

Table 3. G20 Compliance Scores

Commitment		ARG	AUS	BRA	CAN	CHI	FRA	GER	IND	INO	ITA	JPN	KOR	MEX	RUS	S.AR	S.AF	TUR	UK	US	EU	AVG	AVG, %
1	Labour and Employment [38]	1	1	1	1	1	1	1	1	0	1	1	1	1	1	1	1	1	1	1	1	0.95	97.5
2	Investment: Business Environment for Investors [47]	1	1	1	1	1	1	1	1	1	0	1	0	1	1	1	0	1	1	1	1	0.85	92.5
3	Refraining from Protectionist Measures [48]	-1	1	0	1	0	1	1	-1	1	1	1	1	1	-1	1	-1	0	1	1	1	0.45	72.5
4	Food and Agriculture: Scaling Up Nutrition Movement [74]	-1	0	-1	1	-1	-1	0	-1	0	-1	1	-1	-1	-1	-1	-1	-1	1	0	1	-0.4	30.0
5	Food and Agriculture: Sustainable Agriculture [77]	1	1	1	1	-1	1	0	0	1	-1	-1	-1	0	1	-1	1	0	1	1	-1	0.2	60.0
6	Crime and Corruption [100]	-1	0	-1	-1	-1	-1	0	-1	-1	-1	-1	-1	-1	0	0	-1	-1	-1	0	0	-0.7	15.0
7	Financial Inclusion [172]	-1	1	0	0	0	0	0	1	-1	-1	1	0	-1	1	-1	-1	-1	0	0	1	-0.1	45.0
8	Macroeconomic: Emerging Markets Growth [177]	0	n/a	1	n/a	1	n/a	n/a	1	1	n/a	n/a	n/a	1	1	1	1	-1	n/a	n/a	n/a	0.7	85.0
	Average	-0.13	0.71	0.25	0.57	0	0.29	0.43	0.13	0.25	-0.29	0.43	-0.14	0.13	0.38	0.13	-0.13	-0.25	0.57	0.57	0.57	0.21	
	Average, %	43.8	85.7	62.5	78.6	50.0	64.3	71.4	56.3	62.5	35.7	71.4	42.9	56.3	68.8	56.3	43.8	37.5	78.6	78.6	78.6		60.7

Key Findings

Labour and Employment

Commitments on reducing unemployment and creating decent jobs have been an integral part of the G20 agenda since its formation. The Framework for Strong, Sustainable and Balanced Growth agreed at the G20 Pittsburgh Summit in 2009 puts quality jobs “at the heart of economic recovery”.⁴ G20 leaders reinforced this emphasis at the summits in Toronto⁵ and Seoul.⁶

At the Cannes Summit leaders decided to set up “a G20 Task-Force on Employment, with a focus on youth employment, that will provide input to the G20 Labour and Employment Ministerial Meeting to be held under the Mexican Presidency in 2012” and asked international organizations, including the International Monetary Fund, International Labour Organization and the World Bank to monitor how economic reforms will impact job creation.⁷ The intergovernmental task force established at the Cannes Summit was given a mandate to “provide practical input for discussions during the G20 Labour and Employment ministerial meeting to be held under the Mexican Presidency” with a particular focus on youth employment.⁸ The task force reported its findings at the G20 Labour and Employment Ministers meeting in Guadalajara, Mexico on 17-18 May 2012.

Employment has been an important area for the B20 since its first summit. Recommendations to the G20 on employment, human capital development and social issues were included in the B20 documents starting from the first meeting prior to the Toronto G20 summit. Over the period from the Toronto summit to the Los Cabos summit B20 has made 29 recommendations on employment and social issues, or 11.1% of all the recommendations made by the B20.

In the Los Cabos report B20 reiterated recommendations on supporting entrepreneurship and SMEs and improving employment opportunities for young people. All of these recommendations were translated into G20 decisions or mandates, or at least deliberated upon in the G20 Los Cabos documents. A number of new recommendations were made, with all of them neglected by the G20, except a general one, focused on linking labor market reforms with general regulatory reforms “designed to support economic growth and improve the climate for investing and doing business as a foundation for further employment.”

The policy area is a good example of the B20 leading the dialogue, rather than following the G20 on its core areas of coordination. Track record of the Task Forces dealing with employment and social policies provides evidence that the B20 is capable of identifying key challenges which G20 members face and pursuing their priorities consistently in the dialogue with the G20 to get the issues addressed by the leaders.

At the Los Cabos summit the G20 committed to *intensify the “efforts to strengthen cooperation in education, skills development and training policies, including internship and on-the-job training, which support a successful school-to-work transition”*, thus, going in line with the B20 proposals.

This commitment calls for actions to support a successful school-to-work transition in two

⁴ G20 Leaders Statement: The Pittsburgh Summit, G20 Information Centre (Toronto) 25 September 2009. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2009/2009communique0925.html#jobs>.

⁵ The G20 Toronto Summit Declaration, G20 Information Centre (Toronto) 27 June 2010. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2010/to-communique.html>.

⁶ G20 Labour and Employment Ministers’ Conclusions, G20 Information Centre (Toronto) 27 September 2011. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2011/2011-labour-110927-en.html>.

⁷ Cannes Summit Final Declaration: Building Our Common Future, G20 Information Centre (Toronto) 4 November 2011. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2011/2011-cannes-declaration-111104-en.html>.

⁸ G20 Labour and Employment Ministers’ Conclusions, G20 Information Centre (Toronto) 27 September 2011. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2011/2011-labour-110927-en.html>.

broad areas: (1) education and skills development, (2) training policies. The main outcomes of the work of the G20 Task Force on Employment prior to the Labour and Employment Ministers meeting in Mexico include recommendations on concrete measures for policy development in these two areas. If adapted to national circumstances and needs, these measures can help promote youth employment in the G20. Particular actions identified by the G20 Task Force on Employment were singled out for assessing compliance and can be found in the full report. The members, which addressed both parts of the commitment, have been identified as fully complying.

The commitment showed the highest average level of compliance, as only Indonesia, given the absence of significant actions to strengthen its national training policies during the compliance period, complied partially. Other countries have taken measures to strengthen both their education and skills development, as well as training policies. Some G20 members have focused specifically on training policies. Australia, for example, prolonged the USD60 million Apprentice Kickstart Initiative. Other countries focused more on improving the quality of general education, like Brazil, which increased spending on the social program “Affectionate Brazil” that supports social services, including education, for vulnerable groups. During the compliance period Russia has adopted the ambitious State Program on Education Development for the period of 2013-2020, which provides for investment of almost USD133 billion into education, including professional training.

Investment: Business Environment for Investors

The number and share of recommendations on investment issues, which were for the first time made by the B20 to the Seoul summit, have been constantly decreasing (8.8% in Seoul, 5.1% in Cannes and only 3.9% in Los Cabos). The majority of these recommendations were not addressed by the G20 at all (57.1%) and only 28.6% have been acted upon in the form of commitments and mandates.

The only recommendation reflected in the Seoul summit documents was the one on the reaffirmation of the commitment on global capital flows, consistent global regulatory standards and developing “capital markets while highlighting the risks of financial protectionism”. Given that these issues have been on the G20 agenda since the Washington summit (financial protectionism appeared at the following summit in London) it was easy for the G20 Leaders to reaffirm existing commitments and once again pledge to avoid financial protectionism. It might be assumed that more specific recommendations on this issue if reflected by the G20 could have been more important for the B20 than just a reaffirmation of a traditional agenda. The need for an environment that supports private sector-led investment was emphasized by the G20 as one of the six core principles of the Seoul Development Consensus and the Multi-Year Action Plan in 2010.

The level of B20 recommendations’ inclusion in the Cannes summit documents was much higher (G20 acted upon two out of six recommendations and deliberated on one). G20 reaffirmed its traditional commitment on “refraining from raising barriers or imposing new barriers to both outward and inward investment” until the end of 2013 and reaffirmed the mandate of the OECD and the UNCTAD to monitor and report on the situation.

Only three recommendations on investment were made by the B20 to the Los Cabos and only one was addressed by the G20 in the summit documents. The B20 repeated its call on the G20 to “reiterate its support for open cross-border investment as an essential contributor to growth, development and job creation”. The G20 easily reaffirmed its standstill commitments on open investment and deliberated on the links of investment with growth, jobs and development.

The first direct commitment for a supportive business environment for foreign investors was made at the Los Cabos Summit in 2012.

To register full compliance with this commitment a member needed to take measures aimed at alleviating obstacles to foreign investment unilaterally and through participation in international investment agreements. Unilateral actions may include eliminating restrictions to international investment, improving clarity of procedures, ensuring free movements of capital, liberalizing procedures for foreign investments in specific sectors, etc. International investment agreements can be concluded on both a bilateral and a multilateral basis and can also include agreements on double taxation.

The G20 performance in this area is relatively high, with 17 out of 20 members receiving a score of +1 for full compliance. To register full compliance G20 members needed to take measures aimed at removing obstacles to foreign investment unilaterally and participate in international investment agreements. From those receiving a score of 0 for partial compliance two members have failed to take any measures to stimulate investments unilaterally, while one G20 member has not become engaged in any new multilateral agreements in the area.

Typical unilateral actions to maintain a supportive business environment for investors included reductions in duties and taxes on financial operations during the investment process, liberalizing foreign investment in particular sectors, organizing investment road-shows and presentations, and establishing governmental institutions responsible for the development of investment-enhancing measures and their implementation.

Several G20 members (Brazil, Canada, China, India, Saudi Arabia and Turkey) have undertaken measures to liberalize the investment markets, primarily for foreign investment, in sectors and industries considered as being crucial for national economic growth and employment. Most actions in this area have been taken in the infrastructural sector.

Some initiatives aim to promote additional investment in certain sectors. For instance, Argentina has organized a series of meetings with the representatives of major US IT companies to inform them on benefits provided for foreign investors in Argentinean software sector.

Another case is adopting comprehensive strategies to improve the country's investment attractiveness for foreign investors. For example, the Government of France has ensured the implementation of several interconnected tax, financial and employability measures aimed at stimulating foreign investment.

Some excellent initiatives have been implemented to support investment through governments' participation in investment projects. A case in point is a new round of the UK Regional Growth Fund. The Fund supports different projects and programmes and attracts private sector investment to create economic growth and sustainable employment using the principle of co-financing. Another example is the Australian Government's USD1 billion plan to provide venture capital funding and attract more foreign investment to the Australian economy, and to the pharmaceutical industry in particular.

The Russian Government continued to implement the National Business Initiative, which "is expected to systematically improve the investment climate". The initiative is implemented according to the roadmaps, "which deal with various spheres of government regulation" and "stipulate concrete results".⁹ The Government adopted several roadmaps on: improving customs administration,¹⁰ support to foreign markets access and export support on 29 June 2012,¹¹

⁹ Dmitry Medvedev takes part in the round table discussion, National Business Initiative: Initial Results, Next Steps, Russian Government 15 February 2013. <http://www.government.ru/eng/docs/22826/>.

¹⁰ Roadmap on Improving Customs Administration, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/tamozhnya/>.

¹¹ Roadmap on Supporting Access to Foreign Markets, and Export Support, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/export/>.

increasing availability of energy infrastructure on 30 June 2012,¹² and improving investment climate in the construction industry on 16 August 2012.¹³

Most initiatives to maintain a supportive business environment for investors through participation in international agreements focused on signing investment cooperation agreements and Double Taxation Conventions. Most agreements have been signed between major trading and investment partners. A noteworthy case of investment facilitation at the bilateral level is establishing the Brazilian-Belgian Investment Fund for Environmental Innovation with initial committed capital of USD76.5 million. The Fund will make long-term investments in start-up companies with innovative profiles.

Refraining from Protectionist Measures

The commitment to refrain from imposing protectionist barriers to trade has been a feature of G20 summit documents since the initial post-crisis summit in Washington. The Washington commitment was extended at the 2009 London Summit until the end of 2010 and renewed at the 2010 Toronto Summit until the end of 2013. The commitment was extended most recently at the Los Cabos Summit until the end of 2014.

Over the period from the Toronto summit to the Los Cabos summit the B20 has made 29 recommendations on trade issues, amounting to 11.1% of all the recommendations made by the B20. In Toronto the B20 made two recommendations on Trade, both of which were reflected in the G20 commitments. In Seoul four out of six B20 recommendations on Trade were addressed by the G20 leaders in their documents. In Cannes four out of ten were addressed. In Los Cabos – two out of 11. Thus, there is a slump in G20 responsiveness to B20 recommendation. Overall less than half, or only 41% (12 out of 29) of the B20 recommendations received a score of “+1” for being translated into the G20 commitments.

Thus, since the inception of the B20 process the business community has been advocating for open trade and investment, international markets’ liberalization and curbing protectionist tendencies. There are two parts to this commitment that together determine compliance. The first is to “reaffirm our standstill commitment until the end of 2014.” The second is to “roll back any new protectionist measure that may have risen.” The methodology for assessing the G20 compliance with this commitment is therefore twofold, with a compliance score for both the standstill and roll back provisions of this commitment that together define the final score.

The G20 members’ performance on this commitment has been average (0.4), with five members (Argentina, Brazil, India, Russia and South Africa) failing to comply; two countries (China and Turkey) – partially complying, and 13 (Australia, Canada, France, Germany, Indonesia, Italy, Japan, Korea, Mexico, Saudi Arabia, the UK, the US and the EU) fully complying with it.

The members that have introduced the most protectionist measures during the monitoring period include: Russia with at least 17 measures, India with nine, and Turkey with seven. Turkey, however, received a score of 0 for partial compliance due to the fact that the second part of the commitment was not applicable to it, as it had not introduced any protectionist measures in the period between the Cannes and the Los Cabos summits.

Canada, France, Korea, Mexico, The UK, the US, and the EU have managed to refrain from imposing new barriers to trade and thus have fully complied with the first part of the commitment. Other countries that received a score for full compliance introduced a limited number of protectionist measures (one or two).

¹² Roadmap on Improving Access to Energy Infrastructure, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/energetica/>.

¹³ Roadmap on Improving the Business Climate in the Construction Industry, Agency for Strategic Initiatives (Moscow) August 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/stroitelstvo/>.

The range of protectionist measures imposed by the G20 members has been wide. They included: the adoption of reference prices, local content requirements, export tariffs, decreasing export quotas, import bans, import quotas, etc. These were used predominantly by the developing countries, with a few exceptions.

The most notable user of import restrictions among the G20 members during the monitoring period has been India, which introduced these measures to restrict trade in steel products, gold, raw sugar, power generation equipment, and several agricultural products. One of the countries which known as one of the least protectionist in the world – Japan, has also had to resort to import restriction measures, banning beef imports from Brazil.

Russia, the country which has introduced the highest amount of protectionist measures in the G20 during this monitoring period, mainly resorted to import restrictions (bans and duties) and state support measures to the domestic industries. One notable example here is the introduction of federal subsidies to enterprises operating in the timber industry and domestic leasing companies. The number of protectionist measures introduced by Russia during the monitoring period was higher than in the period between the Cannes and the Los Cabos summits (17 protectionist measures against five) and there was no information indicating that Russia rolled back any of those measures.

In the run up to St. Petersburg summit the B20 yet again calls on the G20 to refrain from the protectionist measures and extend the standstill commitment, hopefully Russia as the G20 2013 Chair will support the commitment and honor its delivery.

Food and Agriculture

Over the period between the Toronto summit and the Los Cabos summit the B20 has made 24 recommendations on food security issues, which is 9.2% of all the recommendations made by the B20. The B20 included food security into their priorities after Seoul, though food security has been on the G20 agenda since London when the leaders committed to making available resources for social protection for the poorest countries, including through investing in long-term food security. In Cannes the B20 made 6 recommendations on food security. Five of them were addressed in the G20 documents. In Los Cabos ten out of 18 B20 recommendations were reflected in the G20 documents. Thus, 63% (15 out of 24) of the B20 recommendations received a score of “+1” for being translated into the G20 commitments.

Six recommendations made by the B20 for the G20 Cannes summit were dedicated to the issues of agricultural technology transfer, environmental sustainability of agricultural policies, increasing public and private investment in agriculture, agricultural policy coordination and improving functioning of agricultural markets.

The B20 recommendations on food security to the Los Cabos summit were more numerous and addressed more specific issues, such as: strengthening countries capacities to achieve national food security goals, improving value chains in agriculture, managing risks in agriculture, biofuels, improving water management and efficiency, establishing property rights etc. In their recommendations to the Los Cabos summit the B20 also touched upon other areas of the G20 agenda connected with food security. For instance, the recommendations addressed such issues as: improving trade policy, developing rural industries and employment, empowering women farmers, managing price volatility risks, expanding access to agricultural information, establishing land rights, increasing public investment and creating enabling environment for private investment in agriculture.

Food and Agriculture: Scaling Up Nutrition movement

The Scaling Up Nutrition (SUN) process began in 2009 with the development of the Scale Up Nutrition Framework and has evolved into a movement aimed to improve maternal and child

nutrition. The SUN movement participants include national governments, the United Nations, civil society, businesses, researchers and other donors.¹⁴

In September 2010 the Road Map for Scaling up Nutrition was released. It lays down the principles and directions to support countries as they scale up efforts to fight malnutrition. A wide range of stakeholders are encouraged to provide support to affected countries' national actions in a coordinated way.

The SUN initiative has steadily expanded to include 33 countries. The movement has laid out a three-year plan (2012-15) to significantly reduce under-nutrition in participating countries, most of which have established their own mechanisms of reducing under-nutrition.

For the first time the G20 committed to supporting the SUN movement in the 2011 Development Working Group Report to the Cannes Summit. The G20 also agreed "to provide coordinated support to region, country- and community-led strategies and programmes".¹⁵ The commitment was reiterated in the Final Declaration of the summit.¹⁶

In the report to the G20 Los Cabos Summit the B20 recommended to "coordinate multistakeholder leadership and engagement at the global and country levels through the Scaling Up Nutrition (SUN) movement and other key platforms". They also proposed "the number of countries that have implemented the Scaling Up Nutrition (SUN) movement" as one of the metrics to track success of the proposed G20 commitments on food security.¹⁷ Reflecting these B20 demands at the 2012 Los Cabos Summit the G20 leaders expressed their support to the SUN movement and encouraged wider G20 members' involvement.¹⁸

The commitment requires members to get involved into the Scaling Up Nutrition movement. The country can participate either as a recipient (among which the only G20 member is Indonesia), or as a donor. For full compliance the G20 country should actively participate in the SUN movement activities, i.e. take relevant actions during the monitoring period and encourage wider involvement of G20 members.

The average G20 compliance with this commitment was rather low as only Canada, Japan, UK and EU have participated in the SUN movement and encouraged other countries to get engaged as well. Four countries (Australia, Germany, Indonesia and US) participated in the SUN activities but have not encouraged wider involvement of other stakeholders into the Initiative.

Food and Agriculture: Sustainable Agriculture

In its report to Los Cabos summit the B20 called the G20 members to "scale up environmentally sustainable farming practices, including water-efficient and climate-smart agriculture, to increase productivity", "implement highly efficient farming practices, including effective irrigation practices" and "increase investments in water efficiency, relative to total investments in the agricultural and water sectors".¹⁹

At the Los Cabos Summit held on 18-19 June 2012, G20 Leaders affirmed their on-going commitment to improving domestic food and agricultural practices, with a particular focus on adapting agriculture so as to mitigate its effects on climate change.²⁰ The commitment responds

¹⁴ About, Scaling Up Nutrition. http://scalingupnutrition.org/about#countries_reveal.

¹⁵ 2011 Report of the Development Working Group, 28 October 2011. <http://www.g20.utoronto.ca/2011/2011-cannes-declaration-111104-en.html>.

¹⁶ Cannes Summit Final Declaration, 4 November 2011. <http://www.g20.utoronto.ca/2011/2011-cannes-declaration-111104-en.html>.

¹⁷ B20 Task Force Recommendations, June 2012. <http://b20.org/documentos/B20-Complete-Report.pdf>.

¹⁸ G20 Leaders Declaration Los Cabos, Mexico, June 19, 2012. <http://www.g20.utoronto.ca/2012/2012-0619-loscabos.html>.

¹⁹ B20 Task Force Recommendations, B20 June 2012. Date of Access: 17 June 2013. http://www.b20russia.com/Greenbook_web-6June13.pdf.

²⁰ G20 Leaders Declaration, G20 Information Center (Toronto) 19 June 2012. Date of Access: 8 December 2012.

to calls for heightened international cooperation in the use of land and water resources expressed by the United Nations. As put forth by the Food and Agriculture Organization of the United Nations (FAO), “Increasing competition over natural resources because of population and economic growth, climate change and other drivers is magnifying the challenges of natural resource management.”²¹ In such progressively challenging conditions, it becomes crucial to bring attention to and make decisions on the sustainable use of land and water in agriculture to “ensure land and water remain a conduit for agricultural and economic growth and for the general advancement of human well-being.”²²

In order to fully comply with the commitment, the member state must foster both the development and greater use of available technologies, practice, and techniques which produce minimal harm to the environment. If the member state promotes either the development or the greater use of such mechanisms, the actions are qualified as partial compliance.

The G20 compliance with the commitment has been relatively low, with the average score of +0.20: 6 members (China, Italy, Japan, Korea, Saudi Arabia and the EU) have failed to comply, 4 members (Germany, India, Mexico and Turkey) have partially complied and 10 (Argentina, Australia, Brazil, Canada, France, Indonesia, Russia, South Africa, the UK and the US) have fully complied with it.

The compliance for the developing and the developed G20 members has been mixed. Several developed members failed to take steps to facilitate the development and implementation of best available agricultural technologies and practices (Italy, Japan, Korea, the EU), thus, receiving a score of -1. At the same time, a number of developing countries have been successful in fulfilling the commitment. Among them are: Argentina, Brazil, Indonesia, Russia and South Africa.

Notable examples of developing countries’ successful actions include: Argentinean project “Programa Nacional de Agricultura Periurbana” aimed at helping small farmers and municipalities develop their agricultural and economic capabilities; Indonesian efforts to implement new hybrid rice seed and crop protection package for farmers; and Russian Program of Agricultural Development and Agricultural Products, Raw Materials and Food Markets Regulation, which provides for the measures to conduct amelioration and improve the use of arable land through enhancing of the amelioration systems, funding of research and development activities, and training in this sphere.

The G20 developed members’ best practices include: Australia’s “Filling the Research Gap” program, which aims to “support research into emerging abatement technologies, strategies and innovative management practices that reduce greenhouse gas emissions from the land sector, sequester carbon, and enhance sustainable agricultural practices”;²³ Canada’s new agricultural policy framework, “Growing Forward 2”, which includes programs designed to foster agricultural innovation and commercialization of new agricultural technologies; and the British efforts to reform the national water market in order to accelerate innovation and open market to new companies, thus increasing competition and bringing new solutions to sourcing water.

Crime and Corruption

<http://www.g20.utoronto.ca/2012/2012-0619-loscabos.html>.

²¹ Report 16: International Cooperation for Sustainable Land and Water Management, Food and Agriculture Organization of the United Nations (Rome) 2011. Date of Access: 7 December 2012.

http://www.fao.org/fileadmin/templates/solaw/files/thematic_reports/TR_16_web.pdf.

²² Report 16: International Cooperation for Sustainable Land and Water Management, Food and Agriculture Organization of the United Nations (Rome) 2011. Date of Access: 7 December 2012.

http://www.fao.org/fileadmin/templates/solaw/files/thematic_reports/TR_16_web.pdf.

²³ Filling the Research Gap, Department of Agriculture, Fisheries and Forestry (Canberra) 6 December 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/carbonfarmingfutures/ftg>.

Between the Toronto and the Los Cabos summit the B20 has made 21 recommendations on fighting corruption, which amounts to 8% of all B20 recommendations made over the period. In Cannes the B20 made six recommendations on anti-corruption, two of them were subsequently addressed by the G20. It should be noted that by that time G20 had made 15 commitments on anti-corruption. In Los Cabos only four out of 15 B20 recommendations were reflected in the G20 documents. Overall, less than 29% (six out of 21) of the B20 recommendations have been translated into the G20 decisions, which is a relatively low score in comparison with other areas on the B20 agenda.

Issues of anti-corruption have been included in the G20 agenda since the 2009 Pittsburgh Summit. In June 2010 at the G20 Toronto Summit the G20 Anti-Corruption Working Group (ACWG) was created in order to make recommendations on the ways the G20 could contribute to international anti-corruption efforts.

At the Seoul Summit in November 2010, the G20 members published the Anti-Corruption Action Plan, which proposed a set of measures to strengthen the fight against corruption, promote market integrity and support international cooperation among the G20 members.

The B20 recommendations on anti-corruption for the Cannes G20 summit focused on several issues, including providing incentives for companies to prevent corruption, “supporting negotiations within the WTO for a multilateral agreement on standards for procedures and transparency in government procurement”, creating a G20-B20 joint platform addressing corruption, and “promoting education on ethics and business integrity at all levels of public and private education”. None of these recommendations was reflected in the G20 commitments or mandates. B20 also made two recommendations on recognition of public leaders in fighting corruption, and enforcement and monitoring of international anti-corruption conventions implementation. These recommendations were reflected in the G20 decisions with the caveat that both issues had been consistently addressed by the G20 starting from the Pittsburgh summit, and B20 stated its recommendations were derived from the G20 Seoul Anti-Corruption Action Plan. Thus, B20 recommendations had a supportive rather than leading nature.

In the Los Cabos report the B20 reiterated almost all of the previous recommendations on fighting corruption. The B20 recommendations addressed more specific issues. Four recommendations focused on incentives for business to combat corruption including: certifying and self-reporting by companies on their anti-corruption practices and making the adoption of such practices a condition for participating in public tenders. None of them was reflected in the G20 documents. The G20 also didn't address the two reiterated B20 commitments on strengthening transparency of public procurement. Similarly, the recommendation on raising awareness of the risks of corruption through “anti-corruption training programs tailored to SMEs”, was not reflected in the G20 documents. However, B20 recommendation on promoting the G20-B20 dialogue in the area was translated into the G20 commitment, though not in line with the more specific recommendations on possible engagement processes and a model review approach for the UNCAC review mechanism. The issues of asset disclosure by private officials, fighting solicitation, enforcement of foreign bribery legislation and certain articles of the OECD Anti-Bribery Convention and UNCAC were also put forward by the B20 in the Los Cabos report. As in Toronto, Seoul and Cannes G20 deliberated on these issues and made several commitments. The only proposal put forward by the B20, which was new for the G20, is extending the mandate of the Anti-Corruption Working Group. According to the G20 decision made in Los Cabos, this mandate was extended to the end of 2014.

In 2012 the G20 adopted the Common Principles for Action: Denial of Safe Haven, which provide for denial of entry to the G20 countries of corrupt officials, and those who corrupt them. At the Los Cabos summit the G20 Leaders endorsed these principles and committed to continue developing frameworks for cooperation.

This is a two-part commitment. To comply with the first part a G20 member needs to conform with the ACWG principles on Denial of Safe Haven, that is to take domestic actions in line with the ACWG principles (for example, amend national legislation). To comply with the second part a member needs to take steps to create, promote or take part in international anti-corruption cooperation mechanisms and frameworks on Denial of Safe Haven. To achieve full compliance members had to address both parts of the commitment.

The level of compliance with this commitment was the lowest among all commitments analyzed. No G20 country has fully complied and only six members have showed partial compliance (Australia, Germany, Saudi Arabia, US, EU, Russia). It should be noted that Australia and Russia have promoted international cooperation on this issue, but have not taken domestic measures to enforce relevant legislation. Australia has addressed the issue through the anti-corruption cooperation in the framework of the ASEAN-Australia Comprehensive Partnership and Russia as the G20 Chair managed to secure the adoption of the Denial of Entry Network contact list, which will be part of the network to share relevant information among the G20 members. Four other partially complying members drafted or adopted the legislation which complies with the Denial of Safe Haven principles.

Financial Regulation: Financial Inclusion

Financial regulation has been at the heart of the G20 and B20 agenda since their inception. Over the period from the Toronto to the Los Cabos summit B20 has made 25 recommendations on financial regulation, which constitutes 9.5% of all B20 recommendations. In Toronto B20 made three recommendations in the area of financial regulation, and two of them were reflected in the G20 commitments. In Seoul, five out of six B20 recommendations on financial regulation were translated into the G20 commitments and mandates. B20 made 11 recommendations on financial regulation issues in Cannes, and six of them were subsequently addressed in the G20 documents. In Los Cabos three out of five B20 recommendations were taken up by the G20. Overall, 64% of the B20 recommendations (16 out of 25) received a score of +1 for being translated into the G20 decisions, which is the highest score among all areas on the B20 agenda.

B20 recommendations on financial regulation for the Toronto summit were generally in line with the G20 priorities. As a result, recommendations on introducing new requirements to banking capital ratios, leverage and liquidity, and on “not tightening the requirements too quickly” were reflected in the G20 commitments. B20 recommendations for the Seoul G20 summit focused on two broad issues: banking regulation and SMEs. B20 reiterated its recommendation on strengthening supervision over banks, while stimulating growth, and again it was addressed by the G20. B20 also made five recommendations on different aspects of stimulating SMEs development. Of the five, only one very specific recommendation on establishing credit bureaus in emerging markets was not taken up by the G20. In the Los Cabos report B20 again reiterated previous recommendations on supporting SMEs. A recommendation on increasing SME finance was translated into the G20 decisions.

The structure of the G20 initiative on financial inclusion has significantly evolved since its launch. Despite the growing complexity of the initiative, in terms of individual G20 members’ actions it remains focused on implementing policies consistent with the nine principles for innovative financial inclusion endorsed at the Toronto G20 Summit in 2010, namely, Leadership (take a broad-based government commitment to financial inclusion to help alleviate poverty); Diversity (promote competition and provide market-based incentives for delivery of sustainable financial access and usage of a broad range of affordable services), Innovation (promote technological and institutional innovation as a means to expand financial system access and usage), Protection (provide a comprehensive approach to consumer protection that recognizes the roles of government, providers and consumers), Empowerment (develop financial literacy and financial capability), Cooperation (create an institutional environment with clear lines of accountability and co-ordination within government; and also encourage partnerships and direct

consultation across government, business and other stakeholders), Knowledge (utilize improved data to make evidence based policy, measure progress, and consider an incremental “test and learn” approach acceptable to both regulator and service provider), Proportionality (build a policy and regulatory framework that is proportionate with the risks and benefits) and Framework (reflect in the regulatory framework: an appropriate, flexible, risk-based AML/CFT regime; conditions for the use of agents as a customer interface; a clear regulatory regime for electronically stored value; and market-based incentives to achieve the long-term goal of broad interoperability and interconnection).²⁴

Actions taken by G20 members both within their countries and abroad, including through participation in bilateral or multilateral international mechanisms of financial inclusion promotion, have been considered as compliance. For full compliance G20 members must have implemented policies in accordance with more than six of the abovementioned principles. Taking actions consistent with four to six of the principles meant partial compliance, less than four of the principles – lack of compliance.

The overall G20 compliance with this commitment was low, with only four members receiving the maximum score of +1, and seven members registering non-compliance. Almost all advanced countries have taken measures consistent with at least four principles. Thus, compliance among advanced G20 members was generally higher in comparison with emerging economies.

Most initiatives to promote financial inclusion were focused on domestic markets. Financial inclusion has become an integral part of some members’ large-scale financial reforms. For example, China has adopted the 12th Five-Year Plan for the Development and Reform of the Financial Industry aimed, inter alia, at encouraging competition among small and medium banks in the area of financing, providing better access to financial services and developing innovative financial services; Germany has required banks to separate risky activities from their deposit-taking activities; and France has established a national register of loans to individuals in the framework of the law on consumption. Another comprehensive measure consistent with a number of financial inclusion principles is Indian requirement of new banks to submit an outline of how each of them would contribute to greater financial inclusion, and to open 25% of their branches in non-banked areas.

Several countries have taken special measures aimed at supporting SMEs, particularly through providing better access to credit. For instance, European Commission adopted an Action Plan to support European entrepreneurs and boost entrepreneurship and the British Treasury announced that approximately USD1.5 billion would be sent to the business bank, which will address the long-term structural gap in lending to small businesses. Another example is the USD167million funding granted to Turkish SMEs, which will be spent on developing new supporting mechanisms for SMEs, in particular related to loan interest repayment. Some innovative measures have been undertaken in this area. For example, South Africa has designed a 10-year program to encourage private sector partnership with government to support business incubators in order to develop small, medium and micro enterprises and thus create jobs and contribute to economic growth, and Japan announced a USD270 million support aimed at setting up a low-interest loan system of the Japan Finance Corporation for SMEs.

Another financial inclusion issue broadly addressed by the G20 members is financial literacy and education. Examples include incorporating additional courses on economics and finance in the basic education curricula by Mexico, and Canadian appointment of a Financial Literacy Leader to coordinate a national effort aimed at raising financial awareness of Canadians.

²⁴ Principles for Innovative Financial Inclusion, G20 Information Centre 27 June 2010. Date of Access: 20 February 2013. <http://www.g20.utoronto.ca/2010/to-principles.html>.

Special attention was given by some members to the issue of consumer protection. Brazilian government plans to create a special committee which would provide public consultations on how prices are settled for financial services.

Some initiatives, mainly implemented by advanced countries among the G20 members, aimed at stimulating financial inclusion abroad. Specifically, the US Agency for International Development has participated in the launch of “The Better than Cash Alliance”, which calls on providers to adopt the use of electronic payments for programs that support people living in poverty. Australia also assists developing countries to improve financial inclusion through its “Financial Services for the Poor”, a program which creates an environment that allows institutions offering financial services to the poor to enter the market and provide high-quality innovative financial services to the poor; and helps people increase their capacity to utilize financial services effectively.

Macroeconomic: Emerging Markets Growth

Over the period from the Toronto to the Los Cabos summit B20 has made 15 recommendations on macroeconomic issues, which constitute almost 6% of all B20 recommendations. Five out of 11 B20 recommendations made in Toronto focused on macroeconomic policy, and three of them were addressed by the G20 leaders. In Seoul B20 made four recommendations in this area, with only one of them reflected in the G20 decisions. In Cannes a half of six B20 recommendations on macroeconomic issues were addressed in the G20 documents. B20 has not produced any recommendations in the area since Cannes. Thus, the level of B20 macroeconomic recommendations’ reflection in the G20 documents is relatively high and equals 46.7% (seven out of 15). However, it can be explained by the fact that macroeconomic issues remain a priority for G20 since the Washington summit (58 recommendations in this area had been made from the Washington to the Pittsburgh summit), and some recommendations put forward by B20 thus supported already agreed decisions. In Los Cabos B20 didn’t make any recommendations on macroeconomic issues, but called on G20 to encourage investment in infrastructure, which can contribute to emerging markets growth.

This G20 Los Cabos commitment that emerging market members should implement a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment applies to the G20 emerging market economies (Argentina, Brazil, China, Indonesia, India, Mexico, Russia, Saudi Arabia, South Africa, and Turkey).

A range of macroeconomic reforms can be categorized as promoting development. Not all of them were considered for this analysis. Special attention was given to reforms directed at enhancing infrastructure investment and improving investment climate, including that for Small and Medium Enterprises (SMEs). To register full compliance, a member needed to undertake measures in both areas.

Eight out of 10 members received the maximum score of +1 for implementing a range of reforms to promote development. The average score of the emerging G20 members on this commitment thus equals 0.7.

Most initiatives aimed at improving investment climate related to both domestic and foreign investors. These include providing tax cuts and other benefits for investors, organizing investment road-shows, improving governance in the area (for instance, establishment of the National Investment Board in India or Public Private Partnership Unit under the Indonesian Ministry of Finance), FDI and exchange rates liberalization, and signing investment agreements with other countries.

Some members have taken measures to create investment opportunities and facilitate the development of SMEs. These include establishment of incubators financed through the PPP scheme to support small, medium and micro enterprises in South Africa, and Indian directive to banks to provide additional financial literacy and consultative support for SMEs, along with

carrying out supportive policies for loans and reducing administrative barriers for business owners.

Most initiatives to enhance infrastructure investment have been fragmented. However, several countries, including India, Indonesia, China and Turkey, have taken these measures in the framework of comprehensive plans for national infrastructure development. Brazil has announced the first phase of a major economic stimulus package providing for USD60 billion investments in national infrastructure over the next 25 years.

Emerging market members of the G20 have also supported infrastructure development through public-private partnerships. For instance, Mexico has issued the new Regulations and Guidelines to the Public-Private Partnership Law. Another case of innovative approach to enhancing infrastructure development is the Indonesian plan to finance state infrastructural projects with rupiah-denominated Islamic bonds. This initiative is expected to attract both domestic investors and those from other Islamic states.

Annex. 2012 G20 Los Cabos Summit B20 Related Commitments Selected for Monitoring

- 1) [38] We also commit to intensify our efforts to strengthen cooperation in education, skills development and training policies, including internship and on-the-job training, which support a successful school-to-work transition. **(Labour and Employment)**
- 2) [47] Recognizing the importance of investment for boosting economic growth, we commit to maintaining a supportive business environment for investors. **(Investment)**
- 3) [48] Following up our commitment made in Cannes, we reaffirm our standstill commitment until the end of 2014 with regard to measures affecting trade and investment, and our pledge to roll back any new protectionist measure that may have arisen, including new export restrictions and WTO inconsistent measures to stimulate exports. **(Trade)**
- 4) [74] We [also note that chronic malnutrition is an enormous drain on a country's human resources, and] we therefore support the Scaling Up Nutrition movement and encourage wider involvement of G20 members. **(Food and Agriculture)**
- 5) [77] We recognize the need to adapt agriculture to climate change and we recognize the importance of improving the efficiency of water and soil use in a sustainable manner. To this end, we support the development of and a greater use of available technologies, well-known practices and techniques such as soil fertility enhancement, minimum tillage and agroforestry. **(Food and Agriculture)**
- 6) [100] We endorse today the G20 Anti-Corruption Working Group principles for denial of entry to our countries of corrupt officials, and those who corrupt them, and will continue to develop frameworks for cooperation. **(Crime and Corruption)**
- 7) [172] [G-20 members continue to look to the FSB, in cooperation with standard setters, to monitor progress, reporting back on a regular basis.] This will be complemented by efforts to increase financial inclusion. **(Financial Regulation)**
- 8) [177] Emerging market members will also promote a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment. **(Macroeconomic)**

G20 Compliance Reports

1. Labour and Employment

2012-38: We also commit to intensify our efforts to strengthen cooperation in education, skills development and training policies, including internship and on-the-job training, which support a successful school-to-work transition.

Los Cabos G20 Leaders Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina			+1
Australia			+1
Brazil			+1
Canada			+1
China			+1
France			+1
Germany			+1
India			+1
Indonesia		0	
Italy			+1
Japan			+1
Korea			+1
Mexico			+1
Russia			+1
Saudi Arabia			+1
South Africa			+1
Turkey			+1
United Kingdom			+1
United States			+1
European Union			+1
Average Score		0.95	

Background:

Commitments for reducing unemployment and creating decent jobs have been an integral part of the G20 agenda since its emergence. The Framework on Strong, Sustainable and Balanced Growth agreed at the G20 Pittsburgh Summit in 2009 puts quality jobs “at the heart of economic recovery”.²⁵ G20 leaders reinforced this emphasis at the G20 summits in Toronto²⁶ and Seoul.²⁷

At the Cannes Summit leaders decided to set up “a G20 Task-Force on Employment, with a focus on youth employment, that will provide input to the G20 Labour and Employment Ministerial Meeting to be held under the Mexican Presidency in 2012” and asked international organizations, including the International Monetary Fund, International Labor Organization and the World Bank to monitor how economic reforms will impact job creation.²⁸ The

²⁵ G20 Leaders Statement: The Pittsburgh Summit, G20 Information Centre (Toronto) 25 September 2009. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2009/2009communique0925.html#jobs>.

²⁶ The G20 Toronto Summit Declaration, G20 Information Centre (Toronto) 27 June 2010. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2010/to-communique.html>.

²⁷ G20 Labour and Employment Ministers’ Conclusions, G20 Information Centre (Toronto) 27 September 2011. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2011/2011-labour-110927-en.html>.

²⁸ Cannes Summit Final Declaration: Building Our Common Future, G20 Information Centre (Toronto) 4 November 2011. Date of Access: 21 February 2013.

intergovernmental task force established at the Cannes Summit was given a mandate to “provide practical input for discussions during the G20 Labour and Employment ministerial meeting to be held under the Mexican Presidency” with a particular focus on youth employment.²⁹ The task force reported its findings at the G20 Labour and Employment Ministers meeting in Guadalajara, Mexico on 17-18 May 2012.

Commitment Features:

This commitment calls for actions to support a successful school-to-work transition in two broad areas: (1) education and skills development, (2) training policies. The main outcomes of the work of the G20 Task Force on Employment prior to the Labour and Employment Ministers meeting in Mexico include recommendations on concrete measures for policy development in these two areas. If adapted to national circumstances and needs, these measures can help promote youth employment in the G20. Particular actions identified by the G20 Task Force on Employment include:

In the area of education and skills development G20 governments are recommended to:

- Promote the acquisition of quality basic education. Governments should work to increase the educational attainment of young people, extending the capacity of their country’s workforce. Completion of secondary education is becoming essential in all G20 countries to ensure a smooth transition to work and to enhance the career prospects of young people. This can be achieved in some countries by raising the age of compulsory education, while in others by removing barriers to accessing secondary education. Programmes making social welfare contingent on children’s school attendance, such as conditional cash transfers, have proven to be effective investments in human capital and increase opportunities for children living in poverty.
- Support the integration of school leavers into the labour market with the use of vocational education and work experience programmes, among others. In some countries, well-targeted second chance programmes can make a difference in reintegrating disconnected youth.
- Assess how changes in the structure of the economy could affect the demand for specific skills and competencies. Training programmes should be developed to respond both to current and future labour market needs. Labour market information tools can anticipate future demands and skills requirements. Technical cooperation in this field could be promoted.
- Encourage labour representatives, employers and training providers to work together on the design of vocational training, so that the curricula matches current and future labour market needs, including those of high-growth sectors, like green industry, among others.
- Promote free career guidance in school curricula from secondary school onwards and provide students with relevant information about present and future labour market needs (including web-based tools).
- Promote self-employment/business creation, by increasing awareness of and providing support to entrepreneurship among youth in school. These projects could be complemented with other forms of assistance, such as professional advice, public support and funding facilities.
- Provide support for different categories of young people, including assistance in job training and job search, adult mentoring, alternative education and work experience.
- Consider designing programmes or dedicated structures for vulnerable youth, including young women and rural populations that address diverse academic and social needs.

<http://www.g20.utoronto.ca/2011/2011-cannes-declaration-111104-en.html>.

²⁹ G20 Labour and Employment Ministers’ Conclusions, G20 Information Centre (Toronto) 27 September 2011. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2011/2011-labour-110927-en.html>.

- Promote individualized approaches to address personal needs of vulnerable youth to help them achieve educational and job success.

In the area of training policies G20 governments are recommended to:

- Consider making national commitments to further develop high-quality apprenticeship and internship programmes.
- Foster opportunities for young people to get their first job by promoting and financially supporting apprenticeships and by encouraging businesses to retain their former apprentices. Encourage the inclusion of work experience in all higher education curricula.
- Promote apprenticeships in large, medium and small enterprises.
- Consider facilitating international mobility for students in college, vocational training or apprenticeships, so that they can work with businesses and training organisations. Encourage more comparability of college agendas, curricula, and diplomas would help G20 college students studying abroad.
- Consider legislative changes which may extend the periods of training and education to facilitate the integration of young people into the labour market.³⁰

For full compliance G20 members should address both parts of the commitment, taking actions to implement at least one measure from each of the two specified areas.

Scoring Guidelines:

-1	G20 member does not take actions to strengthen its national education, skills development and training policies.
0	G20 member takes actions to strengthen EITHER its national education and skills development policies, OR its training policies.
+1	G20 member takes actions to strengthen BOTH its national education and skills development policies, AND its training policies.

Argentina: +1

Argentina has fully complied with the commitment on labour and employment.

Argentina has taken actions to strengthen its national education and skills development policies.

On 1 March 2013, President of Argentina Cristina Fernandez de Kirchner announced a plan to provide 3.5 million netbooks for schools till the end of the year. A general plan for computerization of schools in Argentina has been implemented since 2003. Argentinean President also highlighted the positive results of a plan to build two thousand schools throughout the country from 2003 to 2014 and stressed that nine universities newly created in the country give people an opportunity to continue their education after finishing schools and make higher education more available.³¹

On 15 March 2013, at the annual meeting of Inter American Development Bank (IDB) held in Panama Argentinean Economic Hernan Lorenzino supported the statement of the IDB which stressed the need for Latin American countries to implement "further structural reforms to improve economic prospects and escape the waning global growth" The recommendation contained in Macroeconomic Report on Latin America and the Caribbean 2013 expressed the

³⁰ G20 Labour and Employment Ministers' Conclusions, G20 Information Centre (Toronto) 18 May 2012. Date of Access: 21 February 2013. <http://www.g20.utoronto.ca/2012/2012-0518-labour.pdf>.

³¹ Vamos por más siempre, sobre todo en educación, Telam 1 March 2013. Date of access: 26 March 2013. <http://www.telam.com.ar/notas/201303/9147-cristina-vamos-por-mas-siempre-sobre-todo-en-educacion.html>.

need for the countries of the region to adopt "structural reforms" and, in particular, focus their efforts on improving education and developing well-functioning labour markets.³²

Argentina has taken actions to strengthen its national training policies.

On 19 October 2012, Argentinian Labour Minister and head of the Federal Authority of Audiovisual Communication Services (AFSCA) signed a training agreement in broadcasting sphere. According to this agreement AFSCA will provide the training courses on new audiovisual technologies for small media and for media "which have to retrain their workers due to new technologies".³³

On 8 November 2012, the meeting "Argentina 2020 Plan: the Role of Continuous Training for Inclusion and Competitiveness" took place with participation of the Labour Minister, the Industry Minister and the Economy Vice-minister and representatives of different sectors. The agreements in professional training were signed by the Labour Ministry and the Ministries of Economy, Industry, Science and Technology, and Agriculture. The 2020 Ministry's Continuous Training Strategic Plan goals were presented. A Network of Institutions of Continuous Training will be created to train 3 million workers with assistance of 60,000 teachers by 2020.³⁴

On 16 November 2012 the Labour Minister inaugurated four Professional Training Centers. New training centers will provide the courses of Cook's Assistant, Basic Computing, Building, Home Electrical Installer, Electrical Welder and Work Finish Assistant for more than 600 workers from Lomas de Zamora, a city in the Buenos Aires province.³⁵

During the compliance period Argentina has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Valeriya Ganzhela & Elizaveta Safonkina

Australia: +1

Australia has fully complied with its commitment on labor and employment.

Australia has taken actions to strengthen its national education and skills development policies.

On 3 September 2012, Australian Prime Minister Julia Gillard announced the National Plan for School Improvement. The plan provides for "lifting teacher quality, including requiring more classroom experience before graduation and higher entry requirements for the teaching profession".³⁶ More specifically the plan is to be phased in over 2014-2020 and will include: a new way of funding schools; more training for teachers and principals and ongoing professional development and support for them throughout their careers; more help for schools that need extra support to improve their results; extra support for the students who need it most, like children

³² El BID recomienda "reformas estructurales", Lanacion.com 18 March 2013. Date of access: 26 March 2013. <http://www.lanacion.com.ar/1564370-el-bid-recomienda-reformas-estructurales>.

³³ Training Agreement in Broadcasting and Television Crafts Signed, Ministry of Labour, Employment and Social Security of Argentina 19 October 2012. Date of Access: 19 January 2013. http://www.trabajo.gov.ar/downloads/otros/121019_capacitacion-radio-tv_eng.pdf.

³⁴ Tomada, Giorgi and Kicillof Headed Argentina 2020 Strategic Plans Articulation Meeting, Ministry of Labour, Employment and Social Security of Argentina 8 November 2012. Date of Access: 19 January 2013. http://www.trabajo.gov.ar/downloads/otros/121108_argentina2020_eng.pdf.

³⁵ Tomada Inauguró Cuatro Centros de Formación Profesional, Ministry of Labour, Employment and Social Security of Argentina 16 November 2012. Date of Access: 19 January 2013. http://www.trabajo.gov.ar/ampliado.asp?id_nvd=61#engver.

³⁶ "A National Plan for School Improvement", Speech to National Press Club, Canberra, Prime Minister of Australia 3 September 2012. Date of Access: 9 April 2013. <http://www.pm.gov.au/press-office/%E2%80%9Cnational-plan-school-improvement%E2%80%9D-speech-national-press-club-canberra>.

with disability and children from low income families; more information for parents and the community about school performance.³⁷

On 10 April 2013, Australian School Education Minister Peter Garrett said that the National Plan for School Improvement was being discussed with states and territory governments and the non-government school sector and would be presented at the Council of Australian Governments (COAG) on 19 April 2013.³⁸

Australian government allocated additional USD210 million to support education services for students with disability or learning difficulties in 2012 and 2013 school years.³⁹

Australia has taken actions to strengthen its national training policies.

On 8 March 2013, Australian Minister for Tertiary Education, Skills, Science and Research Chris Bowen announced the two-month extension of the USD59.9 million Apprentice Kickstart Initiative. The Kickstart program aims to bring an extra 21,000 apprentices into the workforce. "The two-month extension is good for employers, good for young people seeking apprenticeships, and good for job seekers as it will help to stimulate employment in the building, construction and engineering industries", said the Minister.⁴⁰

During the compliance period Australia has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus it has been awarded a score of +1.

Analyst: Andrei Sakharov

Brazil: +1

Brazil has fully complied with the commitment on labour and employment.

Brazil has taken actions to strengthen its national education and skills development policies.

In August 2012, Brazilian President Dilma Rouseff passed the law that provides for reserving half of the seats in the federal universities for state schools' leavers.⁴¹

On 10 October 2012, the National Financial Fund of Education published a new resolution on credit terms for students who entered the university since 2010 but hadn't finished it yet. Students will have an opportunity to continue studying and their debts for the bank should be paid after the graduation from universities.⁴²

On 15 March 2013, Dilma Rouseff passed the law on channeling 50% of federal oil royalties to the development of national education system since 2013.⁴³

³⁷ The National Plan for School Improvement, Australian Government. Date of Access: 9 April 2013.

<http://www.schoolfunding.gov.au/national-plan-school-improvement>.

³⁸ South Australian schools to benefit from National Plan for School Improvement, Australian Government 10 April 2013. Date of Access: 11 April 2013. <http://www.schoolfunding.gov.au/news/south-australian-schools-benefit-national-plan-school-improvement>.

³⁹ More Support for Students with Disabilities, Australian Government Department of Education, Employment and Workforce Relations. Date of Access: 11 April 2013. <http://deewr.gov.au/more-support-students-disabilities>.

⁴⁰ Extending Kickstart for key industries, The Hon Chris Bowen, Minister for Tertiary Education, Skills, Science and Research, Minister for Small Business 8 March 2013. Date of Access: 28 March 2013.

<http://minister.innovation.gov.au/chrisbowen/MediaReleases/Pages/ExtendingKickstartforkeyindustries.aspx>.

⁴¹ The Senate Approves 50% Places in the Federal Universities for Public Schools' leavers, Educational Laws 8 August 2012. Date of Access: 19 April 2013. <http://www.direitoeducacao.org.br/3295/senado-aprova-projeto-que-reserva-50-das-vagas-em-federais-para-cotas-2/>.

⁴² Students Have to Ask for the Extension of the Term of the Credit Agreement Fies, Planalto 11 October 2012. Date of Access: 19 April 2013. <http://www2.planalto.gov.br/imprensa/noticias-de-governo/estudantes-tem-ate-31-de-dezembro-para-pedir-aumento-de-prazo-para-contrato-de-credito-do-fies>.

⁴³ Dilma Passed the Law of Oil Royalties, ISTOÉ 15 March 2013. Date of Access: 19 April 2013.

http://www.istoe.com.br/reportagens/283284_DILMA+PROMULGA+LEI+DOS+ROYALTIES+DO+PETROLEO.

On 11 December 2012, Brazil and France signed a Memorandum of Understanding that proposes that 2,000 Brazilian doctoral and post-doctoral scholarship students will study in France.⁴⁴ In September 2012, Brazil and the UK signed three new agreements within Science without Borders project to increase the number of students sent to the UK.⁴⁵

On 28 December 2012, Brazilian government announced measures to build nursery schools and guarantee morning and evening working hours of primary schools to ensure children and youth education. Spending on social program “Affectionate Brazil” that supports poor families with children under 15 years, should be raised up to USD11 billion in 2013.⁴⁶

On 5 December 2012, Dilma Rousseff called for increasing the number of Brazilian students studying in Russia especially in the sphere of exact sciences, space and military studies. Both countries signed a corresponding act on educational cooperation during Brazilian-Russian meetings in February 2013.⁴⁷ Brazilian President also committed to pay more attention to the poorest families in terms of providing equal opportunities in education for all children and youth.⁴⁸

Brazil has taken actions to strengthen its national training policies.

On 19 July 2012, Dilma Rouseff passed the law that requires workers cooperatives provide education and trainings for their members.⁴⁹

On 30 July 2012, the Department of Labour and Employment instructed companies to keep the number of students in the total number of employees equal to 5% to 15% and provide the needed skills training for them.

On 30 July 2012, the Department of Labour and Employment issued an instruction providing for mutual obligations of employers and young employees in training policy and hiring. Companies have to develop training programmes according to the requirements of the Department.⁵⁰

During the compliance period Brazil has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analyst: Dina Karakash

Canada: +1

Canada has fully complied with the commitment on labour and employment.

⁴⁴ Agreement with France provides for the distribution of 2,000 postgraduate scholarships, the official website of the Government of Brazil 12 December 2012. Date of access: 07 February 2013.

<http://www.brasil.gov.br/news/history/2012/12/12/agreement-with-france-provides-for-the-distribution-of-2-000-postgraduate-scholarships>.

⁴⁵ Brazil and the UK sign new agreements on science and technology, the official website of the Government of Brazil 3 October 2012. Date of access: 07 February 2013. <http://www.brasil.gov.br/news/history/2012/10/brazil-and-the-uk-sign-new-agreements-on-science-and-technology>.

⁴⁶ Revolution in the Sphere of Social Policy in Brazil, Prensa Latina news 28 December 2012. Date of Access: 19 April 2013. <http://prensalatina.ru/index.php/component/content/article/15-portada-principal4/13361-2012-12-28-19-23-08?opcion=pl-ver-noticia>.

⁴⁷ Atos assinados por ocasião da VI Reunião da Comissão de Alto Nível de Cooperação Brasil-Rússia, 19 a 21 de fevereiro de 2013, Presidency of the Republic 20 February 2013. Date of Access: 19 April 2013. <http://www2.planalto.gov.br/vice-presidente/noticias/2013/02/2012-02-20-michel-temer-russia-atos-assinados>.

⁴⁸ Dilma Rousseff: “We want to build a middle class Brazil, Voz da Rússia 5 December 2012. Date of Access: 19 April 2013. http://portuguese.ruvr.ru/2012_12_05/dilma-rousseff-queremos-construir-um-brasil-de-classe-media/.

⁴⁹ The Law №12.690, Presidency of the Republic 19 December 2012. Date of Access: 19 April 2013. http://www.planalto.gov.br/ccivil_03/_Ato2011-2014/2012/Lei/L12690.htm.

⁵⁰ Normative Instruction №97, Ministry of Labour 30 July 2012. Date of Access: 19 April 2013. [http://portal.mte.gov.br/data/files/8A7C812D38CF4A290138DD45D99277C4/Instrucao%20Normativa%20n.%2097%20\(Fiscalizacao_Programas%20de%20Aprendizagem\).pdf](http://portal.mte.gov.br/data/files/8A7C812D38CF4A290138DD45D99277C4/Instrucao%20Normativa%20n.%2097%20(Fiscalizacao_Programas%20de%20Aprendizagem).pdf).

Canada has taken actions to strengthen its national education and skills development policies.

On 21 March 2013, Minister of Finance Jim Flaherty unveiled Canada's Economic Action Plan 2013.⁵¹ The Economic Action Plan⁵² introduces an innovative skills training initiative through the Canada Job Grant, as part of the renewal of the Labour Market Agreements in 2014-15. The Canada Job Grant could provide \$15,000 or more per person to ensure Canadians are getting the skills employers are seeking.⁵³ The government also confirmed continued support for Pathways to Education Canada, a not-for-profit organization dedicated to helping youth in low-income communities graduate from schools and make successful transition into post-secondary education.⁵⁴

Additionally, Canada's Economic Action Plan 2013 confirms the Government's commitment to consult with First Nations across Canada on the development of a First Nation Education Act⁵⁵. It also provides for funding initiatives aimed at promoting education in high-demand fields in Canada and abroad, and expanding access to education for people with disabilities.⁵⁶

Canada has taken actions to strengthen its national training policies.

Within the Economic Action Plan 2013, a number of commitments were made in the area of training policies:

- Creating the Canada Job Grant that will connect skills training with employers and jobs for Canadians. The Grant will provide access to a maximum CAD5,000 (approximately USD4.96 thousand) federal contribution per person towards training at eligible training institutions.
- Creating opportunities for apprentices by working with provinces and territories to examine the use of practical tests as a method of assessment and harmonize requirements, and by introducing measures that will support the use of apprentices through federal construction and maintenance contracts, the Investment in Affordable Housing and infrastructure projects.
- Investing CAD70 million (USD69.5 million) over three years to support 5,000 more paid internships for recent post-secondary graduates.
- Continuing to work with provinces and territories and stakeholders to improve the foreign credential recognition processes, thereby enhancing the integration of internationally trained individuals into the job market.⁵⁷

Canada continues to carry out the measures in the framework of the Youth Employment Strategy (YES) to help young people, particularly those facing barriers to employment obtain career information, develop employment skills, find jobs, and stay employed.. Additional USD50 million are be invested over 2012-2013 to “help more young people gain tangible skills and

⁵¹ Jobs, Growth and Long-Term Prosperity the Top Priority of Canada's Economic Action Plan 2013, Canada's Economic Action Plan Official Web-Site 21 March 2013. Date of Access: 19 April 2013. <http://actionplan.gc.ca/en/news/jobs-growth-and-long-term-prosperity-top-priority>.

⁵² Jobs, Growth and Long-Term Prosperity, Canada's Economic Action Plan Official Web-Site. Date of Access: 19 April 2013. <http://actionplan.gc.ca/en/page/economic-action-plan-2013>.

⁵³ Canada Job Grant, Canada's Economic Action Plan Official Web-Site. Date of Access: 19 April 2013. <http://actionplan.gc.ca/en/initiative/canada-job-grant>.

⁵⁴ In the News, Pathways to Education Canada 27 March 2013. Date of Access: 19 April 2013. <http://www.pathwaystoeducation.ca/en/about-us/news>.

⁵⁵ Budget in Brief, Budget 2013. Date of Access: 19 April 2013. <http://www.budget.gc.ca/2013/doc/bb/brief-bref-eng.html>.

⁵⁶ Chapter 3.1: Connecting Canadians With Available Jobs. Budget 2013. Date of Access: 19 April 2013. <http://www.budget.gc.ca/2013/doc/plan/chap3-1-eng.html>.

⁵⁷ Government of Canada. Economic Action Plan 2013. Budget 2013 21 March 2013. Date of Access: 19 April 2013. <http://www.budget.gc.ca/2013/doc/plan/budget2013-eng.pdf>

experience and to connect young Canadians with jobs in fields that are in high demand". Integral parts of the YES are Skill Link, Career Focus, and Summer Work Experience programs.⁵⁸ YES annual budget is approximately USD300 million.⁵⁹

On 3 December 2012, Member of Parliament Ray Boughen on behalf of Minister of Human Resources and Skills Development Diane Finley announced that the Government of Canada was providing support for youth in Regina, Saskatchewan, to help them gain the skills, knowledge and experience they need to enter and succeed in the job market. Prairie Spirit Connections Inc., a non-profit, community based organization, is receiving over USD41,000 from the Skills Link program to help aboriginal youth obtain necessary experience to overcome barriers to employment.⁶⁰

During the compliance period Canada has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Vitaly Nagornov & Andrei Sakharov

China: +1

China has fully complied with the commitment on labour and employment.

China has taken actions to strengthen its national education and skills development policies.

On 28 June 2012, Chinese Ministry of Education agreed on a number of measures to attract foreign investment in the educational sector, primarily in the field of primary education and vocational training, as well as in establishing joint educational institutions with foreign partners using their experience.⁶¹

On 5 September 2012, Chinese State Council hold a meeting devoted to the implementation of the national program of reforms in educational area for 2010-2020. The State Council agreed on a number of measures aimed at ensuring equal access to education, improving the financing of the sector, building new schools and educational centers, and improving curricula to strengthen skills development.⁶²

China has taken actions to strengthen its national training policies.

On 16 July 2012, the China Disabled Persons' Federation announced that China would strengthen vocational training for the disabled population and help them to find jobs through a variety of rehabilitation and training programs.⁶³

⁵⁸ Enhancing the Youth Employment Strategy, Canada's Economic Action Plan. Date of Access 5 February 2013. <http://actionplan.gov.ca/en/initiative/enhancing-youth-employment-strategy>.

⁵⁹ Government of Canada invests to help Aboriginal youth in Regina get jobs, Canada's Economic Action Plan 3 December 2012. Date of Access: 5 February 2013. <http://actionplan.gov.ca/en/news/government-canada-invests-help-aboriginal-youth>.

⁶⁰ Government of Canada invests to help Aboriginal youth in Regina get jobs, Canada's Economic Action Plan 3 December 2012. Date of Access: 5 February 2013. <http://actionplan.gov.ca/en/news/government-canada-invests-help-aboriginal-youth>.

⁶¹ Ministry of Education to encourage private investment in education, the Chinese Central Government's Official Web Portal 28 June 2012. Date of Access: 10 April 2013. http://www.gov.cn/zwggk/2012-06/28/content_2172286.htm.

⁶² State Council to further promote the balanced development of compulsory education, , the Chinese Central Government's Official Web Portal 7 September 2012. Date of Access: 10 April 2013. http://www.gov.cn/zwggk/2012-09/07/content_2218783.htm.

⁶³ China to strengthen vocational training for disabled, Xinhua News Agency 7 July 2012. Date of Access: 10 February 2013. http://news.xinhuanet.com/english/china/2012-07/16/c_131718558.htm.

On 31 January 2013, the central committee of the Communist Party of China and the State Council issued a document, according to which China would help internal migrants from rural areas to get different benefits, including professional training for job-seekers.⁶⁴

On 13 March 2013, Chinese Ministry of Human Resources and Social Security proposed a set of measures aimed at promoting employment of college graduates through better training policies. Proposed actions include providing vocational training, ensuring guidance and training for young entrepreneurs, improving skills testing and certification services, and reforming training policies in accordance with employers' needs.⁶⁵

During the compliance period China has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Andrey Shelepov & Svetlana Nikitina

France: +1

France has fully complied with the commitment on strengthening its national education, skills development and training policies.

France has taken actions to strengthen its national education and skills development policies.

In August 2012, the French Government announced a 25% increase in the special school allowance: a benefit paid to the parents for each child going to school from 6 to 18 years old to help pay for school supplies.⁶⁶

France has taken actions to strengthen its national training policies.

On 26 October 2012, French President François Hollande announced the law “Jobs of the future”. The law is aimed at increasing employment of youth and improving access to training for young people with few or no qualifications who face particular difficulties in the labor market.⁶⁷

On 21 December 2012, French Government and the Union of Federations and National Unions of Employers in the Health and Social Sectors (UNIFED) signed a framework agreement on future employment and training of young beneficiaries.⁶⁸

On 7 January 2013, the web-site dedicated to National Pact for growth, competitiveness and employment was launched by the Ministry of Labour, Employment, Vocational Training and Social

⁶⁴ China vows to help migrant workers in urbanization, Ningbo Foreign Trade and Economic Cooperation Bureau 31 January 2013. Date of Access: 10 February 2013. <http://en.nbfet.gov.cn/detail.php?id=70579>.

⁶⁵ Notice on strengthening vocational training of college graduates to promote employment, Ministry of Civil Affairs of China 13 March 2013. Date of Access: 10 April 2013. <http://jnjd.mca.gov.cn/article/zyjd/zcwj/201303/20130300428243.shtml>.

⁶⁶ The L'allocation de rentrée scolaire revalorisée de 25 % pour la rentrée 2012, the Portal of the Government 20 August 2012. Date of Access: 7 April 2013. <http://www.gouvernement.fr/gouvernement/1-allocation-de-rentree-scolaire-revalorisee-de-25-pour-la-rentree-2012>.

⁶⁷ Text No. 2 Law No. 2012-1189 of 26 October 2012 Establishing the Jobs of the Future, Le Service Public de la Diffusion du Droit 26 October 2012. Date of Access: 7 April 2013. http://www.legifrance.gouv.fr/affichTexte.do;jsessionid=24B580CE062E469D4ED04DD84E660357.tpdjo05v_2?cidTexte=JORFTEXT000026536632&dateTexte=&oldAction=rechJO&categorieLien=id.

⁶⁸ Convention cadre entre l'Etat et l'UNIFED, Ministry of Labour, Employment, Vocational Training and Social Dialogue 21 December 2012. Date of Access: 7 April 2013. <http://travail-emploi.gouv.fr/actualite-presse/42/communiqués/2138/l-etat-et-l-unifed-signent-une-15771.html>.

Dialogue. This tool helps young people to find information on training and apprenticeship opportunities.⁶⁹

On 21 February 2013, the Interministerial Committee on Youth (ICJ) launched the policy “Commit to Kids”, that provides for the in-depth reform of public policy for youth. The reform aims to promote access to employment for young people, secure path of social and professional integration of youth, and create a public information support and guidance that meet the diverse needs of young people.⁷⁰

On 1 March 2013, François Hollande signed the law on “generations’ contract” that inter alia is aimed at training young people for future jobs and retraining workers made redundant.⁷¹

On 9 April 2013, the lower house of the French Parliament adopted the draft law on stimulating employment. The draft law aims, inter alia, to improve training policies for better employment.⁷²

During the compliance period France has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analyst: Ekaterina Ivanova

Germany: +1

Germany has fully complied with the commitment on labour and employment.

Germany has taken actions to strengthen its national education and skills development policies.

On 18 August 2012, the German Federal Ministry of Education and Research launched the EUR20 million (USD 26 million) program aimed at improving literacy and providing basic education for adults in order to reduce the number of functionally illiterate people in Germany in the long term.⁷³

Germany has taken actions to strengthen its national training policies.

On 21 September 2012 the German Federal Ministry of Education and Research together with the Ministry of Economics and Technology extended the information project “Vocational Education and Training - Practically Unbeatable” up to 2014. The main goal of the project is to provide career guidance and offer training opportunities for graduates.⁷⁴

On 19 December 2012, the Federal Ministry of Labour and Social Affairs together with the International Placement Services of the Federal Employment Agency approved a special program aimed at offering career prospects to young people and to unemployed young skilled

⁶⁹ Ouverture du site dédié au Pacte national pour la croissance, la compétitivité et l'emploi, Portal of public employment policies and vocational training 7 January 2013. Date of Access: 7 April 2013.

<http://www.emploi.gouv.fr/actualites/ouverture-site-dedie-au-pacte-national-pour-croissance-competitivite-et-emploi>.

⁷⁰ Priorité jeunesse : emploi et formation professionnelle, Portal of public employment policies and vocational training 22 February 2013. Date of Access: 7 April 2013. <http://www.emploi.gouv.fr/actualites/priorite-jeunesse-emploi-et-formation-professionnelle>.

⁷¹Text No 1 Law No. 2013-185 of 1 March 2013 establishing the Contract of the Generation, Le Service Public de la Diffusion du Droit 1 March 2013. Date of Access: 7 April 2013.

<http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000027123803&dateTexte=&categorieLien=id>.

⁷² Draft law on securing employment, French National Assembly 6 March 2013. Date of Access: 7 April 2013. <http://www.assemblee-nationale.fr/14/projets/pl0774.asp>.

⁷³ Nationale Strategie fuer Alphabetisierung and Grundbildung Erwachsener, Federal Ministry of Education and Research 12 March 2013. Date of Access: 15 April 2013. <http://www.bmbf.de/de/426.php>.

⁷⁴ Eine gute Ausbildung macht fit fuer die Zukunft, Federal Ministry of Education and Research 4 March 2013. Date of Access: 15 April 2013. <http://www.bmbf.de/archiv/newsletter/de/544.php>.

workers from EU Member States who are interested in training.⁷⁵ The program consists of two phases and started in January 2013. Participants will first receive orientation and language courses in their respective countries of origin to prepare them for training and employment in Germany. The second step will then be to place the participants in appropriate vacancies. To manage the program, which is projected to run for two years, the Federal Ministry of Labour and Social Affairs has budgeted the annual amount of up to EUR40 million (about USD52 million).⁷⁶

From 2 to 7 July 2013, the world vocational training championship “WorldSkills Competition” promoted by the Federal Ministry of Education and Research will be held in Leipzig, Germany.⁷⁷

During the compliance period Germany has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Anton Komarov & Yulia Ovchinnikova

India: +1

India has fully complied with the commitment on labour and employment.

India has taken actions to strengthen its national education and skills development policies.

On 25 June 2012, the Union Minister of Human Resource Development Shri Kapil Sibal inaugurated a training programme for 10,000 teachers. The programme was conducted by IIT Bombay as part of the Talk to a Teacher project of the National Mission on Education through Information and Communication Technology. The programme will be carried out in 168 remote centres across India, with lectures delivered by professors from IIT Bombay and IIT Madras. It allows for greater participation of female teachers by permitting all participants to go to a centre that is convenient for them.⁷⁸

On 3 September 2012, Shri Kapil Sibal launched a Vocational Education pilot project (NVEQF) in secondary/higher secondary schools in Gurgaon, in Haryana state. The project “will provide for multiple pathways both within vocational education and between general and vocational education to link one level of learning to a higher level starting from any point in education or in skills.” The aim of this project is to enhance the employability of students who decide to enter the job market.⁷⁹

In September 2012, the Central Board of Secondary Education (CBSE) partnered with the Central Institute of Technology (CIT) Western Australia to offer four pilot vocational courses: Design, Retail, Music Production and Beauty Therapy during the 2013-14 academic year. In light of NVEQF, CBSE has begun the revision of its existing vocational courses in order to ensure students’ mobility and “absorption in industry.”⁸⁰

⁷⁵ Young Europeans find a perspective in Germany, Federal Ministry of Labour and Social Affairs 28 September 2012. Date of access: 4 February 2013.

<http://www.bmas.de/DE/Service/Presse/Pressemitteilungen/sonderprogramm-europ-jugend-2012-12-13.html>.

⁷⁶ An opportunity for young and upcoming skilled workers, Federal Ministry of Labour and Social Affairs 28 September 2012. Date of access: 4 February 2013. <http://www.bmas.de/EN/Service/Press/press-releases/eu-programm-young-skilled-workers-09-2012.html>

⁷⁷ World Skills 2013 Leipzig. Date of Access: 15 April 2013. <http://www.worldskillsleipzig2013.com/en/>.

⁷⁸ Shri Kapil Sibal Inaugurates 10,000 Teacher Training Project of NMEICT, Press Information Bureau: Government of India 25 June 2012. Date of Access: 29 March 2013. http://mhrd.gov.in/sites/upload_files/mhrd/files/Rel03092012.pdf.

⁷⁹ Shri Kapil Sibal Launches NVEQF Pilot Project in Haryana, Press Information Bureau: Government of India 3 September 2012. Date of Access: 29 March 2013. http://mhrd.gov.in/sites/upload_files/mhrd/files/Rel25062012.pdf.

⁸⁰ CBSE Focus, Central Board of Secondary Education December 2012. Date of Access: 29 March 2013. http://www.cbseacademic.in/web_material/newsletter/Newsletter_Vol%202.pdf.

On 10 January 2013, CBSE requested that all of its schools choose one or more of the following vocational courses to be offered from class IX onwards starting in the 2013-14 academic year: Retail, Security, Information Technology, and Automobile Technology.⁸¹ The courses had already been introduced in 42 schools as part of the NVEQF pilot programme during the 2012-13 academic year.⁸²

India has taken actions to strengthen its national training policies.

On 10 September 2012, the National Small Industries Corporation announced that it had launched the free-of-cost Incubation Program for Unemployed Girls and Women aimed at developing entrepreneurship among these groups. The program provides necessary skills for entrepreneurs and representatives of start-up companies in the areas of product manufacturing processes, technology development and business development.⁸³

In 2012, Indian government continued its efforts within the project aimed at upgrading 400 Government Industrial Training Institutes (ITIs). The project, which was finished in December 2012, helped to develop skills courses in 21 sectors and improve existing courses for rural youth.⁸⁴

During the compliance period India has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Andrey Shelepov

Indonesia: 0

Indonesia has partially complied with the commitment on labour and employment.

Indonesia has taken actions to strengthen its national education and skills development policies.

In order to strengthen the country's education system, Indonesian government with the support from the ILO established the Indonesia Youth Employment Network (IYEN). This institution involves representatives of government agencies, private sector and civil society. However, no concrete actions implemented by IYEN during the compliance period have been found.⁸⁵

On 6 February 2013, the Partnership of Education, involving Indonesian Ministry of Education and Culture and representatives of the private sector, organized a one-day workshop on entrepreneurship for students from senior high schools and vocational schools. This event aimed to improve the participants' business skills, stimulate them to establish their own businesses and create job opportunities for young entrepreneurs.⁸⁶

However, no facts of Indonesia's actions to strengthen its national training policies during the compliance period have been found.

⁸¹ Circular No. Acad-05/2013, Central Board of Secondary Education (Dehli) 10 January 2013. Date of Access: 29 March 2013. http://www.cbseacademic.in/web_material/Circulars/2013/5_NVEQF1.pdf

⁸² Offer at least one vocational course, CBSE tells schools, Times of India 22 January 2013. Date of Access: 29 March 2013. <http://timesofindia.indiatimes.com/city/kochi/Offer-at-least-one-vocational-course-CBSE-tells-schools/articleshow/18126616.cms>.

⁸³ NSIC Empowering Women for Self Employment, Press Information Bureau, Government of India 10 September 2012. Date of Access: 28 March 2013. <http://pib.nic.in/newsite/erelease.aspx?relid=87669>.

⁸⁴ Achievements of the Ministry of Labour & Employment During 2012, Ministry of Labour and Employment of India 18 December 2012. Date of Access: 28 March 2013. http://labour.nic.in/upload/uploadfiles/files/latest_update/press_release/50d42d34535aeYE2012MLE.pdf.

⁸⁵ Voices of youth: Facing the global challenge on youth employment, ILO 26 March 2012. Date of access: 17 April 2013. http://www.ilo.org/jakarta/info/public/pr/WCMS_176887/lang--en/index.htm.

⁸⁶ Students encouraged to run businesses, The Jakarta Post 9 February 2012. Date of Access: 12 February 2013. <http://www.thejakartapost.com/news/2013/02/09/students-encouraged-run-businesses.html>.

During the compliance period Indonesia has taken actions to strengthen its national education and skills development policies, but no facts of Indonesia's measures to strengthen its training policies have been found. Thus, it has been awarded a score of 0.

Analysts: Valeriya Ganzhela & Nadezhda Sporysheva

Italy: +1

Italy has fully complied with the commitment on labour and employment.

Italy has taken actions to strengthen its national education and skills development policies.

On 10 October 2012, Minister of Education, Universities and Research Francesco Profumo and President of Confindustria Giorgio Squinzi signed a Memorandum of Understanding for the implementation of projects aimed at integrating young people into working relations. The initiatives will be implemented in the framework of the Plan "More schools less mafia", providing for using assets confiscated from organized crime. The memorandum focuses on the need to train future leading entrepreneurial class, which is active and innovative.⁸⁷

On 12-13 November 2012, Minister of Labor of Italy and Minister of Labor of Germany discussed measures to facilitate international apprenticeships and different forms of bilateral cooperation in education.⁸⁸

On 11 December 2012, Italy among six other European Union members signed a Memorandum aimed at facilitating international academic mobility and apprenticeships.⁸⁹

Italy has taken actions to strengthen its national training policies.

In October 2012, Ministry of Education and Ministry of Justice signed a Memorandum of Understanding establishing a 3-year program of professional training for young and adult inmates of jails, and thus giving them an opportunity for re-incorporation into the job market after their release.⁹⁰

On 5 March 2013, Presidency of Council of Ministers, Department for Youth Policies of the Ministry for International Cooperation and Integration, and CRUI Foundation signed a convention providing for the launch of a two-year program aimed at promoting free career guidance for university students, assistance in job search and youth employment and self-employment.⁹¹

During the compliance period Italy has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Pavel Prokopyev & Anna Vekshina

⁸⁷ Protocollo d'intesa tra Miur e Confindustria, Italian Ministry of Education, Universities and Research 11 October 2012. Date of Access: 1 November 2012. <http://www.istruzione.it/web/ministero/dettaglio-news/-/dettaglioNews/viewDettaglio/23006/11207>.

⁸⁸ Conferenza: Lavorare insieme per l'occupazione dei giovani, Ministry of Labour and Social Policy. Date of access: 31 March 2013. http://www.lavoro.gov.it/Lavoro/AreaStampa/comunicati/2012_11_05.htm.

⁸⁹ Istruzione tecnico professionale: a Berlino firma di un Memorandum tra 6 Paesi europei, Ministry of Education, Universities and Research 11 December 2012. Date of access: 31 March 2013. <http://hubmiur.pubblica.istruzione.it/web/ministero/cs111212>.

⁹⁰ Scuola, Profumo e Severino firmano Protocollo d'Intesa per istruzione e formazione professionale in carcere, Ministry of Education, Universities and Research 23 October 2012. Date of access: 31 March 2013. <http://hubmiur.pubblica.istruzione.it/web/ministero/cs231012>.

⁹¹ Giovani DEF- Il miglior modo di prevedere il futuro è inventarlo, Ministry for International Cooperation and Integration 5 March 2013. Date of access: 31 March 2013. <http://www.gioventu.gov.it/salastampa/comunicati/2013/03/05/progettodef.aspx>.

Japan: +1

Japan has fully complied with the commitment on labour and employment.

Japan has taken actions to strengthen its national education and skills development policies.

On 8 April 2013, Prime Minister of Japan Shinzo Abe announced that TOEFL will be required both to enter and to graduate from public universities. This measure is “expected to drastically change the public English-language education system at junior high and high schools, which currently focus more on writing and grammar proficiency”.

On 28 February 2013, Shinzo Abe in his stressed the importance of improving academic abilities through major reform of educational system in Japan.⁹²

Japan has taken actions to strengthen its national training policies.

On 6 December 2012, the Ministry of Health, Labour and Welfare published information that it had been providing subsidies for organizations involved in vocational training.⁹³

In 2012-2013, the ‘Hello Work’ program was prolonged.⁹⁴ The program was launched in 2010 by the Ministry of Health, Labour and Welfare of Japan. “Hello Work” gives opportunities for young people to develop their working abilities through public vocational trainings, in particular in the sphere of agriculture, forestry and fisheries⁹⁵, and a professional training search system.⁹⁶

In 2013, Ministry of Health, Labour and Welfare established the new financing system for trainees. Within the new system, trainees can take loans to pay for vocational training.⁹⁷

During the compliance period Japan has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analyst: Maya Kostina

Korea: +1.

Korea has fully complied with the commitment on labour and employment.

Korea has taken actions to strengthen its national education and skills development policies.

On 20 November 2012, the Second corporate university was launched with support of Ministry of Employment and Labor of Korea (MOEL). MOEL provides active support for companies to voluntarily set up and operate corporate universities for high school graduates. This initiative is aimed at creating an environment that enables workers to combine work and learning.⁹⁸

⁹² Policy Speech by Prime Minister Shinzo Abe to the 183rd Session of the Diet, Prime Minister of Japan 28 February 2013. Date of access: 24 March 2013.

www.kantei.go.jp/foreign/96_abe/statement/201302/28siseuhousin_e.html.

⁹³ Subsidies for Organizations Implementing Support Training for Job Seekers, Ministry of Health, Labour and Welfare 6 December 2012. Date of Access: 11 February 2013. <http://www.mhlw.go.jp/english/new-info/2012.html>.

⁹⁴ “Hello Work” programme. Date of access: 24 March 2013. www.hellowork.go.jp.

⁹⁵ Employment Measures in the Sphere of Agriculture, Forestry and Fisheries, Ministry of Health, Labour and Welfare of Japan 13 March 2013. Date of access: 13 April 2013.

www.mhlw.go.jp/seisakunitsuite/bunya/koyou_roudou/koyou/nouringyou/index.html.

⁹⁶ Japan Vocational Ability Development Association. Date of access: 13 April 2013.

www.kyufu.mhlw.go.jp/kensaku/T_K_kouza.

⁹⁷ The establishment of the new financing system for trainees, Ministry of Health, Labour and Welfare of Japan. Date of access: 24 March 2013. www.mhlw.go.jp/bunya/nouryoku/gijyutsusya.html.

⁹⁸ Employment Policy. Second corporate university launched on Nov. 20 with support of MOEL, MOEL 20 November 2012. Date of access: 24 March 2013.

http://www.moel.go.kr/english/topic/employment_policy_view.jsp?&idx=952.

On 27 November 2012, Ministry of Foreign Affairs and Trade (MOFAT) invited 50 students who were preparing for national college entrance exam to participate in an overseas apprenticeships program. MOFAT implements different apprenticeship programs twice a month.⁹⁹

Korea has taken actions to strengthen its national training policies.

On 10 January 2013, MOEL decided to expand its youth internship program for SMEs. The program provides wage subsidies to SMEs, which offer internships to young people. The program introduced in 2009 has created about 30,000 jobs every year since its introduction. After the expansion, it will cover 50,000 beneficiaries per year.¹⁰⁰

On 17 August 2012, Korean Ministry of Employment and Labour (MOEL) announced that training subsidy would be extended to job seekers taking electronic learning courses.¹⁰¹

On 25 September 2012, the Korean government announced its Second Basic Plan for Vocational Skills Development for 2012-2017. Main targets of the plan include education and training of additional 200,000 skilled workers, raising the number of people participating in vocational learning to 20% of the workforce, and strengthening vocational skills development support for vulnerable groups to cover 1.5 million people by 2016.¹⁰²

On 19 November 2012, the MOEL issued the guidelines on cooperation between large companies and SMEs in the sphere of employment. The guidelines provide for measures large companies should take to support their partner SMEs in order to support skills improvement, for instance, establishing corporate universities and sending skilled workers to SMEs for sharing experience. The guidelines also contain recommendations to SMEs on increasing investment in their own training for skilled workers and creating conditions for skilled workers to retain them.¹⁰³

During the compliance period Korea has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Anastasiya Zhuravleva & Andrey Shelepov

Mexico +1

Mexico has fully complied with the commitment on labour and employment.

Mexico has taken actions to strengthen its national education and skills development policies.

On 16 August 2012 the Mexican Institute of Youth and the Secretariat of Social Development presented the new web-portal. It facilitates access to information about education and

⁹⁹ Ministry of Foreign Affairs and Trade invites candidates for apprenticeships, MOFAT 27 November 2012. Date of access: 6 April 2013.

http://www.mofat.go.kr/webmodule/htsboard/template/read/korboardread.jsp?typeID=6&boardid=235&seqno=344903&c=&t=&tableName=TYPE_DATABOARD&px=&dc=&wc=&lu=&vu=&iu=&du.

¹⁰⁰ Youth internship program for SMEs to be expanded to cover 50,000 beneficiaries this year, Ministry of Employment and Labor of Korea 11 January 2013. Date of Access: 28 March 2013.

http://www.moel.go.kr/english/topic/employment_policy_view.jsp?&idx=965.

¹⁰¹ Employment Policy. In Aug., training subsidy to be extended to job seekers taking e-learning courses, MOEL 25 July 2012. Date of access: 24 March 2013.

http://www.moel.go.kr/english/topic/employment_policy_view.jsp?&idx=938.

¹⁰² Government announces its 2nd basic plan for vocational skills development, Ministry of Employment and Labor of Korea 5 October 2012. Date of Access: 28 March 2013.

http://www.moel.go.kr/english/topic/employment_policy_view.jsp?&idx=945.

¹⁰³ MOEL establishes guidelines on cooperation between large companies and SMEs to cultivate skilled workforce, Ministry of Employment and Labor of Korea 21 November 2012. Date of Access: 28 March 2013.

http://www.moel.go.kr/english/topic/employment_policy_view.jsp?&idx=950.

employment, state programs in these areas, contests and other vocational opportunities for youth.¹⁰⁴

On 25 February 2013, the Secretariat of public education announced the National Program, which aims at diminishing inequalities in access to basic education between different social groups of youth and adults.¹⁰⁵

Mexico has taken actions to strengthen its national training policies.

On 30 August 2012, the Mexican Institute of Youth organized the first fair for young entrepreneurs. The aim of the fair was to boost entrepreneurship among youth through appropriate trainings.¹⁰⁶

On 11 November 2012, the Secretariat of employment and social issues of Mexico and the Board of entrepreneurship coordinators met to discuss the issue of incorporating youth into labour market and promoting school-to-work transition through BECATE program (acquisition of professional skills during apprenticeship in private firms).¹⁰⁷

During the compliance period Mexico has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analyst: Kira Zatsepina

Russia: +1

Russia has fully complied with its commitment on labor and employment.

Russia has taken actions to strengthen its national education and skills development policies.

On 15 October 2012, Russian Government endorsed a set of measures to create more than 14,000 of specially equipped workplaces for people with disabilities in the labour market annually during next three years. About RUB900 million (USD30 million) will be allocated for this purpose in 2013 and approximately the same amount in 2014 and 2015.¹⁰⁸

On 22 November 2012, the Russian Government adopted the State Program on Education Development for the period of 2013-2020. About RUB4 trillion (USD133 billion) is planned to be spent from the federal budget, including for the development of professional education.¹⁰⁹ The State Program is aimed, inter alia, at “creating conditions for vocational education, training and retraining during the whole life by every citizen”. Performance will be measured by the share of people, graduated from professional education organizations, who became employed within one year after graduation.¹¹⁰

¹⁰⁴ Lanza Imjuve Portal Que Fortalece La Comunicación Entre El Gobierno Federal Y Los Jóvenes Mexicanos, Mexican Institute of Youth 16 August 2012. Date of access: 20 March 2013.

http://www.imjuventud.gob.mx/pagina.php?pag_id=328.

¹⁰⁵ Al margen un sello con el Escudo Nacional, que dice: Estados Unidos Mexicanos.- Secretaría de Educación Pública, Government of Mexico 25 February 2013. Date of access: 20 March 2013.

http://dof.gob.mx/nota_detalle.php?codigo=5288866&fecha=25/02/2013.

¹⁰⁶ INICIA LA 1ª FERIA DEL JOVEN EMPRENDEDOR, Mexican Institute of Youth 30 August 2012. Date of access: 20 March 2013. http://www.imjuventud.gob.mx/pagina.php?pag_id=346.

¹⁰⁷ La Reforma Laboral Fortalecerá La Vinculación Entre El Sector Productivo Y Educativo, 11 November 2012. Date of access: 20 March 2013. http://www.stps.gob.mx/bp/secciones/sala_prensa/boletines/2012/nov/bol_108.html.

¹⁰⁸ Meeting on job placement for the disabled, Government of the Russian Federation (Moscow) 22 November 2012. <http://www.government.ru/eng/docs/21565/>.

¹⁰⁹ State Program on Education Development, Russian Government 22 November 2012.

<http://www.gosprogrammy.gov.ru/Main/ClientBin/Passports/2.pdf>.

¹¹⁰ State Program on Employment Creation, Russian Ministry of Labour and Social Security 22 November 2012. <http://www.rosmintrud.ru/docs/government/90>.

On 23 February 2013, Russian President adopted a law aimed at increasing employment of disabled persons.¹¹¹

During the compliance period Russia has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus it has been awarded a score of +1.

Analyst: Mark Rakhmangulov

Saudi Arabia: +1

Saudi Arabia has fully complied with the commitment on labour and employment.

The General Administration of Prisons (GPA) of the Saudi Arabia has called on prison directors across the Kingdom to coordinate with universities in order to allow prisoners get education. The education scheme is part of a continuing effort by the GPA to develop a codified system that also includes adult education programs for individuals that never finished high school, and community service and work-release programs. In addition to 11 factories that employ 2,029 prisoners for vocational training, the GPA also has 38 adult education facilities, 42 intermediate schools, 43 high schools and four schools for women. The GPA now has 296 Saudi prisoners enrolled in high education studies with 3,626 prisoners enrolled in general education courses. The GPA has 642 teachers in its ranks.¹¹²

Saudi Arabia has taken actions to strengthen its national education and skills development policies.

In 2012, Labor Ministry undertook a training program Saudization with the aim of enabling youth to be eligible for better salaries. The Program also aims to enable Saudi youth become better qualified and get good salaries.¹¹³

In 2012, the BRJ program provided on-the-job training opportunities, which helped young males and females in Saudi Arabia receive training and sharpen their skills in areas required by the labor market, e.g. in mechanical, electrical and welding engineering. Young males and females could also acquire financial support for their micro business projects through BRJ.¹¹⁴

During the compliance period Saudi Arabia has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Arina Shadrikova & Tatyana Lanshina

South Africa: +1

South Africa has fully complied with the commitment on labour and employment.

South Africa has taken actions to strengthen its national education and skills development policies.

On 4 September 2012, Minister of Higher Education and Training Blade Nzimande announced launching a research project to develop a Labour Market Intelligence (LMI) system that will

¹¹¹ Legislation on Disabled Persons Employment Changed, 25 February 2013. <http://kremlin.ru/acts/17572>.

¹¹² Prison Education Programs Show Inmates the Way back into Society, Arab News 3 January 2013. Date of Access: 14 April 2013. <http://www.arabnews.com/columns/prison-education-programs-show-inmates-way-back-society>.

¹¹³ Low Salary of Saudis under Hafiz 'due to Poor Qualifications', Arab News 29 June 2012. Date of Access: 14 April 2013. <http://www.arabnews.com/low-salary-saudis-under-hafiz-%E2%80%98due-poor-qualifications%E2%80%99>.

¹¹⁴ BRJ – Saudi Arabia creates 58,478 job opportunities during 2012 (unverified), Bab Ritz Jameel. Date of Access: 31 January 2013. http://www.babrizjameel.com/news/news_details.aspx?news_id=297.

enable government and the private sector to make better decisions in matching skills demand to supply in the country. Through this initiative, South Africa will have a system that will empower students and work-seekers to make better informed education and skills decisions, which in turn will make them more attractive for employers.¹¹⁵

On 26 November 2012, Blade Nzimande called on the Public Service Sector Education and Training Authority (PSETA) to turn public sector into training space for young graduates. The Department is expected to drive the agenda of skills development to achieve inclusive growth, while also increasing the provision of skills that will enable citizens, in particular youth, to be easily absorbed into work when the expansion of the country's economy occurs.¹¹⁶

South Africa has taken actions to strengthen its national training policies.

On 7 July 2012, Blade Nzimande launched a ZAR6.9 million (USD0.77 million) rural youth training project. The initiative is part of the Nkungumathe Youth Development Forum, "a community-based structure which was founded in 2003 with activities extending over three tribal areas and a number of community development projects that are aimed at social change using available community resources with minimal support from government and local businesses".¹¹⁷

On 25 September 2012, Deputy Minister of Higher Education and Training Mduduzi Manana launched "On the Job" Built Environment Training Programme, which is a result of a partnership between the Passenger Agency of South Africa (PRASA) and the Department of Higher Education and Training. The initiative will offer "on-the-job" training to students and would form part of PRASA's preparations for the acquisition of the new rolling stock (trains) over the next 20 years. It is in line with the Government's plans "to make sector skills training and development a priority especially in the critical areas that have been deemed to be experiencing a shortage of in-depth skills in South Africa".¹¹⁸

During the compliance period South Africa has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Andrew Skriba & Lyudmila Tarasenko

Turkey: +1

Turkey has fully complied with the commitment on labour and employment.

Turkey has taken actions to strengthen its national education and skills development policies.

On 30 March 2012, compulsory education in Turkey was extended to twelve years. In addition, some amendments were made to the education system, including flexibility to choose among different school types, i.e. general and vocational schools.¹¹⁹

¹¹⁵ Minister Nzimande to launch ground-breaking Labour Market Intelligence System, Department of Higher Education and Training of South Africa 31 August 2012. Date of Access: 7 April 2013.

<http://www.dhet.gov.za/LinkClick.aspx?fileticket=tX%2f3fDYXrBY%3d&tabid=90&mid=2139>.

¹¹⁶ Minister calls on PSETA to turn public sector into training space for young graduates, Department of Higher Education and Training of South Africa 26 November 2012. Date of Access: 7 April 2013.

<http://www.dhet.gov.za/LinkClick.aspx?fileticket=mx7U6979C1U%3d&tabid=90&mid=2139>.

¹¹⁷ Minister Blade Nzimande to launch R6, 9-million rural youth Project in Nkungumathe, Northern KwaZulu-Natal. 6 July 2012. Date of Access: 7 April 2013.

<http://www.dhet.gov.za/LinkClick.aspx?fileticket=DEkQe86hznc=&tabid=36>.

¹¹⁸ MEDIA ALERT: For immediate distribution, Department of Higher Education and Training of South Africa 25 September 2012. Date of Access: 7 April 2013.

<http://www.dhet.gov.za/LinkClick.aspx?fileticket=4p5jSVfOEoo%3d&tabid=90&mid=2139>.

¹¹⁹ Towards Gender Equality in Turkey: a summary assessment, World Bank 20 November 2012. Date of Access: 8 April 2013. http://siteresources.worldbank.org/TURKEYEXTN/Resources/Turkey_Gender_Note.pdf.

In January 2013, Ministry of Labour and Social Security of Turkey and European Union Coordination Department agreed to promote youth employment through “Promoting Youth Employment in Sectoral Investment Areas” (PYE II) Grant Scheme, which will facilitate education and training matching the needs of the labour market¹²⁰.

Turkey has taken actions to strengthen its national training policies.

In February 2013, Republic of Turkey Small and Medium Enterprises Development Organization (KOSGEB) announced that young entrepreneurs that complete entrepreneurship education can get the right to have the grant up to TRY30 thousand (approximately USD16 thousand) and non-interest credit of up to TRY70 thousand (USD39 thousand).¹²¹

On 15 October 2012, the Turkish Employment Service (İŞKUR) decided to establish training programs for disabled and ex-convicted people. TRY3.6 million (about USD2 million) will be provided for the implementation of this project.¹²²

On 18 December 2012, Turkey launched a new grant scheme “Promoting Youth Employment” in the framework of the Human Resources Development component of the European Union Instrument for Pre-Accession Assistance (IPA). The main objective of the scheme is to attract and retain more young people employed and decrease unemployment rates among youth. Under this grant scheme, young people will be provided with vocational training, and entrepreneurship and internship opportunities. The total budget of the initiative is EUR27 million (USD35 million). The Turkish Employment Agency is responsible for implementing the project.¹²³

During the compliance period Turkey has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Alice Prokhorova & Nadezhda Sporysheva

United Kingdom: +1

The UK has fully complied with the commitment on labour and employment.

On 5 December 2012, the Treasury announced additional investment in education for Business, Innovation and Skills (BIS). GBP270 million (USD410.4 million) should be given to laboratories, classrooms and other facilities in the UK Further Educational colleges. Extra money will be provided for the Employer Ownership Pilot which will increase it to GBP340 million (USD516.8 million) overall, thus giving businesses an opportunity to design and develop their own training programmes.¹²⁴

On 10 January 2013, Skills Minister Matthew Hancock introduced a program related to further education and skills training. The program provides for the improvement of apprenticeship schemes, the providence of better career advice, establishment of a new training program for 16 to 24 years young people, and a new funding system for apprenticeships and GBP550 million

¹²⁰ To Increase Employment of Young People, Human Resources Development Operational Programme IPA Component IV. Measure 1.2., IKG 31 December 2012. Date of Access: 8 April 2013. <http://ikg.gov.tr/web/>.

¹²¹ Young Entrepreneurs to Set up Business in Turkey, PortTurkey.com. 13 February 2013.. Date of Access: 8 April 2013. <http://www.portturkey.com/enterprise/4682-young-entrepreneurs-to-set-up-business-in-turkey>.

¹²² İŞKUR'dan Özürlü ve Hükümlülere Kurs Desteği, Türkiye İş Kurumu 3 February 2013. Date of Access: 30 October 2012. <http://www.iskur.gov.tr/default/iskurdanozurhukumkurs.aspx>.

¹²³ Instrument for Pre-Accession Assistance Human Resources Development Component, Human Resources Development Operational Programme is co-financed by the EU and the Republic of Turkey 18 December 2012. Date of Access: 4 February 2012.

<http://ikg.gov.tr/web/Portals/0/Docs/ois/Promoting%20Youth%20Employment.pdf>.

¹²⁴ What the Autumn Statement Means for Business, Innovation and Skills, Government Services and Information 5 December 2012. Date of Access: 4 May 2013. <https://www.gov.uk/government/news/autumn-statement-2012--2>.

(USD836 million) investment to college facilities.¹²⁵

The UK has taken actions to strengthen its national education and skills development policies.

On 21 February 2013, the UK aerospace industry and the UK government established a GBP6 million (USD9.12 million) bursary fund to pay for talented people in aerospace engineering to study Masters. Each of the UK aerospace industry and government will commit GBP3 million (USD4.56 million) over 3 years.¹²⁶

On 30 January 2013, Secretary of State for Business, Innovation and Skills Vince Cable said that the UK would increase funding for the National Scholarship Programme to GBP150 million (USD228 million) in 2014-2015. Financial support will be provided largely for students from poorer families.¹²⁷

The UK has taken actions to strengthen its national training policies.

On 29 August 2012, Skills Minister John Hayes outlined new measures to help SMEs take on apprentices. New measures include an improvement of the Apprenticeship Grant for Employers by making it simpler and more accessible to employers and “work with the people that SMEs look to for advice, including lawyers and accountants, to promote apprenticeships to their SME customers”.¹²⁸

On 11 September 2012, Vince Cable announced that Siemens, Semcorp and Nissan are some of the 34 businesses that had successfully bid to design the vocational training programs for young people and will receive a share of GBP67 million (about USD105 million). It was made in the framework of the Employer Ownership Pilot program which will give businesses access to up to a total of GBP250 million (USD375 million) over two years.¹²⁹

On 10 January 2013, Matthew Hancock announced a new program to support 16-24 year-olds in developing the skills needed for apprenticeships and jobs. The program will include studies in English and Math for those who need them and work preparation training (for example writing a CV or preparing for an interview).¹³⁰

During the compliance period the UK has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Dina Karakash & Natalia Churkina

United States: +1

¹²⁵ Policy Improving the Quality of Further Education and Skills Training, Government Services and Information 10 January 2013. Date of Access: 4 May 2013. <https://www.gov.uk/government/policies/improving-the-quality-of-further-education-and-skills-training>.

¹²⁶ Government and Industry Team Up to Fund 500 Masters Degrees in Aerospace Engineering, Government Services and Information 21 February 2013. Date of Access: 4 May 2013. <https://www.gov.uk/government/news/government-and-industry-team-up-to-fund-500-masters-degrees-in-aerospace-engineering>.

¹²⁷ Ministers Welcome Rise in University Applications, Government Services and Information 30 January 2013.. Date of Access: 4 May 2013. <https://www.gov.uk/government/news/ministers-welcome-rise-in-university-applications>.

¹²⁸ New Measures Announced to Help Small Employers Take on Apprentices, Department for Business, Innovation and Skills of the UK 29 August 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/new-measures-announced-to-help-small-employers-take-on-apprentices>

¹²⁹ £165m Skills Boost from Employer Ownership Pilot, Department for Business, Innovation and Skills of the UK 11 September 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/165m-skills-boost-from-employer-ownership-pilot>

¹³⁰ Plans for Traineeship Scheme to Help Young People into Work, Department for Business, Innovation and Skills of the UK 10 January 2013. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/plans-for-traineeship-scheme-to-help-young-people-into-work>

The US has fully complied with the commitment on strengthening its national education, skills development and training policies.

On 21 June 2012, US Department of Labor awarded nearly USD50 million in grants to 25 organizations that would provide job training, education and employment services to formerly incarcerated youth aged 14-21.¹³¹

On 17 January 2013, the US Department of Labor made available USD75 million in YouthBuild grant funds which would be awarded to organizations that oversee education and employment services for disadvantaged youths in their communities. These grants would help 5 200 out-of-school youths complete high school or General Educational Development programs, as well as acquire critical occupational skills in construction, health care, information technology and other fields.¹³²

The US has taken actions to strengthen its national education and skills development policies.

On 14 February 2013, US President Barack Obama in his “State of the Union Address” proclaimed the goal to develop higher education system as an essential condition for getting a good job. Barack Obama called for actions in stimulating high-quality preschool education and redesigning curricula and standards in America’s high schools “to provide better correspondence between the quality of skills and knowledge of graduates and the contemporary needs of the market”.¹³³

The US has taken actions to strengthen its national training policies.

On 19 September 2012, Hilda Solis announced USD500 million in grants to US community colleges and universities for the development and expansion of innovative training programs in the framework of the Trade Adjustment Assistance Community College and Career Training initiative, which promotes skills development and employment opportunities in advanced manufacturing, transportation and health care, as well as science, technology, engineering and math careers through partnerships between training providers and local employers.¹³⁴

On 2 October 2012, International Youth Foundation and the US Department of State announced the launch of the Youth Livelihoods Alliance: Creating Economic Opportunities for Young People (YLA). Led by the International Youth Foundation, this multi-stakeholder initiative has three core commitments: promoting the goal to hire young people, developing their skills, and creating jobs through entrepreneurship. As a member of this initiative, the Department of State will raise awareness of the issue of youth unemployment and encourage more private-public partnerships to address this problem.¹³⁵

On 1 April 2013, the US Department of Labor announced availability of nearly USD26 million in grants to juvenile offenders in order they gain the skills necessary to enter the workforce.

¹³¹ US Department of Labor Awards Nearly \$50 Million to Provide Training and Employment Services to Formerly Incarcerated Juveniles and Young Adults, United States Department of Labor 21 June 2012. Date of Access: 3 February. <http://www.dol.gov/opa/media/press/eta/ETA20121275.htm>.

¹³² US Department of Labor Announces Availability of \$75 Million Through YouthBuild Grants Program to Help Young People Develop Job Skills, United States Department of Labor 17 January 2013. Date of Access: 3 February 2013. <http://www.dol.gov/opa/media/press/eta/ETA20130092.htm>.

¹³³ State of the Union Address, the White House 14 February 2013. Date of Access: 7 April 2013. <http://www.whitehouse.gov/state-of-the-union-2013>.

¹³⁴ Obama Administration Announces \$500 Million in Community College Grants to Expand Job Training through Local Employer Partnerships, United States Department of Labor 19 September 2012. Date of Access: 3 February 2013. <http://www.dol.gov/opa/media/press/eta/ETA20121885.htm>.

¹³⁵ The Launch of the Youth Livelihoods Alliance: Creating Economic Opportunities for Young People, the US Department of State 2 October 2012. Date of Access: 7 April 2013. <http://www.state.gov/r/pa/prs/ps/2012/10/198490.htm>.

These grants are aimed at providing better involvement of these people in training and skills development programs¹³⁶.

During the compliance period the US has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analysts: Ekaterina Ivanova & Tatyana Lanshina

European Union: +1

The EU has fully complied with the commitment on labour and employment.

The EU has taken actions to strengthen its national education and skills development policies.

On 29 June 2012, the European Council urged the EU members to step up efforts to increase youth employment, with ‘the objective that within a few months of leaving school, young people receive a good quality offer of employment, continued education, apprenticeship or a traineeship’ and concluded that these measures can be supported by the European Social Fund (ESF) and that the EU members should use the possibilities of financing temporary recruitment subsidies from the Fund.¹³⁷

On 5 September 2012, the European Commission launched an initiative to boost the recognition of skills and competences gained outside school or university, urging the EU members to establish national systems for the validation of non-formal and informal learning by 2015. This would allow citizens to obtain a full or partial qualification on the basis of skills and competences acquired outside formal education.¹³⁸

On 20 November 2012, the European Commission launched new Rethinking Education strategy to encourage its members to ensure that young people develop skills and competences needed by the labour market and to achieve their targets for growth and jobs. Measures within the strategy include development of entrepreneurial and IT skills, foreign language learning, work-based learning and improvement the recognition of qualifications and skills, including those gained outside the formal education and training system.¹³⁹

On 28 November 2012, the European Commission published the 2013 Annual Growth Survey, stressing that Member States should do more to fight unemployment, improve employability and support access to jobs or a return to the world of work for young people. The Survey launches the six-month cycle of economic policy coordination in the EU (the “European Semester”), and specifically recommends following measures: more investment in education; stepping up efforts to reduce early school-leaving; facilitating the transition from school to work; developing entrepreneurial and employability skills.¹⁴⁰

The EU has taken actions to strengthen its training policies.

On 5 December 2012, the European Commission proposed measures to help EU member states tackle unacceptable levels of youth unemployment including introduction of the Youth

¹³⁶ US Department of Labor announces availability of grants, the US Department of Labor 1 April 2013. Date of Access: 11 April 2013. <http://www.dol.gov/opa/media/press/opa/OPA20130591.htm>.

¹³⁷ Proposal for a Council Recommendation On Establishing a Youth Guarantee, European Commission 5 December 2012. Date of Access: 7 April 2013. <http://ec.europa.eu/social/BlobServlet?docId=9221&langId=en>.

¹³⁸ Commission urges Member States to recognize skills gained outside school and university, European Commission. Date of Access: 7 April 2013. http://ec.europa.eu/education/news/20120905_en.htm.

¹³⁹ Commission presents new Rethinking Education strategy, European Commission 20 November 2012. Date of Access: 7 April 2013. http://europa.eu/rapid/press-release_IP-12-1233_en.htm.

¹⁴⁰ Communication from the Commission. Annual Growth Survey 2013. European Commission 28 November 2012. Date of Access: 7 April 2013. http://ec.europa.eu/europe2020/pdf/ags2013_en.pdf.

Guarantee scheme to ensure that all young people up to age 25 receive a quality offer of a job, continued education, an apprenticeship or a traineeship within four months of leaving formal education or becoming unemployed. The European Commission pledged to support member states through EU funding, by promoting exchanges of good practice among member states, monitoring implementation of Youth Guarantees and awareness-raising.¹⁴¹

On 28 February 2013, the EU's Council of Employment and Social Affairs Ministers adopted the Youth Guarantee recommendation, proposed by the European Commission.¹⁴² Member states should implement the proposed schemes as soon as possible, preferably as from 2014. Part of the scheme funding will be provided by the EU, making EUR6 billion (USD7.8 billion) available for the period 2014-2020.¹⁴³

During the compliance period the EU has taken actions to strengthen both its national education and skills development policies, and its training policies. Thus, it has been awarded a score of +1.

Analyst: Sergey Rastoltsev

2. Investment: Business Environment for Investors

Commitment [#47]:

“Recognizing the importance of investment for boosting economic growth, we commit to maintaining a supportive business environment for investors.”

Los Cabos Summit Final Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina			+1
Australia			+1
Brazil			+1
Canada			+1
China			+1
France			+1
Germany			+1
India			+1
Indonesia			+1
Italy		0	
Japan			+1
Korea		0	
Mexico			+1
Russia			+1
Saudi Arabia			+1
South Africa		0	
Turkey			+1
United Kingdom			+1
United States			+1
European Union			+1

¹⁴¹ Youth Employment: Commission Proposes Package of Measures, European Commission 5 December 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_IP-12-1311_en.htm

¹⁴² Youth Employment: Commission welcomes Council agreement on Youth Guarantee. European Commission 28 February 2013. Date of Access: 7 April 2013. http://europa.eu/rapid/press-release_MEMO-13-152_en.htm.

¹⁴³ Council agrees on Youth Guarantee. Council of the European Union 28 February 2013. Date of Access: 7 April 2013. <http://www.consilium.europa.eu/homepage/highlights/council-agrees-on-youth-guarantee?lang=en>.

Average Score	0.85
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Background:

Since 2008 the G20 leaders have made commitments regarding protectionism in trade and investment, renewing these commitments at each summit.

The need for a policy environment that supports sustainable private sector-led investment was recognized by the G20 as one of the six core principles of the Seoul Development Consensus and the Multi-Year Action Plan in 2010. At the Seoul Summit the G20 leaders asked the United Nations Conference on Trade and Development (UNCTAD) and the OECD to continue monitoring investment policy developments and to report publicly on a semi-annual basis.¹⁴⁴

G20 leaders made the first direct commitment for a supportive business environment for international investors at the Los Cabos Summit in 2011.

Commitment Features:

The commitment requires G20 members to take measures aimed at maintaining a supportive business environment for investors. At the request of the G20 UNCTAD and the OECD jointly prepare regular monitoring reports on G20 countries' investment policy measures. The OECD-UNCTAD Reports on G20 Investment measures list actions undertaken by members. Positive actions may include eliminating restrictions to international investment, improving clarity of procedures, ensuring free movements of capital, liberalizing procedures for foreign investments in specific sectors, etc.¹⁴⁵

The countries can also support international investment agreements to address issues of cross-border investment. These agreements can be concluded on both a bilateral and a multilateral basis and can also include agreements on double taxation. The information on international investment agreements is included into the OECD-UNCTAD reports.¹⁴⁶ The information on double taxation agreements is available at the Exchange of Tax Information Portal.¹⁴⁷

Other sources of data include the OECD reports on **investment measures** under its Freedom of Investment process, in the 55 economies that participate in the process.¹⁴⁸ UNCTAD's Investment Policy Monitor, a quarterly online publication, is also a useful country-specific, up-to-date information source on the latest developments in foreign investment policies, both at the national and international level, reviewing countries around the globe.¹⁴⁹ However, G20 national information resources are to be considered primary sources of data for the purposes of the analysis.

To register full compliance a member needs to take measures aimed at alleviating obstacles to foreign investment unilaterally and through participation in international investment agreements.

Scoring Guidelines:

¹⁴⁴ Joint UNCTAD-OECD Reports on G20 Investment Measures, UNCTAD 2012.

<http://unctad.org/en/Pages/DIAE/G-20/UNCTAD-OECD-reports.aspx>

¹⁴⁵ Joint UNCTAD-OECD Reports on G20 Investment Measures, UNCTAD 2012.

<http://unctad.org/en/Pages/DIAE/G-20/UNCTAD-OECD-reports.aspx>

¹⁴⁶ Joint UNCTAD-OECD Reports on G20 Investment Measures, UNCTAD 2012.

<http://unctad.org/en/Pages/DIAE/G-20/UNCTAD-OECD-reports.aspx>

¹⁴⁷ All Jurisdictions, Exchange of Tax Information Portal. <http://eoi-tax.org/jurisdictions/>.

¹⁴⁸ Freedom of investment at the OECD, OECD.

<http://www.oecd.org/daf/internationalinvestment/investmentpolicy/foi.htm>.

¹⁴⁹ Investment Trends and Policies Monitors, UNCTAD.

<http://unctad.org/en/Pages/DIAE/DIAE%20Publications%20-%20Bibliographic%20Index/Investment-Policy-Monitors.aspx>.

-1	Member takes no measures to maintain a supportive business environment for investors.
0	Member takes measures to maintain supportive business environment for investors unilaterally OR through participation in international investment agreements.
+1	Member takes measures to maintain a supportive business environment for investors unilaterally AND through participation in international investment agreements.

Argentina: +1

Argentina has fully complied with its commitment on investment.

Argentina has taken actions to maintain supportive business environment for investors unilaterally.

On 5 July 2012 Argentina has reduced the tariffs on capital goods for MERCOSUR members to 2 %.¹⁵⁰

On 17-21 September 2012, the delegation of the Argentinian Ministry of Foreign Affairs and Worship visited the US (Austin, Houston and Atlanta) for boosting business, trade and investment opportunities in the software sector between both countries. IT sector is the most dynamic sectors in Argentina in the last years, thus IT partnerships are considered by Argentina as tools for economic development of the country. The main activities of the visit included seminars on investment opportunities in IT sector in Argentina provided in business centers and key companies – Coca-Cola, AT&T, Turner and Delta.¹⁵¹

According to the latest OECD Report on G20 Investment Measures Argentina hasn't participated in International Investment Agreements (IIAs) and hasn't provided any investment policy measures at national level during the period under review.¹⁵²

However, on 13 September 2012, Argentina signed the Multilateral Convention on Mutual Administrative Assistance in Tax Matters aimed at cross border tax co-operation and information sharing. The convention has entered into force for Argentina since 1 January 2013.¹⁵³

Argentina is currently negotiating on 2 new Double Taxation Conventions.¹⁵⁴

Argentina has taken measures to support business environment for investors unilaterally through participation in different international meetings and experience exchange, and concluded international investments agreements. Thus, Argentina is awarded a score of +1.

Analyst: Elizaveta Safonkina

Australia: +1

¹⁵⁰ Incentivos a la Inversión. Ventajas de Invertir Hoy. Ministry of Foreign Affairs and Worship of Argentina 2012. Date of Access: 22 January 2013. http://www.inversiones.gov.ar/userfiles/apoyo-publico-a-la-inversion_0.pdf.

¹⁵¹ Argentina's software and IT services sector on a mission to the United States, Ministry of Foreign Affairs and Worship of Argentina 17 September 2012. Date of Access: 17 January 2013. <http://www.inversiones.gov.ar/en/argentinas-software-and-it-services-sector-mission-united-states>.

¹⁵² OECD. Eighth Report on G20 Investment Measures 31 October 2012. Date of Access: 16 January 2013. http://unctad.org/en/PublicationsLibrary/unctad_oecd2012d8_en.pdf.

¹⁵³ Argentina becomes the first South American country to become a Party to the Multilateral Convention, OECD Official Site 13 September 2012. Date of Access: 3 October 2012 <http://www.oecd.org/tax/taxargentinabecomesfirstsouthamericancountrytobecomeapartytothemultilateralconvention.htm>.

¹⁵⁴ Argentina. Peer Review Report, Exchange of Tax Information Portal October 2012. Date of Access: 21 January 2013. <http://eoi-tax.org/jurisdictions/AR#peerreview>.

Australia has fully complied with the commitment on maintaining a supportive business environment for investors.

Australia has taken actions to maintain supportive business environment for investors unilaterally.

On 19 February 2013, the Australian Government has announced a USD1 billion plan, Australian Government's Industry and Innovation Statement. The plan includes USD350 million in fresh venture capital funding, and approximately USD10 million for clinical trial reforms to attract more foreign investment to Australia's pharmaceutical industry, particularly in clinical research.¹⁵⁵

Australia has not concluded any international investment agreements during the monitoring period.¹⁵⁶ However, on 1 January 2013, the Malaysia-Australia Free Trade Agreement, signed in May 2012, entered into force.¹⁵⁷

Australia has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Andrei Sakharov

Brazil: +1

Brazil has fully complied with the commitment on maintaining a supportive business environment for investors.

Brazil has taken actions to maintain supportive business environment for investors unilaterally.

On 23 August 2012, Brazil issued a Decree reducing the rate of the tax on financial transactions, levied on insurance policies issued to guarantee certain contractual obligations, from 7.38% to 0%. The reduction of the rate was part of the Government's plan to stimulate investment in logistic and infrastructure.¹⁵⁸ On 19 December 2012, further amendments reducing the minimum average term for specific transactions were introduced.¹⁵⁹

On 28 December 2012, Brazil introduced changes to transfer pricing rules for interest paid to related parties with the aim of simplifying compliance, reducing areas of controversy and attracting more investment.¹⁶⁰

In December 2012, a record number of 2,864 temporary import duty reductions were approved in 2012 since the scheme was established in 2001. The duty reduction scheme encourages investment in the expansion and restructuring of the national productive sector for goods and services through a temporary reduction in the import tax rate on capital goods and computer and telecommunications goods for which there is no equivalent national production. Total global investment linked to the import duty reductions amounted to USD45 billion in 2012.¹⁶¹

¹⁵⁵ Australia unveils A\$1bn innovation plan, Austrade 19 February 2013. Date of Access: 31 March 2013. <http://www.austrade.gov.au/Invest/Investor-Updates/2013/0219-Australia-unveils-A-1bn-innovation-plan>.

¹⁵⁶ International agreements on trade and investment, Austrade. Date of Access: 31 March 2013. <http://www.austrade.gov.au/free-trade-agreements/default.aspx>.

¹⁵⁷ Malaysia-Australia Free Trade Agreement (MAFTA), Austrade. Date of Access: 31 March 2013. <http://www.austrade.gov.au/MAFTA>.

¹⁵⁸ Decree 7,787 // Official Gazette interpreted by T Magazine by Ernst&Young. 23.08.2012. URL: <http://tmagazine.ey.com/news/ibfd/brazil-tax-financial-transactions-amended-insurance-tax-rate-reduced/> (date of access: 30.01.2013).

¹⁵⁹ Decree No. 7,853// Official Gazette interpreted by T Magazine by Ernst&Young. 19.12.2012. URL: <http://tmagazine.ey.com/news/ibfd/brazil-tax-financial-transactions-amended-2/> (date of access: 30.01.2013).

¹⁶⁰ <http://tmagazine.ey.com/news/tax-alert/brazil-amends-transfer-pricing-rules-new-rules-deductibility-intercompany-interest-new-normative-instruction-tax-alert/>

¹⁶¹ Brazilian Foreign Trade Chamber approves record number of industrial investment incentives in 2012 // The official website of the Government of Brazil. 26.12.2012. URL:

Brazil has entered in a number of international investment agreements during the monitoring period.

On 28 September 2012, Brazil and the United Kingdom signed a Tax Information Exchange Agreement that will enable to exchange information to OECD and international tax standards to ensure that the right amount of tax is paid in each country in the future.¹⁶²

During the compliance cycle, Brazil signed 4 Tax Information Exchange Agreements with Bermuda, the UK, Uruguay, and Guernsey which are not yet in force.¹⁶³

On 16 January 2013, BNDEP and Belgian development agency Société Fédérale de Participations et d'Investissement (SFPI), signed an investment agreement to establish an Investment Fund for Environmental Innovation with initial committed equity of USD76.5 million. The Fund aims to make long-term investments in start-up companies with innovative profiles and will be made throughout the course of 2013 and until 2016.¹⁶⁴

All things considered, Brazil has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Polina Arkhipova

Canada: +1

Canada has fully complied with the commitment on maintaining a supportive business environment for investors.

Canada has taken actions to maintain supportive business environment for investors unilaterally.

On 29 June 2012, changes to the Telecommunications Act received Royal Assent. These changes liberalized foreign investment in the telecom sector, allowing foreign investors to invest in telecommunications companies that have a market share of no more than 10 percent.¹⁶⁵

On 7 December 2012, Canadian Minister of Industry Christian Paradis in a policy statement announced clarifications to the foreign investment review process and Revised Guidelines for Investments by State-Owned Enterprises. "Trade and investment are a key part of our plan and that's why our Government is opening new markets for Canadian businesses while welcoming foreign investment in the Canadian economy". Among the measures announced by the Minister was the improvement of Canada's foreign investment review process aimed at focusing on the most significant transactions by progressively increasing the review threshold to \$1 billion.¹⁶⁶

Canada has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On September 9 2012, the Canadian government signed a Foreign Investment Promotion and Protection Agreement (FIPA) with China. Its primary purpose is to provide greater protection to

http://www.brasil.gov.br/news/history/2012/12/26/brazilian-foreign-trade-chamber-approves-record-number-of-industrial-investment-incentives-in-2012/newsitem_view?set_language=en (date of access: 06.02.2013).

¹⁶² Brazil: Tax Information Exchange Agreement // The official website of HM Revenue & Customs. 28.09.2012.

URL: <http://www.hmrc.gov.uk/taxtreaties/news/brazil-tiea.htm> (date of access: 02.02.2013).

¹⁶³ Exchange of Tax Information Portal // Global Forum on Transparency and Exchange of Information for Tax Purposes. URL: <http://eoi-tax.org/jurisdictions/BR#agreements> (date of access: 02.02.2013).

¹⁶⁴ BNDESPAR and Belgian development agency will transfer capital to investment fund // The official website of The Brazilian Development Bank (BNDES). 18.01.2013. URL:

http://www.bndes.gov.br/SiteBNDES/bndes/bndes_en/Institucional/Press/Noticias/2013/20130118_belga.html (date of access: 31.01.2013).

¹⁶⁵ Eighth Report on G20 Investment Measures, UNCTAD 31 October 2012. Date of Access: 11 February 2013.

http://unctad.org/en/PublicationsLibrary/unctad_oecd2012d8_en.pdf.

¹⁶⁶ Government of Canada Releases Policy Statement and Revised Guidelines for Investments by State-Owned Enterprises, Canada News Centre 7 December 2012. Date of Access: 11 February 2013.

<http://news.gc.ca/web/article-eng.do?nid=711489>.

foreign investors. Chinese investors have expressed increasing interest in investing in Canada, and the Canada-China FIPA will facilitate these investment flows by making Canada more attractive to investors.¹⁶⁷

On 12 October 2012, Canadian Prime Minister Stephen Harper announced that the negotiations on Canada-Senegal Foreign Investment Promotion and Protection Agreement (FIPA) were concluded.¹⁶⁸

Canada has taken actions to maintain supportive business environment for investors both unilaterally and through international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Andrei Sakharov

China: +1

China has fully complied with the commitment on maintaining a supportive business environment for investors.

China has taken actions to maintain supportive business environment for investors unilaterally.

On 20 June 2012, the National Energy Administration stated: “China will open all energy sectors listed in the national energy plan to private investors” and that way “create favorable environment for private investors and ensure their justified rights in energy exploitation and development.”¹⁶⁹

On 10 July 2012, the General Administration of Press and Publication said in a statement that “the administration will support private investment in establishing printing and publishing enterprises, in publication distribution businesses, digital publishers, including online gaming, mobile reading, e-book and software industries. Also the administration will encourage private funds to invest in marketing and advertising businesses of official newspapers and magazines. Private investors who wish to build industrial publishing centers will enjoy equal treatment from the Chinese government in terms of project arrangements, financial support and preferential tax policies.”¹⁷⁰

On 19 July 2012, a guideline jointly created by the central government's defense industry supervisor and the General Armament Department of the People's Liberation Army stated “private investors and state-owned military enterprises will receive equal treatment in multiple areas, including licensing and taxation”.¹⁷¹

On 28 July 2012, China eased control on investments made by qualified foreign institutional investors (QFIIs), according to a revised QFII regulation released by the China Securities Regulatory Commission. Now the QFII threshold lowers, allows QFIIs to invest in the nation's capital market through more than one securities dealer, to invest in the interbank bond market

¹⁶⁷ Canada-China Foreign Investment Promotion and Protection Agreement (FIPA) Negotiations, Foreign Affairs and International Trade Canada 9 September 2012. Date of Access: 10 February 2013.

¹⁶⁸ Canada-Senegal Foreign Investment Promotion and Protection Agreement (FIPA), Prime Minister of Canada 12 October 2012. Date of Access: 11 February 2013. <http://www.pm.gc.ca/eng/media.asp?id=5087>.

¹⁶⁹ China encourages further private energy investment, Economic and Commercial counsellor's office of the Embassy of the People's Republic of China in Ireland 20 June 2012. Date of Access: 11 February 2013. http://news.xinhuanet.com/english/china/2012-06/20/c_131666635.htm.

¹⁷⁰ China supports private funds for publishing, the Government of China 10 July 2012. Date of Access: 11 February 2013. http://english.gov.cn/2012-07/11/content_2180990.htm.

¹⁷¹ China encourages private investment in defense sector, the Government of China 19 July 2012. Date of Access: 11 February 2013. http://english.gov.cn/2012-07/19/content_2187421.htm.

and private placement bonds issued by small and medium-sized enterprises and hold up to a 30-percent stake in a listed company, up from the previous 20-percent stake cap.¹⁷²

On 9 September 2012, at the 16th International Fair for Investment and Trade in Xiamen, China officials said China will continue to promote and facilitate the flow of cross-border investment, because “international investments is a major driver for global economic growth”, which creates better environment for business investment.¹⁷³

On 16 December 2012, China promised in the statement, which was issued after a central economic work conference closed, that it will continue to protect foreign investors’ rights and their intellectual property rights and step up efforts to stabilize foreign direct investments inflows.¹⁷⁴

China has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 26 July 2012, China and Chile signed an agreement to establish a consultation mechanism to promote bilateral investment.¹⁷⁵

On 12 November 2012, China and Nepal signed bilateral agreement in Kathmandu about exchanging allowing 7 787 items which covers all major exports of Nepal to be exported to China free of tariff.¹⁷⁶

On 8 February 2013, European Commission President Jose Manuel Barroso at a press conference following the summit announced that the European Union plans to start negotiations on investment agreement with China, which priorities should be directed on investment, market access, procurement and intellectual property rights and “be based on a constructive and strategic engagement.”¹⁷⁷

During the compliance period China has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Svetlana Nikitina

France: +1

France has fully complied with the commitment on maintaining a supportive business environment for investors.

France has taken actions to maintain supportive business environment for investors unilaterally.

On 9 January 2013, the Minister of Economy and Finance, the Minister of Trade and Minister of Productive Recovery presented conception to strengthen investment attractiveness of France. To

¹⁷² China relaxes QFII rules to attract overseas investment, Xinhua News Agency 28 July 2012. Date of Access: 11 February 2013. http://news.xinhuanet.com/english/business/2012-07/28/c_131744576.htm.

¹⁷³ China vows to facilitate cross-border investment, Economic and Commercial counsellor’s office of the Embassy of the People’s Republic of China in the Republic of Finland 9 September 2012. Date of Access: 11 February 2013. <http://fi2.mofcom.gov.cn/article/chinanews/201209/20120908355914.shtml>

¹⁷⁴ China vows to protect foreign investors’ interests, Economic and Commercial counsellor’s office of the Embassy of the People’s Republic of China in the Republic of Singapore 16 December 2012. Date of Access: 11 February 2013. <http://sg2.mofcom.gov.cn/article/chinanews/201212/20121208487540.shtml>

¹⁷⁵ China, Chile vow to promote investment, Xinhua News Agency 26 July 2012. Date of Access: 11 February 2013. http://news.xinhuanet.com/english/china/2012-07/27/c_131742906.htm

¹⁷⁶ China, Nepal sign letter of exchange on zero tariff, the Government of China 12 November 2012. Date of Access: 11 February 2013. http://www.gov.cn/misc/2012-11/12/content_2263280.htm

¹⁷⁷ EU wants early start of investment agreement negotiations with China, Xinhua News Agency 8 February 2013. Date of Access: 11 February 2013. http://news.xinhuanet.com/english/world/2013-02/09/c_132160851.htm

achieve these objectives, the Government ensures the implementation of several tax, financial and employability measures to facilitate the reception of investors.¹⁷⁸

France has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

In accordance to 8th UNCTAD-OECD Report on G20 Investment Measures, from May to October 2012, France amended the investment policies related to national security and specified the scope of the sectors in which foreign investment is subject to prior authorization and participated in one international investment agreement (IIA).¹⁷⁹

During the compliance period France has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Vitaliy Nagornov

Germany: +1

Germany has fully complied with the commitment on maintaining a supportive business environment for investors.

Germany has taken actions to maintain supportive business environment for investors unilaterally.

On 15 August 2012, the Federal Government adopted the draft Act to modernise the Foreign Trade and Payments Act. Substantive changes are planned in the case of the provisions on fines and imprisonment for violations. Certain special German provisions referring to the export of dual-use goods are to be revoked. By adopting these changes, the Federal Government is aiming to provide modern, clearly worded export control rules for German exporters.¹⁸⁰

On 19 December 2012, the German Cabinet approved the draft of an Act on Promoting and Regulating Fee-Based Advice on Financial Instruments (Fee-Based Investment Advice Act). The law represents an additional building block in the new regulatory framework for financial markets and strengthens the rights of investors. This law promotes investment advice that is independent and based exclusively on fees. Fee-based investment advisers are not allowed to take commission from the companies or third parties whose products they sell.¹⁸¹

Germany has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

In August 2012, the second German-Chinese Intergovernmental Consultations were held. German Minister of Economics and Technology Philipp Rösler used this visit to build further on the bilateral co-operation. The agenda includes not only the equal treatment of German and Chinese companies, but also the question of China's accession to the WTO Government

¹⁷⁸ L'attractivité, une ambition partagée pour renforcer l'emploi et l'activité en France 09 January 2013. Portail du Gouvernement. URL : <http://www.gouvernement.fr/gouvernement/l-attractivite-une-ambition-partagee-pour-renforcer-l-emploi-et-l-activite-en-france>

¹⁷⁹ Eighth Report on G20 Investment Measures. OECD. 31 October 2012 URL: http://unctad.org/en/PublicationsLibrary/unctad_oecd2012d8_en.pdf

¹⁸⁰ Revision of the Foreign Trade and Payments Act approved by cabinet, Federal Ministry of Economics and Technology 15 August 2012. Date of access: 3 February 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases.did=503734.html>

¹⁸¹ German Government regulates fee-based investment advice, creating new model which gives investors greater transparency, Federal Ministry of Finance 19 December 2012. Date of access: 3 February 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2012/2012-12-18-PM85.html>

Procurement Agreement and closer co-operation on raw materials policy and in the field of standardisation and certification.¹⁸²

On 14 October 2012, Germany and Singapore have agreed to enhance their cooperation in tax matters to tackle cross-border tax evasion. Both sides have agreed to incorporate the internationally agreed Standard for Exchange of Information into their avoidance of double taxation agreement. The agreement will come into force after ratification by both sides domestically.¹⁸³

On 24 October 2012, during the first session of the Joint Economic Commission, which is headed by Anne Ruth Herkes, State Secretary in the Federal Ministry of Economics and Technology, and Morocco's Minister of Trade, Abdelkader Amara, the government representatives of both sides signed a joint protocol on cooperation especially in the fields of energy, investments and business cooperation.¹⁸⁴

During the compliance period Germany has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Yulia Ovchinnikova

India: +1

India has fully complied with the commitment on maintaining a supportive business environment for investors.

India has taken actions to maintain supportive business environment for investors unilaterally.

On 25 June 2012, the Reserve Bank of India (RBI) modified its policies on External Commercial Borrowings (ECB). According to the new policies, companies in manufacturing and infrastructure sectors are allowed to borrow up to USD10 billion to repay outstanding Rupee loans or for fresh Rupee capital expenditure. The approved limit of ECB for companies is 50% of their average annual export earnings during the past three financial years.¹⁸⁵

On 25 June 2012, the RBI raised the limit for foreign institutional investors' investment in government securities from USD15 billion to USD20 billion, allowed additional types on investors to invest in these securities, and relaxed some requirements for qualified foreign investors willing to invest in infrastructure debt.¹⁸⁶ On 24 January 2013, the limit for foreign institutional investors' investment in government securities was raised from USD20 billion to USD25 billion.¹⁸⁷

¹⁸² Rösler: Building on our co-operation with China, Federal Ministry of Economics and Technology 29 August 2012. Date of access: 3 February 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases.did=505904.html>

¹⁸³ Germany and Singapore to enhance tax cooperation in exchange of information, Federal Ministry of Finance 14 October 2012. Date of access: 3 February 2013.

<http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2012/2012-10-14-PM65.html>

¹⁸⁴ Rösler: Joint Economic Commission strengthens German-Moroccan economic relations, Federal Ministry of Economics and Technology 24 October 2012. Date of access: 3 February 2013.

<http://www.bmwi.de/English/Navigation/Press/press-releases.did=522032.html>

¹⁸⁵ External Commercial Borrowings (ECB) – Repayment of Rupee loans, Reserve Bank of India 25 June 2012. Date of Access: 29 March 2013. <http://rbi.org.in/scripts/NotificationUser.aspx?Id=7291&Mode=0>.

¹⁸⁶ Foreign investment in India by SEBI registered FIIs in Government securities and SEBI registered FIIs and QFIs in infrastructure debt, Reserve Bank of India 25 June 2012. Date of Access: 29 March 2013.

http://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?Id=7292.

¹⁸⁷ Foreign investment in India by SEBI registered FIIs in Government securities and corporate debt, Reserve Bank of India 24 January 2013. Date of Access: 29 March 2013.

<http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=7823&Mode=0>.

On 2 July 2012, the RBI issued the Master Circular on Foreign Investment in India, which will be in force till 1 July 2013. This circular aggregates the rules related to foreign investment and clarifies the details of investment process in India.¹⁸⁸

On 16 July 2012, the RBI granted Qualified Foreign Investors the right to invest in Indian corporate debt securities under certain conditions.¹⁸⁹

On 1 August 2012, India allowed individuals and entities from Pakistan incorporated to make investments in India in all industries, except defense, space and atomic energy spheres.¹⁹⁰

On 20 September 2012, India allowed foreign airlines to own up to 49% in scheduled and non-scheduled air transport services. Previously, allowed foreign investment in airlines was limited to foreigners that were not themselves airlines. However, the new regulation provides for some restrictions: investors should be registered within India, and the chairperson and at least two thirds of directors should be Indian citizens.¹⁹¹

On 20 September 2012, India raised the limit for foreign investment in the sector of mobile TV and cable networks from 49% to 74%.¹⁹²

On 3 October 2012, Indian government allowed nonbanking financial corporations which have foreign investment between 75% and 100% and minimum capitalization of USD50 million to establish step-down subsidiaries without any restriction on their number and without bringing in additional capital.¹⁹³

India has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 20 July 2012, a double taxation convention between India and Lithuania, signed on 26 July 2011, entered into force.¹⁹⁴

On 20 July 2012, a double taxation convention between India and Estonia, signed on 19 September 2011, entered into force.¹⁹⁵

On 27 July 2012, India signed a double taxation convention with Indonesia, which has not entered into force yet.¹⁹⁶

On 30 October 2012, India signed a double taxation convention protocol with the UK, which has not entered into force yet.¹⁹⁷

¹⁸⁸ Master Circular on Foreign Investment in India, Reserve Bank of India 2 July 2012. Date of Access: 29 March 2013. <http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=7355&Mode=0>.

¹⁸⁹ Scheme for Investment by QFIs in Indian corporate debt securities, Reserve Bank of India 16 July 2012. Date of Access: 29 March 2013. <http://rbi.org.in/scripts/NotificationUser.aspx?Id=7456&Mode=0>.

¹⁹⁰ Press Note No.3 (2012 Series), Department of Industry Policy and Promotion, Ministry of Commerce and Industry of India 15 August 2012. Date of Access: 29 March 2013. http://dipp.gov.in/English/acts_rules/Press_Notes/pn3_2012.pdf.

¹⁹¹ Press Note No.6 (2012 Series), Department of Industry Policy and Promotion, Ministry of Commerce and Industry of India 20 September 2012. Date of Access: 29 March 2013. http://dipp.nic.in/english/acts_rules/Press_Notes/pn6_2012.pdf.

¹⁹² Press Note No.7 (2012 Series), Department of Industry Policy and Promotion, Ministry of Commerce and Industry of India 20 September 2012. Date of Access: 29 March 2013. http://dipp.nic.in/english/acts_rules/Press_Notes/pn7_2012.pdf.

¹⁹³ Press Note No.9 (2012 Series), Department of Industry Policy and Promotion, Ministry of Commerce and Industry of India 3 October 2012. Date of Access: 29 March 2013. <http://rbidocs.rbi.org.in/rdocs/content/pdfs/PRN03102012.pdf>.

¹⁹⁴ India, Exchange of Tax Information Portal. Date of Access: 29 March 2013. <http://eoi-tax.org/jurisdictions/IN#agreements>.

¹⁹⁵ India, Exchange of Tax Information Portal. Date of Access: 29 March 2013. <http://eoi-tax.org/jurisdictions/IN#agreements>.

¹⁹⁶ India, Exchange of Tax Information Portal. Date of Access: 29 March 2013. <http://eoi-tax.org/jurisdictions/IN#agreements>.

On 26 December 2012, a double taxation convention between India and Malaysia, signed on 9 May 2012, entered into force.¹⁹⁸

During the compliance period India has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Andrey Shelepov

Indonesia: +1

Indonesia has fully complied with the commitment on maintaining a supportive business environment for investors.

Indonesia has taken actions to maintain supportive business environment for investors unilaterally.

On 21 September 2012, Indonesian Coordinating Minister for Economic Affairs M. Hatta Rajasa and Azerbaijan Minister of Economic Development Shahin Mustafayev agreed to establish a bilateral Joint Commission on Economic Cooperation. The commission will deal with different issues, including investment cooperation. Indonesian Coordinating Minister for Economic Affairs mentioned that his country is interested in Azerbaijan investment “in the mineral and mining sectors”. The Investment Guarantee Agreement and the Agreement on the Elimination of Double Taxation were proposed as a means of facilitating economic cooperation between the two countries. Both agreements were expected to be finalized during the official visit of the Azerbaijan President Ilham Aliyev to Indonesia in November 2012. However, this visit was postponed.¹⁹⁹

On 8 October 2012, Indonesia Investment Coordinating Board (BKPM) chairman Chatib Basri announced an intent to reduce the amount of time it takes to set up businesses in Indonesia and thus attract more foreign investment and raise the level of country’s competitiveness. Chatib Basri mentioned that since taking office in June 2012, he had launched a new standard operating procedure. As a result, any queries to the BKPM by email are now considered and answered within 48 hours using a help desk “similar to the customer service function of a bank”.²⁰⁰

On 24 October 2012, BKPM officially launched its Online Tracking System. Within this system, each foreign investor is given a reference number that helps to track down the status of business license applications online.²⁰¹

Indonesia has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 27 July 2012, Indonesia signed a double taxation convention with India.²⁰²

During the compliance period Indonesia has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

¹⁹⁷ India, Exchange of Tax Information Portal. Date of Access: 29 March 2013. <http://eoi-tax.org/jurisdictions/IN#agreements>.

¹⁹⁸ India, Exchange of Tax Information Portal. Date of Access: 29 March 2013. <http://eoi-tax.org/jurisdictions/IN#agreements>.

¹⁹⁹ Indonesia and Azerbaijan Agreed to Boost Economic Cooperation, Ministry of Foreign Affairs of Indonesia 21 September 2012. Date of Access: 10 February 2013. <http://www.deplu.go.id/Pages/News.aspx?IDP=5824&l=en+1>.

²⁰⁰ Easing the Path to Investing in Indonesia, Indonesia Investment Coordinating Board 8 October 2012. Date of Access: 10 February 2013. http://www4.bkpm.go.id/contents/news_detail/113501/Easing+the+Path+to+Investing+in+Indonesia.

²⁰¹ Launching Online Tracking System, Indonesia Investment Coordinating Board 24 October 2012. Date of Access: 10 February 2013. <http://www3.bkpm.go.id/mobile/content/news.php?i=115301&l=1&m=40>.

²⁰² Indonesia, Exchange of Tax Information Portal. Date of Access: 10 February 2013. <http://eoi-tax.org/jurisdictions/ID#agreements>.

Italy: 0

Italy has partially complied with the commitment on maintaining a supportive business environment for investors.

During the monitoring period no facts of Italy's actions to maintain supportive business environment for investors unilaterally have been found.

Italy has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

According to the Exchange of Tax Information Portal, during the compliance period Italy has signed one Double taxation convention protocol (DTC Protocol) with Luxemburg on 21 June 2012, and 3 Tax information exchange agreements (TIEA) - with Guernsey on 5 September 2012, Gibraltar on 2 October 2012, and Cayman Islands on 13 December 2012. All documents are not yet in force.²⁰³

During the compliance period Italy has taken actions to maintain supportive business environment through participation in international investment agreements, but no facts of Italy's unilateral actions have been found. Thus, it has been awarded a score of 0.

Analyst: Anna Vekshina

Japan: +1

Japan has fully complied with the commitment on maintaining a supportive business environment for investors.

Japan has taken actions to maintain supportive business environment for investors unilaterally.

On 01 November 2012, the Act on Special Measures for Promotion of Research and Development et al. by Certified Multinational Enterprises (also referred to as the "Act for Promotion of Japan as an Asian Business Center") was enforced. The Act provides for measures to be taken for global enterprises certified by the competent minister, such as a reduction of corporation tax and patent fees.²⁰⁴

On 06 February 2013, projects were selected for Subsidy Program for Projects Promoting Asian Site Location in Japan FY2012. The goal of this program is to attract foreign companies to Japan and thus improve Japan's status as an Asian business center.²⁰⁵

Japan has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 19-20 June 2012, on 21 August 2012 and on 27 September 2012, working-level meetings on the China-Japan-Korea free trade agreement (FTA) were held.^{206,207,208} On 20 November 2012, the decision to launch the FTA negotiations among Japan, China and Korea was announced.²⁰⁹

²⁰³ Italy Agreements, Exchange of Tax Information Portal. Date of Access: 6 February 2013. <http://eoi-tax.org/jurisdictions/IT#agreements>

²⁰⁴ The Act for Promotion of Japan as an Asian Business Center to be enforced in November, Ministry of Economy, Trade and Industry 30 October 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/1030_06.html.

²⁰⁵ Announcement of Projects Selected under FY2012 "Subsidy Program for Projects Promoting Asian Site Location in Japan", Ministry of Economy, Trade and Industry 06 February 2013. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2013/0206_01.html

²⁰⁶ The Working Level Meeting on the Preparation for the Launch of China-Japan-Korea FTA, Ministry of Economy, Trade and Industry 20 June 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/0620_01.html.

On 05 July 2012, Japan and Liechtenstein signed a bilateral tax information exchange agreement (TIEA) that entered into force on 29 December 2012. In October 2012 Liechtenstein's Prime Minister Klaus Tschüscher and Japan's Prime Minister Yoshihiko Noda discussed the plans for a double taxation agreement (DTA).²¹⁰

On 25 September 2012, Japan and Columbia entered into negotiations on the Economic Partnership Agreement (EPA).²¹¹ The first round of negotiations was held on 17 December 2012.²¹²

On 08 October 2012, the Fourth Japan-Indonesia Joint Economic Forum was held in Tokyo. During the Forum Minister of Economy, Trade and Industry of Japan Yukio Edano and Coordinating Minister for Economic Affairs of Indonesia Hatta Rajasa reaffirmed the importance of improving investment environment between the two countries.²¹³

On 20 November 2012, negotiations for the Regional comprehensive Economic Partnership (RCEP) between the ASEAN countries, Japan, China, the Republic of Korea, Australia, New Zealand and India were launched. Among other topics the negotiations will cover investment issues.²¹⁴

On 26-30 November 2012, the first round of the negotiations for a Japan-Canada EPA was held.²¹⁵

On 10 December 2012, Japan signed a DTA with New Zealand renewing the 1963 treaty. In the new agreement withholding taxes on interest, dividend and royalty payments are lower.²¹⁶

On 11-14 December 2012, Japan and Mongolia held the Second Round of the Negotiations for the EPA and among other issues discussed the investment relations between the two countries.²¹⁷

²⁰⁷ The Working Level Meeting on the Preparation for the Launch of China-Japan-Korea FTA, Ministry of Economy, Trade and Industry 21 August 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/0821_02.html.

²⁰⁸ The Working Level Meeting on the Preparation for the Launch of China-Japan-Korea FTA, Ministry of Economy, Trade and Industry 28 September 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/0928_04.html.

²⁰⁹ Announcement of the Launch of the FTA Negotiations among Japan, China and Korea, Ministry of Economy, Trade and Industry 20 November 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/1120_01.html.

²¹⁰ Lomas U. Liechtenstein, Japan TIEA Now In Force, Tax News 16 January 2013. Date of Access: 12 February 2013. http://www.tax-news.com/news/Liechtenstein_Japan_TIEA_Now_In_Force_59220.html.

²¹¹ Entering into Negotiations on the Economic Partnership Agreement (EPA) between Japan and the Republic of Columbia, Ministry of Economy, Trade and Industry 26 September 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/0926_02.html.

²¹² First Round of Negotiations for an Economic Partnership Agreement (EPA) between Japan and Colombia, Ministry of Economy, Trade and Industry 17 December 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/1217_01.html.

²¹³ Joint Press Release Adopted at the Fourth Japan-Indonesia Joint Economic Forum, Ministry of Economy, Trade and Industry 10 October 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/1010_02.html.

²¹⁴ Announcement of the Launch of Negotiations for the Regional Comprehensive Economic Partnership (RCEP), Ministry of Economy, Trade and Industry 20 November 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/1120_02.html.

²¹⁵ First Round of the Negotiations for a Japan-Canada Economic Partnership Agreement (EPA), Ministry of Economy, Trade and Industry 30 November 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/1130_01.html.

²¹⁶ New Zealand – Japan Double Taxation Agreement, New Zealand Ministry of Foreign Affairs and Trade 11 December 2012. Date of Access: 12 February 2013. <http://www.nzembassy.com/japan/news/new-zealand-%E2%80%93-japan-double-taxation-agreement>.

²¹⁷ Summary of the Second Round of Negotiations for the Japan-Mongolia Economic Partnership Agreement (EPA), Ministry of Economy, Trade and Industry 14 December 2012. Date of Access: 12 February 2013. http://www.meti.go.jp/english/press/2012/1214_01.html.

On 26 December 2012, Japan's Foreign Minister Koichiro Genba and Myanmar Foreign Minister Wunna Maung Lwin agreed on starting negotiations on a bilateral investment agreement between the two countries.²¹⁸

During the compliance period Japan has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Evgeny Guschchin

Korea: 0

Korea has partially complied with the commitment on maintaining a supportive business environment for investors.

Korea has taken actions to maintain supportive business environment for investors unilaterally.

On 19 July 2012, the Korean Ministry of Land, Transport, and Maritime Affairs hosted an investment road show for the East-West-South coastal area development project. The road show was organized in partnership with five cities and provinces in the Korean coastal area. The event aimed to provide potential investors with information on 18 investment projects, their site, amount of investment needed and potential advantages.²¹⁹

On 16 August 2012, at the 131st emergency economy meeting the Korean Ministry of Knowledge Economy proposed measures to further accelerate the growth of foreign investment. These include customized strategies targeting each investing country's demands. In particular, measures were designed to attract investment in tourism from China, investment in components manufacturing from Japan, and investment in different sectors by global companies from the EU and the US.²²⁰

In November and December 2012, officials from Foreign Investor Support Office of Korea's National Investment Promotion Agency made several consulting visits to Italy, Austria, Germany, the Netherlands and China. The aim of the visits was to provide consultations to companies considering making new investments in Korea. The Korean officials discussed labor and personnel issues with the representatives of European and Chinese business, and informed them on incentive systems, including tax reductions on investment, offered by the Korean government.²²¹

However, Korea has not taken actions to maintain supportive business environment for investors through participation in international investment agreements.

During the compliance period Korea has not taken any actions related to double taxation conventions with other countries.²²²

No facts of Korea taking actions concerning bilateral or multilateral investment treaties with other countries have been registered during the compliance period.

²¹⁸ Matsumura A. Japan eyes investment agreement with Myanmar, The Asahi Shimbun 26 December 2012. Date of Access: 12 February 2013. http://ajw.asahi.com/article/behind_news/politics/AJ201112260063.

²¹⁹ [August 2012] Foreign Investment Policy Trends, Korea's National Investment Promotion Agency 31 August 2012. Date of Access: 29 March 2013. <http://blog.investkorea.org/wordpress/?m=201208>.

²²⁰ [September 2012] Foreign Investment Policy Trends, Korea's National Investment Promotion Agency 31 August 2012. Date of Access: 29 March 2013.

<http://www.investkorea.org/ikwork/iko/eng/cont/contents.jsp?code=102060103>.

²²¹ Monthly News: FISO Visits Chinese-Speaking Countries and Europe to Attract Investment, Korea's National Investment Promotion Agency 8 January 2013. Date of Access: 29 March 2013.

<http://blog.investkorea.org/wordpress/?p=2125>.

²²² Korea, Exchange of Tax Information Portal. Date of Access: 29 March 2013. <http://eoi-tax.org/jurisdictions/KR#agreements>.

During the compliance period Korea has taken actions to maintain supportive business environment for investors unilaterally, but no facts of Korea's actions on participation in international investment agreements have been found. Thus, it has been awarded a score of 0.

Analyst: Andrey Shelepov

Mexico: +1

Mexico has fully complied with the commitment on maintaining a supportive business environment for investors.

Mexico has taken actions to maintain supportive business environment for investors unilaterally.

In October-November 2012, the Tax Administration Service issued administrative guidance²²³ which deals with deductibility of interests accrued and covers 143 criteria on domestic tax matters (federal tax code, income tax law, value added tax law, business flat-rate tax law and excise tax law).²²⁴

Mexico has taken steps to promote its investment opportunities to foreign investors through organizing investment forums and events. Mexico Investment Summit was planned to take place on 12-13 March 2013.²²⁵

Mexico has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

During the compliance cycle, Mexico signed double taxation agreements with Estonia, Gibraltar, Hong Kong and Malta which have not yet been reviewed.²²⁶

Mexico has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Polina Arkhipova

Russia: +1

Russia has fully complied with the commitment on maintaining a supportive business environment for investors.

Russia has taken actions to maintain supportive business environment for investors unilaterally.

On 31 January 2013, Russian President issued a list of instructions to the Russian Government and several federal and regional bodies on improving investment climate in the regions of Russia. The Russian State Corporation "Bank for Development and Foreign Economic Affairs" should develop and implement new financial programs and financial products in order to create and improve the objects of investment infrastructure, including industrial and technological parks.²²⁷

During the monitoring period the Russian Government continued to implement the National Business Initiative, which "is expected to systematically improve the investment climate". The initiative is implemented according to the roadmaps, "which deal with various spheres of

²²³ Criterios normativos issued by the Tax Administration Service interpreted by T Magazine by Ernst&Young. 08.11.2012. URL: <http://tmagazine.ey.com/news/ibfd/mexico-administrative-guidance-issued-tax-authorities-2/>

²²⁴ Boletín 2012 issued by the Tax Administration Service interpreted by T Magazine by Ernst&Young. 29.11.2012. URL: <http://tmagazine.ey.com/news/ibfd/mexico-2012-administrative-guidance-report-issued-tax-authorities/> (date of access: 30.01.2013).

²²⁵ Mexico Investment Summit. URL: http://www.terrapinn.com/conference/mexico-investment-summit/?pk_campaign=Event&pk_kwd=Related5500

²²⁶ Mexico, Exchange of tax information portal. Date of Access: 1 April 2013. <http://eoi-tax.org/jurisdictions/MX#agreements>.

²²⁷ List of Instructions after the State Council Meeting, President of Russia 31 January 2013. <http://kremlin.ru/assignments/17512>.

government regulation” and “stipulate concrete results”.²²⁸ The Government adopted the following roadmaps: improving customs administration,²²⁹ support to foreign markets access and export support²³⁰ on 29 June 2012, increasing availability of energy infrastructure²³¹ on 30 June 2012 and on improving investment climate in the construction industry on 16 August 2012.²³²

Russia has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 2 October 2012, Russia ratified the Protocol to Amend the Agreement between the Russia and Switzerland on Avoiding Double Taxation with Respect to Taxes on Income and on Capital.²³³

On 16 October 2012, the Double Taxation Conventions (DTC) agreement between Russian and Argentina entered into force.²³⁴

On 8 November 2012, the DTC agreement between Russian and Latvia entered into force.²³⁵

During the compliance period Russia has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Mark Rakhmangulov

Saudi Arabia: +1

Saudi Arabia has fully complied with the commitment on maintaining a supportive business environment for investors.

Saudi Arabia has taken actions to maintain supportive business environment for investors unilaterally.

In August 2012, conditional 10-year tax incentives were offered by the Kingdom of Saudi Arabia (KSA) in six less-developed regions of the country – Hai'l, Northern Borders, Jazan, Najran, Al Baha and Al Jouf – to attract foreign direct investments (FDI). Foreign companies can avail an employment incentive for 10 years, as a 50% deduction of the yearly expenses incurred on training of Saudi employees and as a 50% deduction of the yearly salaries paid to Saudi employees, if there is any balance of tax payable after applying the first provision. Foreign investors will be granted a tax credit for 10 years equal to 15% of the investment capital of industrial projects.²³⁶

On 17 January 2013, SAGIA set up a special committee to develop and facilitate investment procedures and attract funds to vital sectors that could create more jobs. The authority is working on removing the obstacles facing quality investors. At the same time, it is trying to close all loopholes that could be exploited by foreigners to get investment licenses. On the same day

²²⁸ Dmitry Medvedev takes part in the round table discussion, National Business Initiative: Initial Results, Next Steps, Russian Government 15 February 2013. <http://www.government.ru/eng/docs/22826/>.

²²⁹ Roadmap on Improving Customs Administration, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/tamozhnya/>.

²³⁰ Roadmap on Supporting Access to Foreign Markets, and Export Support, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/export/>.

²³¹ Roadmap on Improving Access to Energy Infrastructure, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/energetica/>.

²³² Roadmap on Improving the Business Climate in the Construction Industry, Agency for Strategic Initiatives (Moscow) August 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/stroitelstvo/>.

²³³ Protocol amending Russian-Swiss double taxation agreement ratified 3 October 2012. <http://eng.kremlin.ru/acts/4471>.

²³⁴ DTC Agreement between Argentina and Russian Federation. http://eoi-tax.org/agreements/AR_RU_DTC_14.

²³⁵ RU-LV_DTC. <http://eoi-tax.org/agreements/8cdc38269e866b13e8ede1b6c3c93386>.

²³⁶ Saudi Arabia Offers Tax Incentives to Increase Foreign Investment Inflow, NAIR&Co 10 August 2012. Date of Access: 11 February 2013. <http://www.nair-co.com/SaudiArabiaTax-09-08-12.aspx>.

Abdullatif Al-Othman, the governor of SAGIA, stressed the need for joint efforts by various government departments to improve investment climate and attract foreign funds.²³⁷

Saudi Arabia has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

In December 2012, the Council of Ministers of Saudi Arabia authorized Saudi Arabian General Investment Authority to hold talks with Uruguay, Albania, Bulgaria, Georgia, Macedonia, Malta, Norway, Portugal, Slovenia, Croatia, Tajikistan and Turkmenistan to sign the investment protection and promotion agreements.²³⁸

In February 2013, during his two-day visit to Hyderabad, Saudi Arabia's ambassador to India Saud Mohammed Al-Sati was promoting commerce and investment with India. He invited Indian companies to invest in Saudi Arabia and explained the initiatives taken by his country to boost development. Also, according to him, Indian businesses could be interested in economic cities under SAGIA.²³⁹ This fact may be regarded as promotion of international agreements. The bilateral investment protection agreement between Saudi Arabia and India was signed in 2006 and it entered into force in 2008.²⁴⁰

During the compliance period Saudi Arabia has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Tatyana Lanshina

South Africa: 0

South Africa has partially complied with the commitment on maintaining a supportive business environment for investors.

No information on South Africa's unilateral actions to maintain supportive business environment for investors unilaterally has been registered.

UNCTAD/OECD Eighth Report on G20 Investment Measures, which covers period from 4 May to 5 October 2012, contains no information on investment related measures taken by South Africa.²⁴¹ No additional facts of South Africa's unilateral actions have been registered.

South Africa has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

During the monitoring period South Africa signed at least three Double Taxation Conventions (DTC) agreements: on 11 July 2012 with Chile, on 16 July 2012 with Norway (DTC Protocol) and on 27 October 2012 Costa Rica.²⁴²

During the compliance period South Africa has taken actions to maintain supportive business environment for investors through participation in international investment agreements. However, no information on South Africa's unilateral actions to maintain supportive business environment for investors unilaterally has been registered. Thus, it has been awarded a score of 0.

²³⁷ Quality Investment SAGIA's Focus, SAGIA 17 January 2013. Date of Access: 11 February 2013.

<http://www.sagia.gov.sa/en/SAGIA/Media-centre/News/Quality-investment-SAGIAs-focus/>.

²³⁸ Deals to help boost foreign investment, Arab News 25 December 2012. Date of Access: 11 February 2013.

<http://www.arabnews.com/saudi-arabia/deals-help-boost-foreign-investment>.

²³⁹ Saudi Arabia keen to invest in India, Yahoo News 10 February 2013. Date of Access: 11 February 2013.

<http://en-maktoob.news.yahoo.com/saudi-arabia-keen-invest-india-081519066.html>.

²⁴⁰ Bilateral Investment Promotion and Protection Agreements (BIPA), Ministry of Finance Government of India.

Date of Access: 11 February. http://finmin.nic.in/bipa/bipa_index.asp?pageid=2.

²⁴¹ Eighth Report on G20 Investment Measures, UNCTAD 31 October 2012.

http://unctad.org/en/PublicationsLibrary/unctad_oecd2012d8_en.pdf.

²⁴² South Africa <http://eoi-tax.org/jurisdictions/ZA#agreements>.

Turkey: +1

Turkey has fully complied with the commitment on maintaining a supportive business environment for investors.

Turkey has taken actions to maintain supportive business environment for investors unilaterally.

On 3 May 2012, Turkey passed the Law No.6302, amending Land Registry Law. Amendments broadened the extent to which foreign individuals and companies can acquire real estate in Turkey.²⁴³ On 18 August 2012, some provisions of this law related to acquisitions executed by Turkish companies with foreign capital entered into force. These provisions simplified the procedure of acquiring real estate by companies with foreign participation.²⁴⁴ In August 2012, Turkish Government increased the number of countries whose citizens can buy property in Turkey in accordance with this law from 53 to 129.²⁴⁵

Turkey has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 18 July 2012, the Bilateral Investment Treaty between Gabon and Turkey was signed.²⁴⁶

On 1 August 2012, the Agreement between the Federal Republic of Germany and the Republic of Turkey for the Avoidance of Double Taxation and Tax Evasion with respect to Taxes on Income, which was signed on 22 September 2011, entered into force.²⁴⁷

During the compliance period Turkey has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Nadezhda Sporysheva

United Kingdom: +1

The UK has fully complied with the commitment on maintaining a supportive business environment for investors.

The UK has taken actions to maintain supportive business environment for investors unilaterally.

On 3 December 2012, the UK Trade & Investment organized an event at Chelsea Football Club in London to inform global companies of the benefits of investing in the UK. Opportunities for automotive supply chain companies to invest in the UK were highlighted.²⁴⁸

On 17 December 2012, the Fifth Statement of New Regulation of the UK government reported that the government expects to reduce the regulatory burden by around a further USD126 million

²⁴³ Tapu Kanunu Ve Kadastro Kanununda Değişiklik Yapilmasina Ilişkin Kanun, Resmî Gazete 18 May 2012. Date of Access: 4 February 2013. <http://www.resmigazete.gov.tr/eskiler/2012/05/20120518-1.htm>.

²⁴⁴ Recent developments to boost real estate acquisitions by foreigners in Turkey, Taboglu & Demirhan September 2012. Date of Access: 4 February 2013. <http://www.taboglu.av.tr/dailies/September%202012.pdf>.

²⁴⁵ Details of the reciprocity law, Today's Zaman 7 August 2012. Date of Access: 9 February 2013. <http://www.todayszaman.com/columnist-288907-details-of-the-reciprocity-law.html>.

²⁴⁶ Investment Policy Monitor, UNCTAD 26 November 2012. Date of Access: 4 February 2013. http://unctad.org/en/PublicationsLibrary/webdiaepcb2012d5_en.pdf.

²⁴⁷ Turkey, Exchange of Tax Information Portal. Date of Access: 4 February 2013. <http://eoi-tax.org/jurisdictions/TR#agreements>.

²⁴⁸ Boost for UK Automotive Supply Chains, Department for Business, Innovation and Skills of the UK 3 December 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/boost-for-uk-automotive-supply-chains>

in January-June 2013. Expected measures include reforms of environmental regulation, employment law and consumer law.²⁴⁹

On 17 December 2012, Secretary of State for Business, Innovation and Skills of the UK John Vincent Cable launched a range of measures that will improve services to business, including introduction of a superfast patent processing service a faster trade marks examination service and action to help consumers and young people understand the importance of respect for intellectual property.²⁵⁰

On 17 January 2013, a new round of the UK Regional Growth Fund with USD531.7 million of public investments was started. The Regional Growth Fund supports projects and programmes attracting private sector investment to create economic growth and sustainable employment. For every pound of government money, the private sector is putting in six pounds.²⁵¹

The UK has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 26 July 2012, the UK started a series of Global Business Summits - the largest set of trade and investment events with the Government's Global Investment Conference – to demonstrate possibilities of investments into the UK and to showcase the UK during the Olympic and Paralympic Games.²⁵²

On 28 September 2012, Lord Green, Minister of State for Trade and Investment of the UK, and Carlos Alberto Freitas Barreto, Secretary of Brazilian Tax Authority, signed a Tax Information Exchange Agreement (TIEA) between the UK and Brazil. The new agreement will enable countries to exchange information to OECD and international tax standards to ensure that the right amount of tax is paid in each country in the future.^{253 254}

On 3 October 2012, Deputy Prime Minister Nick Clegg together with Business Minister Michael Fallon and a business delegation of 18 CEOs and Senior Executives from companies discussed possibilities of partnership with Turkish counterparts potentially worth up to USD0.75 billion. One of the announced projects was USD10.6 million manufacturing facility in Cardiff by Turkish company HDM Steel Pipe.²⁵⁵

On 5 October 2012, Business and Enterprise Minister of the UK Michael Fallon during a series of meetings with Members of the European Parliament, European Commission officials and businesses has said he will start building an alliance to put simpler and smarter regulation of

²⁴⁹ New Figures Show Government is Winning War on Red Tape, Department for Business, Innovation and Skills of the UK 17 December 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/new-figures-show-government-is-winning-war-on-red-tape>

²⁵⁰ Cable Announces Step Change to Turn Ideas into Growth, Department for Business, Innovation and Skills of the UK 17 December 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/cable-announces-step-change-to-turn-ideas-into-growth>

²⁵¹ More Cash Available through the Regional Growth Fund, Department for Business, Innovation and Skills of the UK 17 January 2013. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/press-release-more-cash-available-through-the-regional-growth-fund>

²⁵² Billions of pounds of UK Investment Announced at the Global Investment Conference, Department for Business, Innovation and Skills of the UK 26 July 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/billions-of-pounds-of-uk-investment-announced-at-the-global-investment-conference--2>

²⁵³ Agreements of the United Kingdom, Exchange of Tax Information Portal. Date of Access: 28 January 2013. <http://eoi-tax.org/jurisdictions/GB#agreements>

²⁵⁴ Brazil: Tax Information Exchange Agreement, HM Revenue & Customs of the UK October 2012. Date of Access: 28 January 2013. <http://www.hmrc.gov.uk/taxtreaties/news/brazil-tiea.htm>

²⁵⁵ Deputy Prime Minister Visits Turkey to Secure Deals for British Business, Department for Business, Innovation and Skills of the UK 3 October 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/deputy-prime-minister-visits-turkey-to-secure-deals-for-british-business>

business firmly on the agenda. He called on the European Commission to commit to a new programme to reduce the burden of regulation for business from January 2013.²⁵⁶

On 30 October 2012, the UK and India has signed a protocol for amending the earlier Double Taxation Avoidance Convention between the two countries for avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income and capital gains. The protocol streamlines the provisions relating to partnership and taxation of dividends in both countries and incorporates provisions for effective exchange of information between the tax authorities of India and the U.K. in line with the latest international standards.^{257 258}

On 5 November 2012, at the UK-UAE Business Council supported by the British UK Trade & Investment, discussed ways to further drive commercial ties between the two countries as the UAE is already a major investor in the UK, with over USD7.5billion invested in energy and infrastructure.²⁵⁹

On 28 November 2012, at the event supported by the British UK Trade & Investment new commercial deals were signed between UK companies and Kuwait. Among other projects the Kuwait Investment Office announced a long term roadmap for investing in the UK, particularly into UK infrastructure projects.²⁶⁰

During the compliance period the UK has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Natalia Churkina

United States: +1

The United States has fully complied with the commitment on maintaining a supportive business environment for investors.

The US has taken actions to maintain supportive business environment for investors unilaterally.

By the end of September 2012, SelectUSA, a government-wide initiative to attract and retain business investment in the United States, which was established in June 2011, finished training the Foreign Commercial Service (FCS) officers. Those officers are stationed in the top 25 foreign markets where 90% of America's foreign direct investment (FDI) comes from. Traditionally FSF staff have been focused on helping US firms export to foreign markets. But now they are also helping foreign investors who need information on how to invest in the US and want to link up with local and state economic development leaders to get the deals done.²⁶¹

On 25 September 2012, the federal government of the US announced a USD40 million multi-agency competition "Make it in America Challenge", which aims to bring manufacturing back

²⁵⁶ 'Europe Must Join Red Tape Blitz': Fallon, Department for Business, Innovation and Skills of the UK 5 October 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/europe-must-join-red-tape-blitz-fallon>

²⁵⁷ Agreements of the United Kingdom, Exchange of Tax Information Portal. Date of Access: 28 January 2013. <http://eoi-tax.org/jurisdictions/GB#agreements>

²⁵⁸ India Inks Protocol with U.K. to Amend Tax Pact, The Hindu 1 November 2012. Date of Access: 28 January 2013. <http://www.thehindu.com/business/Economy/india-inks-protocol-with-uk-to-amend-tax-pact/article4055171.ece>

²⁵⁹ Trade Boost Planned for UK and United Arab Emirates, Department for Business, Innovation and Skills of the UK 5 November 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/trade-boost-planned-for-uk-and-united-arab-emirates>

²⁶⁰ UK Business Partnership with Kuwait Boosted by New Deals, Department for Business, Innovation and Skills of the UK 28 November 2012. Date of Access: 28 January 2013. <https://www.gov.uk/government/news/uk-business-partnership-with-kuwait-boosted-by-new-deals>

²⁶¹ Remarks at Council on Foreign Relations Dialogue on Increasing US Investment, United States Department of Commerce 28 September 2012. Date of Access: 9 February 2013. <http://www.commerce.gov/news/acting-secretary-speeches/2012/09/28/remarks-council-foreign-relations-dialogue-increasing-us-i>

into the US. The incentive is to spur investment by companies, including the foreign ones. It comprises tax credits, investing in workforce skills training and modernizing critical infrastructure.²⁶²

In 2012, the US identified China, Brazil, India and South Africa as key potential markets and made efforts to attract foreign investment from these countries to the United States, partnering in new and different ways. For example, in BRICS countries governors and mayors were linked to talk business and economic opportunities. Also US service providers (law firms, public relations firms, etc.) were linked with potential investors.²⁶³

The US has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 20 September 2012, at Coalition of Service Industries 2012 Global Services Summit, the US Trade Representatives Ron Kirk said that the US was then working on bilateral investment treaties (BIT) with India, China, Mauritius and Pakistan. Earlier in 2012, the United States concluded a thorough review of its model bilateral investment treaty. Transparency and public participation were increased, disciplines that address preferential treatment to state—owned enterprises – sharpened.^{264,265}

On 31 October 2012, the US and Chinese Taipei signed a statement of intent which would facilitate bilateral trade and investment among small and medium-sized companies in the US and Chinese Taipei.²⁶⁶

On 5 December 2012, at the Ambassador's Investment Forum in China, the US Under Secretary for Economic Growth, Energy, and the Environment Robert Hormats welcomed Chinese investment into the US and said that the both countries need to work together in the coming years to codify their investment relationship through a Bilateral Investment Treaty.²⁶⁷

On 28-30 April 2013, the US will held the China-US Business Summit in Los Angeles. China-US Investment and Financing Forum will be a part of this summit.²⁶⁸

During the compliance period the US has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Tatyana Lanshina

European Union: +1

The EU has fully complied with the commitment on maintaining a supportive business environment for investors.

EU has taken actions to maintain supportive business environment for investors unilaterally.

²⁶² Obama administration announces \$40 million initiative to challenge businesses to 'make it in America', United States Department of Labor 25 September 2012. Date of Access: 9 February 2013.

<https://www.dol.gov/opa/media/press/eta/ETA20121960.htm>.

²⁶³ Economic Statecraft: Developing Partnerships with the Private Sector, US Department of State 10 December 2012. Date of Access: 7 February 2013. <http://www.state.gov/e/eb/rls/rm/2012/201920.htm>.

²⁶⁴ US working on bilateral investment treaty with India, China, Indiamart 20 September 2013. Date of Access: 8 February 2013. <http://news.indiamart.com/story/us-working-bilateral-investment-treaty-india-china-168009.html>.

²⁶⁵ Pak-US Bilateral Investment Treaty, Daily Times 30 August 2012. Date of Access: 7 February 2013. http://www.dailytimes.com.pk/default.asp?page=2012%5C08%5C30%5Cstory_30-8-2012_pg5_9.

²⁶⁶ Taiwan, US ink pact to boost trade and business exchanges, Taipei Times 1 November 2012. Date of Access: 9 February 2013. <http://www.taipeitimes.com/News/biz/archives/2012/11/01/2003546573>.

²⁶⁷ Under Secretary Hormats at Ambassador's Investment Forum in China, IIP Digital 5 December 2012. Date of Access: 7 February 2013.

<http://iipdigital.usembassy.gov/st/english/texttrans/2012/12/20121212139897.html#axzz2KcuA0r8c>.

²⁶⁸ 2013 China-US Business Summit Event Schedule, China-US Business Summit. Date of Access: 8 February 2013. <http://www.chinaussummit.org/en/Agenda.asp>.

In December 2012, the European Parliament and European Council adopted new legislation on bilateral investment agreements. The new regulation will provide the legal certainty for European and foreign investors and establish a mechanism for empowering Member States – under certain conditions – to negotiate bilateral investment agreements with countries not immediately scheduled for the EU-wide investment negotiations.²⁶⁹

On 6 December 2012, the European Council adopted new rules easing resolving cross-border legal disputes between businesses. New rules determine which national court has jurisdiction in cross-border cases and how court judgments issued in one EU country are recognised and enforced in another.²⁷⁰

On 1 January 2013, new EU VAT rules entered into effect to simplify business activity in EU. These measures have potential to save businesses up to EUR18 billion (USD23.4 billion) a year in reduced administration costs.²⁷¹

On 1 January 2013, new EU rules improving Member States' ability to assess and collect the taxes entered into force. The new rules improve cooperation and information exchange between tax authorities in the EU. It will make the regulation of foreign investors easier, making transmission of data between national authorities quicker and more efficient.²⁷²

On 1 February 2013, Maroš Šefčovič, Vice-President of the European Commission, announced that the Commission will take action on the most burdensome EU regulatory measures on the basis of SMEs survey to guarantee stable regulatory framework for business and investments.²⁷³

EU has taken actions to maintain supportive business environment for investors through participation in international investment agreements.

On 4 November 2012, the President of the European Commission, Mr. José Manuel Barroso, met with Her Excellency Ms. Yingluck Shinawatra, Prime Minister of Thailand. The leaders held discussions on the strengthening of political, commercial and investment relations between Thailand and the EU. Prospects of an EU-Thailand Bilateral Partnership Cooperation Agreement and Free Trade Agreement were the central topics of the discussions.²⁷⁴

On 28 November 2012, Vice President Antonio Tajani accompanied by a business delegation visited Tunisia to reinforce partnership between countries and to increase potential for business relations between Tunisia and the EU.²⁷⁵

On 23 January 2013, Vice President of the European Commission Antonio Tajani accompanied by a business delegation visited Peru to sign Letters of Intent in the fields of SME development, industrial cooperation, raw materials, sustainable construction and tourism.²⁷⁶

²⁶⁹ EU Takes Key Step to Provide Legal Certainty for Investors outside Europe, European Commission 12 December 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_IP-12-1362_en.htm

²⁷⁰ Ministers Adopt Commission's Reform to Cut Red Tape in Cross-border Court Cases, European Commission 6 December 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_IP-12-1321_en.htm

²⁷¹ New VAT Rules to Make Life Easier for Businesses from 1st January 2013, European Commission 17 December 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_IP-12-1377_en.htm

²⁷² Fighting Tax Evasion: Stronger EU Rules Enter into Force on 1st January, European Commission 17 December 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_IP-12-1376_en.htm

²⁷³ Speech: "Regulatory Burden: Why Europe Needs to Get Smarter to Do Better" by Maroš Šefčovič, Vice-President of the European Commission, European Commission 1 February 2013. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_SPEECH-13-91_en.htm

²⁷⁴ Joint Press Statement on the Occasion of the Visit to the Kingdom of Thailand by the President of the European Commission, Mr. José Manuel Barroso, European Commission 4 November 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_MEMO-12-829_en.htm

²⁷⁵ Mission for Growth: Creating Economic Ties to Benefit Tunisia and the EU, European Commission 28 November 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_MEMO-12-920_en.htm

²⁷⁶ Mission for Growth: Enhancing Business Cooperation between Peru and the EU, European Commission 22 January 2013. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_MEMO-13-21_en.htm

On 30 January 2013, High Representative of the European Commission Catherine Ashton met with Indian Minister for External Affairs, Salman Khurshid to discuss future trade and investment relations among other issues. The commitment to conclude the Free Trade Agreement as rapidly as possible was made at the meeting.²⁷⁷

On 16 December 2012, EU Trade Commissioner Karel De Gucht and Singapore's Minister of Trade and Industry Lim Hng Kiang completed final negotiations on a free trade agreement between the European Union and Singapore. The agreement will create new opportunities for companies both from EU and Singapore. Moreover, the EU announced that talks between the two sides on investment will continue.²⁷⁸

In December 2012, the European Parliament adopted an important political and economic deal with a number of Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama) and a trade deal with Peru and Colombia. Both deals have to promote trade and investment between the regions.²⁷⁹

During the compliance period EU has taken actions to maintain supportive business environment for investors unilaterally and through participation in international investment agreements. Thus, it has been awarded a score of +1.

Analyst: Natalia Churkina

3. Refraining from Protectionist Measures

Commitment: [#48]

“Following up our commitment made in Cannes, we reaffirm our standstill commitment until the end of 2014 with regard to measures affecting trade and investment, and our pledge to roll back any new protectionist measure that may have arisen, including new export restrictions and WTO inconsistent measures to stimulate exports”

Los Cabos Summit Final Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full compliance
Argentina	-1		
Australia			+1
Brazil	-1		
Canada			+1
China		0	
France			+1
Germany			+1
India	-1		
Indonesia			+1
Italy			+1
Japan			+1
Korea			+1
Mexico			+1

²⁷⁷ Remarks by High Representative Catherine Ashton at her Press Conference with Indian Minister for External Affairs, Salman Khurshid, European Commission 30 January 2013. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_SPEECH-13-85_en.htm

²⁷⁸ EU and Singapore Agree on Landmark Trade Deal, European Commission 16 December 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_IP-12-1380_en.htm.

²⁷⁹ European Commission Welcomes European Parliament's Support for Closer Ties with Central America and New Trade Deals with Peru and Colombia, European Commission 11 December 2012. Date of Access: 5 February 2013. http://europa.eu/rapid/press-release_IP-12-1353_en.htm.

Russia	-1		
Saudi Arabia			+1
South Africa	-1		
Turkey		0	
United Kingdom			+1
United States			+1
European Union			+1
Average Score	+0.40		

Background:

A commitment to refrain from imposing protectionist barriers to trade has been a feature of G20 summit documents since the initial post-crisis summit in Washington. The Washington commitment was extended at the 2009 London Summit until the end of 2010 and renewed at the 2010 Toronto Summit until the end of 2013. The commitment was extended most recently at the Los Cabos Summit until the end of 2014.

States have historically tended to resort to protectionism in times of economic uncertainty. The recent global financial crisis raised concerns that major economic actors would raise barriers to trade and investment, particularly in response to rising unemployment, and that these would act as “sand in the gears of international trade.”²⁸⁰ The European sovereign debt crisis has perpetuated concerns that states will resort to protectionist measures and further diminish global economic recovery.

At Washington the G20 members declared “the critical importance of rejecting protectionism and not turning inward in times of financial uncertainty.”²⁸¹ Their success is unclear. According to the WTO, the period from October 2010 to April 2011 saw more trade restrictions introduced than during any period since the beginning of the financial crisis.²⁸² Compliance of G20 members with their commitment against protectionism, as measured by past G20 Research Group reports, is extremely low.

In response to the introduction of protectionist measures in contravention of the standstill commitment, the Cannes Declaration introduced a requirement that that G20 members “roll back any new protectionist measures that may have arisen.”²⁸³ The Cannes Compliance report shows a notable improvement in average compliance with the trade commitment. These improved results reflect the fact that even though members may have introduced protectionist measures, they often took action to reverse these policies later. The roll back provision is also included in the Los Cabos trade commitment.

At the Toronto Summit, G20 leaders requested that the WTO, OECD and UNCTAD “continue to monitor the situation within their respective mandates, reporting publicly on these commitments on a quarterly basis.” The WTO has accordingly assessed G20 members’ trade and trade-related activities in quarterly reports, with the most recent report, covering October

²⁸⁰ G20 governments refrain from extensive use of restrictive measures, but some slippage evident, World Trade Organization (Geneva) 14 September 2009. Date of Access: 4 December 2012. www.wto.org/english/news_e/news09_e/trdev_14sep09_e.htm.

²⁸¹ Declaration of the Summit on Financial Markets and the World Economy, G20 Summit (Washington), 15 November 2008. Date of Access: 4 December 2012.

²⁸² Protectionist pressures on the rise, latest G20 monitoring report says, World Trade Organization (Geneva) 24 May 2011. Date of Access: 4 December 2012. http://www.wto.org/english/news_e/news11_e/igo_24may11_e.htm

²⁸³ The G20 Cannes Summit Declaration, G20 Cannes Summit (Cannes) 4 November 2011. Date of Access: 4 December 2012. <http://www.g20.utoronto.ca/summits/2011cannes.html>

2010 to April 2011, released in May 2011.²⁸⁴ The OECD and UNCTAD have also been active in tracking protectionism among G20 members and released their most recent report on G20 investment measures, covering April to October 2011, in October 2011.²⁸⁵

Commitment features:

There are two parts to this commitment that will together determine compliance. The first is to “reaffirm our standstill commitment until the end of 2014.” The second is to “roll back any new protectionist measure that may have risen.” The methodology for this commitment is therefore twofold, with a compliance score for both the standstill and roll back provisions of this commitment that together determine a final score.

For a determination of full compliance, or +1, a country must either comply with both provisions (+1,+1); or comply fully with one provision while only partially complying with the other (+1,0). For partial compliance, or 0, a country must either comply fully with one provision while not complying with the other (+1,-1); or partly comply with both provisions (0,0). For noncompliance, or -1, a country must fail to comply with both provisions (-1,-1); or not comply with one provision while partly complying with the other (0,-1). See Table 1 for this determination.

Table 1: Dual Scoring Methodology

Final Score		Second sub-commitment scores		
		-1	0	+1
First sub-commitment scores	-1	-1	-1	0
	0	-1	0	+1
	+1	0	+1	+1

The first part of the commitment, to “reaffirm our standstill commitments until the end of 2014,” is called sub-commitment one. The second, to “roll back any new protectionist measure that may have risen,” is called sub-commitment two. The scoring of each part will be determined by a separate methodology.

Sub-commitment one

This commitment refers to protectionist policies enacted after the Los Cabos Summit in three distinct forms of protectionism.

- First, G20 members have committed to refrain from imposing new barriers to investment or trade in goods and services. The WTO defines “Tariffs, non-tariff measures, subsidies and burdensome administrative procedures regarding imports” as barriers that limit global flows of goods and services.²⁸⁶
- Second, G20 members have committed to refrain from imposing new export restrictions. Export restrictions are voluntary or imposed restrictions on a country’s exports, which are

²⁸⁴ Protectionist pressures on the rise, latest G20 monitoring report says, World Trade Organization (Geneva) 24 May 2011. Date of Access: 4 December 2012. http://www.wto.org/english/news_e/news11_e/igo_24may11_e.htm

²⁸⁵ Sixth Report on G20 Investment Measures, OECD and UNCTAD (Geneva) 25 October 2011. Date of Access: 4 December 2012. http://www.unctad.org/en/docs/unctad_oecd2011d6_en.pdf.

²⁸⁶ G20 governments refrain from extensive use of restrictive measures, but some slippage evident, World Trade Organization (Geneva) 14 September 2009. Date of Access: 4 December 2012. www.wto.org/english/news_e/news09_e/trdev_14sep09_e.htm.

often intended to prevent goods being exported in the face of a domestic shortage or in order to manipulate current-account balances.²⁸⁷

- Third, G20 members have committed to refrain from implementing WTO-inconsistent measures to stimulate exports. The WTO Agreement on Subsidies and Countervailing Measures outlines five broad measures that unfairly stimulate exports: (1) Domestic subsidies that require recipients to meet certain export targets; (2) Subsidies that require recipients to use domestic goods instead of imported goods; (3) Domestic subsidies that hurt an industry in an importing country; (4) Domestic subsidies in one country that hurt exporters trying to compete in the subsidizing country's domestic market; (5) Domestic subsidies that hurt rival exporters from another country when the two compete in third markets.²⁸⁸

This report considers all tariffs, export restrictions, investment restrictions and WTO-inconsistent subsidies as instances of protectionism, consistent with the methodology employed by the WTO.

To achieve full compliance with sub-commitment one, a G20 member is required to refrain from imposing any new measures that fall under any of these categories. Partial compliance will be distinguished from noncompliance by calculating the median number of new protectionist measures imposed by G20 members as recorded by analysts. A G20 member will achieve partial compliance with a score of 0 if the country implements new measures, but the number of measures is less than or equal to the median. A G20 member country will score -1 for non-compliance if it introduces more protectionist measures than the median.

The methodology²⁸⁹ determines compliance based on policy actions rather than the outcomes of those actions. Consequently, compliance with this commitment is determined by the number of protectionist policies imposed by an individual G20 member relative to the median number of protectionist measures imposed by all G20 members. The measure is internally valid and can be used to determine relative compliance across G20 summits. The measure also allows for a clear distinction between partial compliance and non-compliance that is not based on crossing an arbitrary threshold, but instead based on exceeding the median levels of protectionism among G20 members. At the same time analysts are aware that this compliance measure strongly depends on the data completeness and non-inclusion of facts in the report can change the member scores.

This methodology is distinct from that employed by the WTO, OECD and UNCTAD. The WTO assesses changing levels of aggregate protectionism among G20 members by calculating G20 import restrictions as a share of total G20 imports. It creates an internally valid statistic that can be measured over time in order to determine broad trends, but it implicitly measures the outcome of G20 members' protectionist policies rather than the policies themselves. The OECD/UNCTAD report does not directly measure aggregate investment measures across the G20. Instead, it reports on changes in flows of foreign direct investment (FDI) to G20 members as one indicator of global investment activity, which is influenced in part by the extent of barriers to investment among G20 members. Reports by the WTO, OECD, and UNCTAD list the number and nature of new trade and investment measures in their respective annexes, which this

²⁸⁷ Report on G20 Trade Measures (Mid-October 2010 to April 2011), World Trade Organization (Geneva) 11 May 2011. Date of Access: 4 December 2012. http://www.wto.org/english/news_e/news11_e/igo_24may11_e.htm.

²⁸⁸ Understanding the WTO - Anti-dumping, subsidies, safeguards: contingencies, etc (Geneva) 1 January 2005. Date of Access: 4 December 2012.

www.wto.org/english/thewto_e/whatis_e/tif_e/agrm8_e.htm#subsidies.

²⁸⁹ This methodology was developed in the 2010 Seoul G20 Summit Final Compliance Report.

report considers in its assessment of the number of protectionist policies imposed by G20 members.

Scoring Guidelines for sub-commitment one:

-1	G20 member imposes new protectionist measures AND the number of instances exceeds the median number of protectionist measures imposed by G20 members.
0	G20 member imposes new protectionist measures BUT the number of instances does not exceed the median number of protectionist measures imposed by G20 members.
+1	G20 member does not impose any new protectionist measures.

Sub-commitment two

This sub-commitment refers to the “rolling back” of protectionist measures introduced since the Cannes Summit. Measures that have been rolled back during this compliance period were introduced between Cannes and Los Cabos. If a country did not introduce a protectionist measure during this period, this sub-commitment is not applicable (see Table 1).

The scope of protectionist measures will be the same as those outlined above in sub-commitment one: (1) barriers to investment or trade in goods and services; (2) export restrictions; or (3) World Trade Organization (WTO)-inconsistent measures to stimulate exports. The term “roll back” is interpreted to mean a complete repeal or an amendment that significantly alters the original intent of the policy.

Scoring Guidelines for sub-commitment two:

-1	G20 member does not repeal protectionist measures OR makes a non-significant amendment.
0	G20 member amends protectionist measures but not significantly OR this sub-commitment is not applicable to the G20 member.
+1	G20 member repeals OR significantly amends protectionist measures OR this sub-commitment is not applicable to the G20 member.

Lead Analyst: Elizabeth Stratton

Co-Director of Compliance: Krystal Montpetit

Argentina: -1

Argentina received a cumulative score of -1 for failing to comply with its standstill commitment to refrain from imposing new protectionist measures and its rollback commitment.

(1) Argentina did not comply with its commitment to refrain from imposing any new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

Since the Los Cabos Summit, Argentina adopted reference prices on four types of imports. These measures require importers to guarantee the difference between the reference price of the imported good and the value of the import declared at customs.

On 31 December 2012, Argentina adopted reference prices on imports of a certain type of plywood from Brazil, Chile, China, Paraguay, Uruguay and other Asian and Latin-American countries.²⁹⁰ On 12 October 2012, Argentina adopted reference prices on imports of a certain

²⁹⁰ Official Bulletin 32.553, Secretary of External Trade (Buenos Aires) 2 January 2013. Date of Access: 25 January 2013. http://www.igom.com.mx/documents/1212/BO_per_cent202_per_cent20ene_per_cent203.pdf.

type of woven cotton fabrics from China, Brazil and other countries.²⁹¹ Reference prices were adopted for imports of certain toilet and kitchen linen from Brazil, China, Uruguay, and other Asian and Latin-American countries effective 13 September 2012.²⁹² The Government of Argentina also adopted reference prices on imports of a certain type of plastic builder's ware for bathrooms and kitchens originating from several Asian and Latin-American countries on 25 June 2012.²⁹³

On 26 June 2012, Argentina announced that it was suspending the application of provisions of the Economic Complementation Agreement No. 55 for three years.²⁹⁴ The Agreement came into force on 27 September 2002. Under the Agreement, Argentina and Mexico negotiate annual bilateral import quotas for the tariff-free entry of automobiles. The unilateral suspension of the Agreement by Argentina will effectively invalidate the preferential tariffs agreed with Mexico and thus raise or impose new tariffs on automobile imports.

Argentina imposed anti-dumping duties in three instances since the Los Cabos Summit. Argentina imposed antidumping duties on certain types of electric motors from China on 6 September 2012. The antidumping duties range from USD40.42 to USD167.09 per unit. The anti-dumping investigation began on 4 March 2011 at the request of Motores Czerweny S.A.²⁹⁵

Argentina imposed anti-dumping duties against certain types of paper and paperboard coated on one or both sides with kaolin from Austria, China, Finland and the United States on 21 June 2012. The anti-dumping margin was 98 per cent for Austria, 39.5 per cent for China, 91 per cent for Finland and 63.51 per cent for the United States. The anti-dumping investigation was initiated on 15 December 2010 at the request of Ledesma S.A.A.I.²⁹⁶

On 21 June 2012, Argentina levied antidumping duties on certain glass wool products from Mexico after an anti-dumping investigation initiated at the request of Saint Gobain Isover Argentina S.A. on 16 December 2010.²⁹⁷ The antidumping margin is 112.57 per cent for all exporters.

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-

²⁹¹ Facturación y Registración Resolución General 3197, Administración Federal de Ingresos Públicos (Buenos Aires) 12 October 2012. Date of Access: 14 January 2013. http://www.iqom.com.mx/documents/1011/DOF_per_cent2012_per_cent20oct-per_cent20tejidos.pdf.

²⁹² Resolución General 3383, Administración Federal de Ingresos Públicos (Buenos Aires) 13 September 2012. Date of Access: 14 January 2013. http://www.iqom.com.mx/documents/0912/BO_per_cent2013_per_cent20sep_per_cent201.pdf.

²⁹³ Argentina: Reference prices on imports of certain type of plastic builder's ware for bathrooms and kitchens from several Asian and Latin-American countries, Global Trade Alert (London) 27 June 2012. Date of Access: 5 January 2013. http://www.globaltradealert.org/measure/argentina-reference-prices-imports-certain-type-plastic-builder_per_centC2_per_centB4s-ware-bathrooms-and-kitchen.

²⁹⁴ Argentina: Temporary suspension of application of the Economic Complementation Agreement No. 55 on vehicles, Global Trade Alert (London) 28 August 2012. Date of Access: 5 January 2013. <http://www.globaltradealert.org/measure/argentina-temporary-suspension-application-economic-complementation-agreement-no-55-vehicles>.

²⁹⁵ [Resolución 506/2012, Ministerio de Economía y Finanzas Públicas \(Buenos Aires\) 6 September 2012. Date of Access: 15 January 2013. http://www.iqom.com.mx/documents/0912/BO_per_cent206_per_cent20sep.pdf](http://www.iqom.com.mx/documents/0912/BO_per_cent206_per_cent20sep.pdf).

²⁹⁶ Argentina: Adoption of antidumping duties against certain types of paper and paperboard from Austria, China, Finland, and the US, Global Trade Alert (London) 22 June 2012. Date of Access: 5 January 2013. <http://www.globaltradealert.org/measure/argentina-adoption-antidumping-duties-against-certain-types-paper-and-paperboard-austria-chi>.

²⁹⁷ Argentina: Adoption of antidumping duties against glass wool products from Mexico, Global Trade Alert (London) 22 June 2012. Date of Access: 5 January 2013. <http://www.globaltradealert.org/measure/argentina-adoption-antidumping-duties-against-glass-wool-products-mexico>.

dumping and countervailing measures cannot be considered a violation of WTO rules.²⁹⁸ Therefore these measures will not be counted as new protectionist measures under sub-commitment one.

[Argentina received a score of -1 for failure to comply with its standstill commitment. Argentina imposed five protectionist measures during the compliance cycle, exceeding the median number of protectionist policies imposed by G20 members.](#)

[\(2\) Argentina failed to comply with sub-commitment two to roll back existing protectionist measures that arose since the Cannes Summit.](#)

No evidence was found to indicate that Argentina rolled back any protectionist policies implemented between the Cannes and Los Cabos Summits. Argentina received a score of -1 for noncompliance with sub-commitment two. Thus Argentina is awarded a cumulative score of -1 for noncompliance with both sub-commitments.

Sub-commitment one: Argentina total = 5

Date imposed	Measures implemented
31 Dec. 2012	Reference prices on certain plywood from Brazil, Chile, China, Paraguay, Uruguay and other Asian and Latin American countries.
12 Oct. 2012	Reference prices on certain woven cotton fabrics from China, Brazil and other countries
13 Sept. 2012	Reference prices on certain toilet and kitchen linen from Brazil, China, Uruguay, other Asian and Latin American countries
26 June 2012	Suspension of Economic Complementation Agreement No. 55, affecting automobile imports from Mexico
25 June 2012	Reference prices on certain plastic builder's ware for bathrooms and kitchens from some Asian and Latin American countries

Analysts: Buse Kayar and Elizabeth Stratton

Australia: +1

Australia received a cumulative compliance score of +1. Australia partially complied with sub-commitment one and achieved full compliance with the second subcommitment.

(1) Australia partially complied with its commitment to refrain from imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

On 30 November 2012, Australian Minister for Broadband Stephen Conroy introduced a new requirement for free-to-view television broadcasting channels to air a minimum number of hours of local content per year. The requirement outlines that commercial broadcasters must air at least 730 hours of Australian content in 2013, 1095 hours in 2014 and 1460 hours in 2015. The measure also unfairly supports domestic production of television content by counting one hour of "first-release drama" of local content as two hours towards the broadcasters' yearly requirement.²⁹⁹

Since the Los Cabos Summit, Australia imposed antidumping duties in four instances. On 20 December 2012, Australia levied interim anti-dumping duties on hot rolled coiled steel imported

²⁹⁸ Disputes by Country/Territory, World Trade Organization (Geneva) 2012. Date of Access: 14 January 2013. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

²⁹⁹ Government moves to ensure quality Australian content stays on Australian television, Minister for Broadband, Communications and the Digital Economy (Canberra) 30 November 2012. Date of Access: 15 January 2013. http://www.minister.dbcde.gov.au/media/media_releases/2012/193.

from Japan, Korea, Malaysia and Taiwan. The duties were imposed after an investigation by the Australian Customs and Border Protection Service. The interim duties range from 7.5 per cent for Japan, 2.6 to 11.8 per cent for Korea, 15.4 per cent for Malaysia and 2.6 to 8.2 per cent for Taiwan.³⁰⁰

Australia imposed interim anti-dumping duties on polyvinyl chloride homopolymer (PVC) resin imported from Korea on 19 October 2012. An interim anti-dumping duty of 3.26 per cent was imposed following an investigation by the Australian Customs and Border Protection Service.³⁰¹

On 5 July 2012, Australia imposed anti-dumping and countervailing duties on certain aluminum road wheels imported from China. The effective rate of duty ranges from 6.3 to 84.3 per cent.³⁰²

On 3 July 2012, Australia levied interim anti-dumping and countervailing duties on hollow structural sections originating in China, Korea, Malaysia and Taiwan. The effective rate of anti-dumping and countervailing duties range from 10.1 to 100.8 per cent for China. The anti-dumping duties range from 3.2 to 8.9 per cent for Korea, 3 to 20 per cent for Malaysia and 2.4 to 5.3 per cent for Taiwan.³⁰³

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³⁰⁴ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

Australia is awarded a score of 0 for partial compliance. Australia imposed one new protectionist measure during the compliance cycle but did not exceed the median number of protectionist policies imposed by G20 members.

(2) Australia did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore the second subcommitment is not applicable to Australia.

Thus Australia received a score of +1 for the second sub-commitment.

Australia is awarded a cumulative score of +1 for compliance with the trade commitment.

Analyst: Grace Gao

Sub-commitment one: Australia total = 1

Date imposed	Measures implemented
30 Nov. 2012	Local content minimum hour requirements for television broadcasters.

³⁰⁰ Hot Rolled Coil Steel Exported from Japan, the Republic of Korea, Malaysia and Taiwan, Australian Customs and Border Protection Service (Canberra) 20 December 2012. Date of Access: 2 January 2012. <http://www.customs.gov.au/webdata/resources/files/103-ACDN2012-66-Findinginrelationtoaninvestigationintodumping.pdf>.

³⁰¹ Polyvinyl Chloride Homopolymer Resin (PVC) Exported from the Republic of Korea Finding in relation to an investigation into dumping, Australian Customs and Border Protection Service (Canberra) 19 October 2012. Date of Access: 2 January 2012. <http://www.customs.gov.au/webdata/resources/files/035-ACDN201250-FinalReport.pdf>.

³⁰² Certain Aluminium Road Wheels Exported from the People's Republic of China, Australian Customs and Border Protection Service (Canberra) 5 July 2012. Date of Access: 2 January 2012. <http://www.customs.gov.au/webdata/resources/files/ACDN-ARWs-FinalMeasures2012-33.pdf>.

³⁰³ Hollow Structural Sections Exported from the People's Republic of China, the Republic of Korea, Malaysia and Taiwan, Australian Customs and Border Protection Service (Canberra) 3 July 2012. Date of Access: 2 January 2012. <http://www.customs.gov.au/webdata/resources/files/120607ACDN-HSS-FinalMeasures.pdf>.

³⁰⁴ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 14 January 2013. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

Brazil: -1

Brazil earned a score of -1 for noncompliance with the trade commitment. Brazil partially complied with its standstill commitment to refrain from imposing new protectionist measures and failed to comply with its commitment to roll back existing measures.

(1) Brazil partially complied with its commitment to refrain from imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

The Government of Brazil increased the Common External Tariff (AEC) on 1 October 2012. The AEC is the Most Favoured Nation import tariff established by the members of MERCOSUR which applies to all non-members. The increased tariff will affect approximately 100 goods. The tariffs were increased to between 14 per cent and 25 per cent from the previous rates of 0 per cent to 18 per cent.³⁰⁵

Brazil adopted antidumping duties in two instances since the Los Cabos Summit. On 31 October 2012, Brazil imposed antidumping duties on imports of certain amino-resins from China and the United States. The antidumping investigation began on 8 June 2011 at the request of the Brazilian enterprise Bayer, S.A. The duties range from USD418.73 to USD833.08 per ton for the United States and from USD619.27 to USD1079.68 per ton for China.³⁰⁶

Brazil imposed antidumping duties against citric acid and salt and esters from China on 27 July 2012. The antidumping investigation was initiated on 7 April 2011 at the request of the Associação Brasileira dos Produtores de Ácido Cítrico e Derivados. The measure imposes quotas between USD526.81 and USD741.46 per ton and USD272.12 per ton depending on the exporter. Brazil agreed to a price compromise with some firms to allow a maximum of USD1600 per ton.³⁰⁷

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³⁰⁸ Therefore these measures will not be counted as new protectionist measures under sub-commitment one.

Brazil earned a score of 0 for introducing 1 measure, which does not exceed the G20 median.

[\(2\) Brazil failed to comply with sub-commitment two to roll back existing protectionist measures that arose since the Cannes Summit.](#)

No evidence was found to indicate that Brazil rolled back any protectionist policies that were imposed between the Cannes and Los Cabos Summits.

³⁰⁵ Diário Oficial da União No. 190, Presidência da República (*Brasília*) 1 October 2012. Date of Access: 15 January 2013. http://www.iqom.com.mx/documents/0912/incr_per_cent20arancelario_per_cent201_per_cent20oct.pdf.

³⁰⁶ *Resolução No. 75, o Presidente do Conselho de Ministros da Câmara de Comércio Exterior (Brasília) 31 October 2012. Date of Access: 14 January 2013. http://www.iqom.com.mx/documents/1112/Resolucion_per_cent2077_complete.pdf.*

³⁰⁷ Brazil: Adoption of antidumping duties against citric acid, its salts and esters from China, Global Trade Alert (London) 23 August 2012. Date of Access: 5 January 2013. <http://www.globaltradealert.org/measure/brazil-adoption-antidumping-duties-against-citric-acid-its-salts-and-esters-china>.

³⁰⁸ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 14 January 2013. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

Brazil received a score of -1 for noncompliance with sub-commitment two.

Brazil is awarded a cumulative score of 0 for partially with its commitment on trade.

Sub-commitment one: Brazil total = 1

Date imposed	Measures implemented
1 Oct. 2012	Common External Tariff (AEC) increased affecting 100 tariffs.

Analysts: Buse Kayar and Elizabeth Stratton

Canada: +1

Canada achieved a score of +1 for full compliance with its commitments to refrain from imposing new protectionist policies since the Los Cabos Summit. The second sub-commitment was not applicable to Canada.

(1) Canada complied fully with its commitment to refrain from imposing or raising new barriers to foreign investment or trade in goods and services, export restrictions or WTO-inconsistent measures to stimulate exports.

Canada adopted antidumping duties in three instances since the Los Cabos Summit. On 13 August 2012, the Canada Border Services Agency imposed preliminary anti-dumping and countervailing duties on certain carbon steel welded pipes originating in or exported from Chinese Taipei, India, Oman, Korea, Thailand, Turkey and the United Arab Emirates. The total provisional duty payable ranges from 0.5 to 84 per cent for Chinese Taipei, 23.9 to 138.7 per cent for India, 118.6 per cent for Oman, 84 per cent for Korea, 6 to 84 per cent for Thailand, 13 to 84 per cent for Turkey and 5.7 to 102.5 per cent for the United Arab Emirates.³⁰⁹

Canada Border Services Agency (CBSA) levied preliminary anti-dumping and countervailing duties on imports of carbon and alloy steel piling pipe with an outside diameter ranging from 8.9 cm to 40.6 cm from China on 2 August 2012. The total provisional duty payable ranges from 90.2 to 110.1 per cent.³¹⁰

On 23 July 2012, Canada Border Services Agency (CBSA) issued a preliminary anti-dumping duty on liquid dielectric transformers with a top power handling capacity equal to or exceeding 60,000 kilovolt amperes from Korea. The duties range from 16.9 to 72.7 per cent.³¹¹

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³¹² Therefore these measures will not be counted as new protectionist measures under sub-commitment one.

There is rising concern that some provincial governments in Canada will resort to protectionism to support prominent companies within their provinces and to prevent substantial or controlling foreign investments. Recent efforts by the Governments of Nova Scotia and Quebec to provide provincial aid to companies are particularly alarming.

³⁰⁹ Goods Subject to Anti-Dumping or Countervailing Duties, Canada Border Service Agency (Ottawa) 13 August 2012. Date of Access: 5 January 2012. <http://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1396/ad1396-i12-np-eng.html>.

³¹⁰ Goods Subject to Anti-Dumping or Countervailing Duties, Canada Border Service Agency (Ottawa) 2 August 2012. Date of Access: 5 January 2012. <http://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1393/ad1393-i12-np-eng.html>.

³¹¹ Goods Subject to Anti-Dumping or Countervailing Duties, Canada Border Service Agency (Ottawa) 23 July 2012. Date of Access: 5 January 2012. <http://www.cbsa-asfc.gc.ca/sima-lmsi/i-e/ad1395/ad1395-i12-np-eng.html>.

³¹² Disputes by Country/Territory, World Trade Organization (Geneva) 2012. Date of Access: 14 January 2013. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

In September 2012, the New Page Port Hawkesbury paper mill in Nova Scotia was sold to a company from British Columbia, Pacific West Commercial Corp. The Government of Nova Scotia spent USD36.8 million to keep the paper mill in a “hot idle state” before the sale. As part of the sales agreement, Nova Scotia will give Pacific West Commercial Corporation a USD124.5 million aid package over 10 years. Critics in Canada and the United States allege that the purpose of this government aid was to maintain paper production within the province and to facilitate the sale of the paper mill to a domestic company.³¹³

Quebec Premier Pauline Marois called for the provincial pension fund to use its assets to protect key Quebec corporations from large foreign investment and takeovers on 19 September 2012. Proposals to promote Quebec-based investments were a key theme of the 2012 election campaign of the ruling Parti Québécois.³¹⁴

Canada refrained from implementing or raising protectionist measures since the Los Cabos Summit. Thus Canada was awarded a score of +1 for complying with sub-commitment one.

(2) Canada did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to Canada.

Thus, Canada received a score of +1 for the second sub-commitment.

Canada is awarded a cumulative score of +1 for compliance with the trade commitment.

Analyst: Chris De Souza

China: 0

China received a cumulative score of 0 for partially complying with the trade commitment. China did not comply with sub-commitment one to refrain from imposing new protectionist measures, however, China fully complied with sub-commitment two to roll-back existing protectionist measures.

(1) China failed to comply with its commitment to refrain from imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports. China has complied with its commitment to roll back new barriers to trade that arose since the Cannes Summit.

The Ministry of Commerce published the 2013 Non-duty-free Import Catalogue for domestic investment projects on 24 December 2012. The 2013 Catalogue contains 130 new items that were not included in the 2012 Catalogue and will be subject to new duties as of 1 January 2013.³¹⁵

On 31 October 2012, the Ministry of Commerce announced changes to previous export quotas for agricultural and industrial products, which will come into effect in 2013. The 2013 export quota for rock phosphate was reduced from 1.2 million tons to 1.0 million tons, which is a 16.67

³¹³ Paper mill sale finalized, The Chronicle Herald (Halifax) 28 September 2012. Date of Access: 15 January 2013. <http://thechronicleherald.ca/business/141140-paper-mill-sale-finalized>.

³¹⁴ Quebec's Caisse to help block takeovers: Pauline Marois, The Globe and Mail (Toronto) 19 September 2012. Date of Access: 15 January 2013. <http://www.theglobeandmail.com/report-on-business/quebecs-caisse-to-help-block-takeovers-pauline-marois/article4555375/>.

³¹⁵ Non-Duty-free Import Catalogue for Domestic Investment Projects, The Central People's Government of the People's Republic of China (Beijing) 31 December 2012. Date of Access: 3 January 2012. http://www.gov.cn/jrzg/2012-12/31/content_2303208.htm.

per cent decrease in comparison to the 2012 export quota. The export quota for magnesia was decreased by 7.2 per cent from 1.80 million tons to 1.67 million tons for 2013.³¹⁶

The Ministry of Commerce released the 2013 allocation plan of export quotas for agricultural products on 15 December 2012. The export quota for sawn timber was reduced by 13.8 per cent from 98 000 cubic meters in 2012 to 84 500 cubic meters in 2013.³¹⁷

China adopted antidumping duties in three instances since the Los Cabos Summit. On 8 November 2012, the Ministry of Commerce levied anti-dumping duties on certain high-performance stainless steel seamless tubes imported from the European Union and Japan. The duties were imposed following an anti-dumping investigation by the Ministry of Commerce, which began on 8 September 2011. The duties range from 9.2 per cent to 14.4 per cent, and will remain in place for five years.³¹⁸ Japan referred these duties to the WTO Dispute Settlement Body on 20 December 2012.³¹⁹ The anti-dumping duties cannot be considered a violation of WTO rules until the Body issues its ruling and will not be considered a new protectionist measure under sub-commitment one.

The Ministry of Commerce levied definitive antidumping duties on imports of solar-grade polysilicon from the EU, Korea and US on 26 November 2012. The investigation on imports from Korea and the US was initiated on 20 July 2012 at the request of four domestic Chinese companies. Imports originating in the EU were added to the investigation on 1 May 2012.³²⁰

On 27 July 2012, the Ministry of Commerce imposed preliminary anti-dumping duties on imports of ethylene glycol monobutyl ether and diethylene glycol monobutyl ether from the European Union and the United States. The anti-dumping investigation was initiated on 18 November 2011. The duties range from 10.1 per cent to 15.1 per cent for the United States, and 9.3 per cent to 18.8 per cent for the European Union.³²¹

No information was found to indicate that the affected exporting countries referred the anti-dumping duties on polysilicon or monobutyl ether to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping measures cannot be considered a violation of WTO rules.³²² Therefore, this measure will not be counted as a new protectionist measure.

³¹⁶ MOFCOM Announcement No.74 of 2012 on Total Amount of Export Quotas of Agricultural and Industrial Products in 2013, Ministry of Commerce People's Republic of China (Beijing) 5 November 2012. Date of Access: 3 January 2012. <http://english.mofcom.gov.cn/aarticle/policyrelease/buwei/201211/20121108419252.html>

³¹⁷ MOFCOM Announcement on Issuing the Export Quotas of Some Agricultural Products in 2013, Ministry of Commerce People's Republic of China (Beijing) 20 December 2012. Date of Access: 3 January 2012. <http://english.mofcom.gov.cn/aarticle/policyrelease/buwei/201212/20121208493882.html>

³¹⁸ MOFCOM Decided to Collect Anti-dumping Duty on Imports of Certain High-performance Stainless Steel Seamless Tubes from EU and Japan, Ministry of Commerce People's Republic of China (Beijing) 12 November 2012. Date of Access: 3 January 2012. <http://english.mofcom.gov.cn/aarticle/subject/ctrm/lanmua/201211/20121108434125.html>.

³¹⁹ Dispute DS454 China –Measures Imposing Anti-Dumping Duties on High-Performance Stainless Steel Seamless Tubes (“HP-SSST”) from Japan, World Trade Organization (Geneva) 20 December 2012. Date of Access: 14 January 2013. http://www.wto.org/english/tratop_e/dispu_e/cases_e/ds454_e.htm.

³²⁰ China: imposition of antidumping duties on solar-grade polysilicon from EU, US and Republic of Korea, Global Trade Alert (London) 16 August 2012. Date of Access: 15 January 2013. <http://www.globaltradealert.org/measure/china-imposition-antidumping-duties-solar-grade-polysilicon-eu-us-and-republic-korea>.

³²¹ Decree No. 42 of 2012, Ministry of Commerce People's Republic of China (Beijing) 27 July 2012. Date of Access: 3 January 2012. <http://www.mofcom.gov.cn/aarticle/b/c/201207/20120708254036.html>.

³²² Disputes by Country/Territory, World Trade Organization (Geneva) 2012. Date of Access: 14 January 2013. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

China received a score of -1 for noncompliance with sub-commitment one. China introduced 4 new protectionist measures, which exceeds the G20 median.

(2) China fully complied with its commitment to roll back existing protectionist measures that arose since the Cannes Summit.

According to the Non-duty-free Import Catalogue, the Ministry of Commerce removed 11 items from the 2013 Catalogue that were included in the 2012 Catalogue. Though the items were originally included in the catalogue before the Cannes Summit items are reassessed on a yearly basis. Consequently, these 11 items are considered rolled back since they were included in the 2012 Catalogue, which was released after the Cannes Summit.³²³

On 17 December 2012, the Ministry of Commerce decreased tariffs on 784 goods for the 2013 tariff scheme. These tariffs were originally imposed before the Cannes Summit, however, the tariff rates are set on a yearly basis. The reduction in 2013 tariffs rates from the 2012 tariff levels, which were set after the Cannes Summit, constitute a significant amendment to an existing protectionist measure.³²⁴

On 10 December 2012, the Ministry of Commerce removed dried grains with or without solubles from the 2013 Catalogue of Goods Subject to Automatic Import License Administration. The imported good was originally subjected to this burdensome regulation in the 2012 Catalogue, which was released on 10 December 2011.³²⁵

On 31 October 2012, the Ministry of Commerce published export quotas for agricultural and industrial products for 2013. The export quotas are determined on a yearly basis. Export quotas for bauxite and silicon carbide were removed for 2013. The export quota for pulvis talci (lump) was increased by 10.2 per cent from 680 000 tons to 750 000 tons.³²⁶

China earned a score of +1 for rolling back and significantly amending existing protectionist measures.

China partially complied with the trade commitment and achieved a cumulative score of 0 for failing to comply with sub-commitment one and fully complying with sub-commitment two.

Sub-commitment one: China total = 4

Date imposed	Measures implemented
24 Dec. 2012	130 items added to the Non-duty-free Import Catalogue
15 Dec. 2012	Decreased export quota for sawn timber
31 Oct. 2012	Decreased export quota for rock phosphate
31 Oct. 2012	Decreased export quota for magnesia

³²³ Non-Duty-free Import Catalogue for Domestic Investment Projects, The Central People's Government of the People's Republic of China (Beijing) 31 December 2012. Date of Access: 3 January 2012.

http://www.gov.cn/jrzq/2012-12/31/content_2303208.htm.

³²⁴ Notice of the Customs Tariff Commission of the State Council on the 2013 Tariff Implementation Plan, Ministry of Finance of the People's Republic of China (Beijing) 10 December 2012. Date of Access: 16 February 2013.

http://gss.mof.gov.cn/zhengwuxinxi/zhengcefabu/201212/t20121217_716211.html.

³²⁵ MOFCOM and GACC Announcement No.94, 2012 on Releasing the 2013 Catalogue of Goods Subject to Automatic Import License Administration, Ministry of Commerce People's Republic of China (Beijing) 25 December 2012. Date of Access: 3 January 2013.

<http://english.mofcom.gov.cn/aarticle/policyrelease/buwei/201212/20121208497947.htm>

³²⁶ MOFCOM Announcement No.74 of 2012 on Total Amount of Export Quotas of Agricultural and Industrial Products in 2013, Ministry of Commerce People's Republic of China (Beijing) 5 November 2012. Date of Access: 3 January 2012. <http://english.mofcom.gov.cn/aarticle/policyrelease/buwei/201211/20121108419252.html>.

France: +1

France achieved a cumulative score of +1 for fully complying with sub-commitment one to refrain from imposing new protectionist measures. The second sub-commitment was not applicable.

(1) France fully complied with its commitment to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

The Government of France announced a rescue plan for the automobile industry and suppliers on 30 August 2012. The plan aims to strengthen existing incentives for consumers who purchase environmentally friendly cars and dispose of older car models, which create more pollution. The subsidy for consumers purchasing electric or hybrid cars increased from EUR5000 to EUR7000 and EUR2000 to EUR4000 respectively. This measure is not considered protectionist because French consumers are entitled to receive the incentive regardless of where the cars are produced.³²⁷

France granted direct subsidies to companies to promote construction in the industrial zone of Le Havre on 31 August 2012. The European Commission ruled that France did not violate internal market competition policy because the state aid for construction, harbour transportation and general infrastructure projects were open to competition.

Since the Los Cabos Summit, the European Commission imposed anti-dumping duties in nine cases and imposed registration requirements in one instance.

On 21 December 2012, the European Commission raised the definitive anti-dumping duty on imports of certain seamless steel pipes of iron or steel from Russia to 28.7 per cent. Anti-dumping duties were previously applied to imports from The TMK Group at a rate of 27.2 per cent.³²⁸

The European Commission imposed a provisional anti-dumping duty on imports of threaded tube or pipe cast fittings of malleable cast iron from China and Thailand on 14 November 2012. The rate for China ranges from 32.7 to 67.8 per cent and the rate for Thailand ranges from 15.9 to 39.7 per cent. These duties apply for a period of six months.³²⁹ On 14 November 2012, the European Commission imposed a provisional anti-dumping duty on imports of ceramic tableware and kitchenware from China. The duties range from 17.6 to 58.8 per cent and will apply for six months.³³⁰

On 29 October 2012, the European Commission imposed a definitive anti-dumping duty on imports of aluminium radiators from China. The duties range from 12.6 to 61.4 per cent.³³¹ The

³²⁷ Le plan de soutien à la filière automobile, Ministry of Productive Recovery (Paris) July 25 2012. Date of Access: 15 January 2013. <http://www.redressement-productif.gouv.fr/plan-soutien-a-filiere-automobile>.

³²⁸ Commission Regulation (EU) No 585/2012, Official Journal of the European Union (Brussels) 21 December 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:357:0001:0006:EN:PDF>.

³²⁹ Commission Regulation (EU) No 1071/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0010:0027:EN:PDF>.

³³⁰ Commission Regulation (EU) No 1072/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0028:0065:EN:PDF>.

³³¹ Commission Regulation (EU) No 1039/2012, Official Journal of the European Union

European Commission levied a provisional anti-dumping duty on imports of certain organic coated steel products from China on 18 September 2012. The duties range from 13.2 to 57.8 per cent and will apply for a period of six months.³³²

The European Commission imposed a provisional anti-dumping duty on imports of certain aluminium foils in rolls from China on 17 September 2012. The duties range from 13 to 35.4 per cent and will apply for six months.³³³ The European Commission levied a provisional anti-dumping duty on imports of certain tube and pipe fittings of iron or steel from Russia and Turkey on 30 July 2012. The duty rate on Russia is 23.8 per cent. The duties range from 2.9 to 16.7 per cent for Turkey.³³⁴

On 16 July 2012, the European Commission expanded the definitive anti-dumping duty imposed on imports of certain open mesh fabrics of glass fibres from China to include imports of certain open mesh fabrics of glass fibres consigned from Malaysia. A duty rate of 62.9 per cent will apply to these goods consigned from Malaysia.³³⁵ On 26 June 2012, the European Commission increased anti-dumping duties on imports of tartaric acid from China, which now range from 8.3 per cent to 34.9 per cent.³³⁶

The European Commission issued a requirement for the registration of all imports of certain prepared or preserved citrus fruits from China on 28 June 2012.³³⁷

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³³⁸ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

France received a score of +1 for complying in full with sub-commitment one to refrain from imposing or raising new protectionist measures.

(2) France did not implement new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to France.

(Brussels) 29 October 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:310:0001:0012:EN:PDF>.

³³² Commission Regulation (EU) No 845/2012, Official Journal of the European Union (Brussels) 18 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:252:0033:0054:EN:PDF>.

³³³ Commission Regulation (EU) No 833/2012, Official Journal of the European Union (Brussels) 17 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:251:0029:0046:EN:PDF>.

³³⁴ Commission Regulation (EU) No 699/2012, Official Journal of the European Union (Brussels) 30 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³³⁵ Commission Regulation (EU) No 672/2012, Official Journal of the European Union (Brussels) 16 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³³⁶ Commission Regulation (EU) No 626/2012, Official Journal of the European Union (Brussels) 26 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:182:0001:0005:EN:PDF>.

³³⁷ Commission Regulation (EU) No 572/2012, Official Journal of the European Union (Brussels) 28 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³³⁸ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

Thus, France received a score of +1 for the second sub-commitment.

France is awarded a cumulative score of +1 for compliance with the trade commitment.

Analyst: Aleksandar Djerić

Germany: +1

Germany earned a cumulative score of +1 for full compliance with sub-commitment one and sub-commitment two.

(1) Germany achieved full compliance with its commitment to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

Since the Los Cabos Summit, the European Commission imposed anti-dumping duties in nine cases and imposed registration requirements in one instance.

On 21 December 2012, the European Commission raised the definitive anti-dumping duty on imports of certain seamless steel pipes of iron or steel from Russia to 28.7 per cent. Anti-dumping duties were previously applied to imports from The TMK Group at a rate of 27.2 per cent.³³⁹

The European Commission imposed a provisional anti-dumping duty on imports of threaded tube or pipe cast fittings of malleable cast iron from China and Thailand on 14 November 2012. The rate for China ranges from 32.7 to 67.8 per cent and the rate for Thailand ranges from 15.9 to 39.7 per cent. These duties apply for a period of six months.³⁴⁰ On 14 November 2012, the European Commission imposed a provisional anti-dumping duty on imports of ceramic tableware and kitchenware from China. The duties range from 17.6 to 58.8 per cent and will apply for six months.³⁴¹

On 29 October 2012, the European Commission imposed a definitive anti-dumping duty on imports of aluminium radiators from China. The duties range from 12.6 to 61.4 per cent.³⁴² The European Commission levied a provisional anti-dumping duty on imports of certain organic coated steel products from China on 18 September 2012. The duties range from 13.2 to 57.8 per cent and will apply for a period of six months.³⁴³

The European Commission imposed a provisional anti-dumping duty on imports of certain aluminium foils in rolls from China on 17 September 2012. The duties range from 13 to 35.4 per cent and will apply for six months.³⁴⁴ The European Commission levied a provisional anti-

³³⁹ Commission Regulation (EU) No 585/2012, Official Journal of the European Union (Brussels) 21 December 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:357:0001:0006:EN:PDF>.

³⁴⁰ Commission Regulation (EU) No 1071/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0010:0027:EN:PDF>.

³⁴¹ Commission Regulation (EU) No 1072/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0028:0065:EN:PDF>.

³⁴² Commission Regulation (EU) No 1039/2012, Official Journal of the European Union (Brussels) 29 October 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:310:0001:0012:EN:PDF>.

³⁴³ Commission Regulation (EU) No 845/2012, Official Journal of the European Union (Brussels) 18 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:252:0033:0054:EN:PDF>.

³⁴⁴ Commission Regulation (EU) No 833/2012, Official Journal of the European Union

dumping duty on imports of certain tube and pipe fittings of iron or steel from Russia and Turkey on 30 July 2012. The duty rate on Russia is 23.8 per cent. The duties range from 2.9 to 16.7 per cent for Turkey.³⁴⁵

On 16 July 2012, the European Commission expanded the definitive anti-dumping duty imposed on imports of certain open mesh fabrics of glass fibres from China to include imports of certain open mesh fabrics of glass fibres consigned from Malaysia. A duty rate of 62.9 per cent will apply to these goods consigned from Malaysia.³⁴⁶ On 26 June 2012, the European Commission increased anti-dumping duties on imports of tartaric acid from China, which now range from 8.3 per cent to 34.9 per cent.³⁴⁷

The European Commission issued a requirement for the registration of all imports of certain prepared or preserved citrus fruits from China on 28 June 2012.³⁴⁸

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³⁴⁹ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

Germany received a score of +1 for full compliance with sub-commitment one to refrain from imposing or raising new protectionist measures.

(2) Germany did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to Germany.

Thus, Germany received a score of +1 for the second sub-commitment.

Germany is awarded a cumulative score of +1 for compliance with the trade commitment.

Analyst: Elizabeth Stratton

India: -1

India received a score of -1 for failing to comply with its commitments to refrain from imposing new protectionist policies and to roll back protectionist policies that arose since the Cannes Summit.

(Brussels) 17 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:251:0029:0046:EN:PDF>.

³⁴⁵ Commission Regulation (EU) No 699/2012, Official Journal of the European Union (Brussels) 30 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³⁴⁶ Commission Regulation (EU) No 672/2012, Official Journal of the European Union (Brussels) 16 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³⁴⁷ Commission Regulation (EU) No 626/2012, Official Journal of the European Union (Brussels) 26 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:182:0001:0005:EN:PDF>.

³⁴⁸ Commission Regulation (EU) No 572/2012, Official Journal of the European Union (Brussels) 28 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³⁴⁹ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

(1) India did not comply with its commitment to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

India introduced one import ban and six new import taxes and duties since the Los Cabos Summit. On 5 October 2012, India banned imports of poppy seeds from Slovenia.³⁵⁰

India imposed a new tax on crude palm oil and soybean oil imports at a rate of 2.5 per cent on 18 January 2013.³⁵¹ On 4 January 2013, the Government of India levied a provisional safeguard duty on imports of hot rolled flat products of stainless steel 304-grade up to a maximum width of 1605 mm from China for 200 days.³⁵² On 24 September 2012, India levied an ad valorem duty of 20 per cent on 300-series hot-rolled stainless-steel plates imported from China for 200 days.³⁵³ The Indian government imposed a flat import duty of 10 per cent on gold on 21 August 2012.³⁵⁴ On 16 July 2012, the government imposed an import duty of 10 per cent on raw sugar.³⁵⁵

India imposed a 5 per cent import duty on power generation equipment on 21 June 2012. Imported equipment will be subject to an additional countervailing duty of 10 per cent and a special additional duty of 4 per cent. The total duties equal to 19 per cent will apply to equipment imported for mega projects, which generate at least 1000 megawatts of power. Equipment imported for non-mega projects will be subject to a further excise duty of 2 per cent. The total duty rate for equipment for non-mega projects will equal 21 per cent.³⁵⁶

India raised import taxes and duties in two instances since the Los Cabos Summit. On 22 January 2013, India increased the import tax on gold to 6 per cent from 4 per cent.³⁵⁷ On 16 July 2012, the Ministry of Finance raised the import duty on certain flat steel products to 7.5 per cent from 5 per cent.³⁵⁸

The Government of India adopted anti-dumping duties in seven instances since the Los Cabos Summit. On 24 December 2012, India levied anti-dumping duties on imports of phthalic anhydride from Israel, Korea and Taiwan. [The duties range from USD91.12 to USD139.76 per](#)

³⁵⁰ Notification No. 19 (RE-2012)/2009-2014, Ministry of Commerce and Industry (New Delhi) 5 October 2012. Date of Access: 15 January 2013. <http://164.100.9.245/Exim/2000/NOT/NOT12/not1912.htm>.

³⁵¹ Government slaps 2.5 per cent import duty on crude palm oil, Times of India (New Delhi) 18 January 2013. Date of Access: 26 January 2013. <http://timesofindia.indiatimes.com/business/india-business/Government-slaps-2-5-import-duty-on-crude-palm-oil/articleshow/18069133.cms>.

³⁵² Customs Notification No 1/2013, Ministry of Finance (New Delhi) 4 January 2013. Date of Access: 26 January 2013. <http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2013/cs-sg2013/cssg01-2013.htm>.

³⁵³ India Special Safeguard against Hot-rolled Stainless-Steel Plates from China, E-To-China (New Delhi) 26 September 2012. Date of Access: 5 January 2013. http://www.e-to-china.com/tariff_changes/data_tariff_changes/2012/0926/104456.html.

³⁵⁴ Import Duty on Gold Burns NRI Pockets, Times of India (Hyderabad) 21 August 2012. Date of Access: 5 January 2013. http://articles.timesofindia.indiatimes.com/2012-08-21/hyderabad/33302076_1_import-duty-gold-jewellery-gold-ornaments.

³⁵⁵ 10 per cent Import Duty Slapped on Raw Sugar; Levy on Steel Alloys Hiked, The Hindu Business Line (New Delhi) 16 July 2012. Date of Access: 5 January 2013. <http://www.thehindubusinessline.com/industry-and-economy/article3646552.ece>.

³⁵⁶ Government to Impose 5 per cent Customs Duty on Power Equipment, The Live Mint and the Wall Street Journal (New Delhi) 21 June 2012. Date of Access: 5 January 2013. <http://www.livemint.com/Politics/tr9JRy8ITcvS7E3XK15EEL/Govt-to-impose-5-customs-duty-on-power-equipment.html>.

³⁵⁷ India targets alloy in second gold duty hike this week, The Economic Times of India (Mumbai) 22 January 2013. Date of Access: 26 January 2013. http://articles.economictimes.indiatimes.com/2013-01-22/news/36484647_1_bombay-bullion-association-gold-imports-import-duty.

³⁵⁸ 10 per cent Import Duty Slapped on Raw Sugar; Levy on Steel Alloys Hiked, The Hindu Business Line (New Delhi) 16 July 2012. Date of Access: 5 January 2013. <http://www.thehindubusinessline.com/industry-and-economy/article3646552.ece>.

[tonne](#).³⁵⁹ On 21 December 2012, India imposed anti-dumping duties on imports of choline chloride from China [at](#) a rate of 60.79 per cent.³⁶⁰

India imposed definitive anti-dumping duties on imports of digital offset printing plates from China on 3 December 2012. The duties range from USD4.87 to 5.81 per square metre.³⁶¹ India imposed anti-dumping duties on new or unused pneumatic non radial bias tyres from China and Thailand on 8 October 2012. The rates range from USD0.86 to 1.31 per kilogram.³⁶²

On 16 July 2012, the Indian government levied definitive anti-dumping duties on imports of Grinding Media Balls, excluding Forged Grinding Media Balls, from Thailand and China. The duty rates range from USD187 to 387.36 per tonne.³⁶³ India imposed definitive anti-dumping duties on soda ash originating from China, the European Union, Iran, Kenya, Pakistan, Ukraine and the United States at rates ranging from USD2.38 to 38.79 per tonne on 3 July 2012.³⁶⁴ On 20 June 2012, India imposed definitive anti-dumping duties on imports of pentaerythritol from the European Union, excluding Sweden, for a period of five years. [The duties range from](#) USD379 to 490 per tonne.³⁶⁵

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³⁶⁶ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

India earned a score of -1 for noncompliance with sub-commitment one. India imposed an import ban and six import taxes and duties, as well as raising two import taxes and duties. India exceeded the median number of protectionist policies imposed by G20 members.

(2) No evidence was found that India has rolled back or significantly amended any protectionist policies implemented since the Cannes Summit.

India received a score of -1 for noncompliance with sub-commitment two.

India is awarded an overall compliance score of -1 for noncompliance with the trade commitment.

Sub-commitment one: India total = 9

Date imposed	Measures implemented
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³⁵⁹ Customs Notification No. 58/2012, Ministry of Finance (New Delhi) 24 December 2012. Date of Access: 15 January 2013. <http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2012/cs-add2012/csadd-58-2012.htm>.

³⁶⁰ Customs Notification No. 57/2012, Ministry of Finance (New Delhi) 21 December 2012. Date of Access: 15 January 2013. <http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2012/cs-add2012/csadd-57-2012.htm>.

³⁶¹ Customs Notification No 51/2012, Ministry of Finance (New Delhi) 3 December 2012. Date of Access: 5 January 2013. http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2012/cs-add2012/csadd-51-2012_eng.htm.

³⁶² Customs Notification No 47/2012, Ministry of Finance (New Delhi) 8 October 2012. Date of Access: 5 January 2013. <http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2012/cs-add2012/csadd-47-2012.htm>.

³⁶³ Customs Notification No 36/2012, Ministry of Finance (New Delhi) 3 July 2012. Date of Access: 5 January 2013. <http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2012/cs-add2012/csadd-36-2012.htm>.

³⁶⁴ Customs Notification No 34/2012, Ministry of Finance (New Delhi) 20 June 2012. Date of Access: 5 January 2013. <http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2012/cs-add2012/csadd-34-2012.htm>.

³⁶⁵ Customs Notification No 33/2012, Ministry of Finance (New Delhi) December 2012. Date of Access: 5 January 2012. <http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2012/cs-add2012/csadd-33-2012.htm>.

³⁶⁶ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

22 Jan. 2013	Increased import tax on gold
18 Jan. 2013	Imposed import tax on crude palm oil and soybean oil
4 Jan. 2013	Levied provisional safeguard duty on hot rolled flat stainless steel products
5 Oct. 2012	Introduced import ban on poppy seeds from Slovenia
24 Sept. 2012	Imposed import duty on 300-series hot-rolled stainless-steel plates from China
21 Aug. 2012	Imposed import duty on gold
16 July 2012	Imposed import duty on raw sugar
16 July 2012	Increased import duty on certain flat steel products
21 June 2012	Imposed duties on power generation equipment

Analyst: Chris D'Souza

Indonesia: +1

Indonesia received a cumulative score of +1 for fully complying with the trade commitment. Indonesia partially complied with its standstill commitment but complied in full with the roll back commitment.

(1) Indonesia partially complied with its commitment to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

On 29 October 2012, the Ministry of Trade issued new regulations regarding the franchising of retail businesses within Indonesia. The regulation will limit the maximum number of outlets directly owned by a retail entrepreneur to 150 and require that 80 per cent of goods being sold are locally produced. The measures will be implemented within the next five years. This regulation will mainly affect foreign owners and investors.³⁶⁷

Indonesia introduced a new requirement for producers and importers of horticultural commodities to obtain a special import permit from the Indonesian Ministry of Agriculture on 28 September 2012. The rule was originally announced on 7 May 2012.³⁶⁸ The measure was referred to the Dispute Settlement Body at the World Trade Organization on 10 January 2013 by the United States.³⁶⁹

Indonesia received a score of 0 for partial compliance with sub-commitment one. Indonesia imposed two protectionist policies during the compliance cycle, which does not exceed the G20 median.

(2) Indonesia complied fully with sub-commitment two to roll back existing protectionist measures that arose since the Cannes Summit.

In June 2012, the Government of Indonesia increased the import quota for beef to 41 000 tonnes from 34 000 tonnes in March 2012. The import quota was substantially reduced in March 2012 from a previous level of 100 000 tonnes.³⁷⁰

³⁶⁷ 2012 Doing Business in Indonesia: Commercial Guide for US Companies, US Department of Commerce (Washington) 2012. Date of Access: 15 January 2013. http://export.gov/indonesia/static/2012per cent20CCGper cent20Indonesia_Latest_eg_id_050874.pdf.

³⁶⁸ Government tightens grip on horticultural imports, The Jakarta Post (Jakarta) 14 May 2012. Date of Access: 15 January 2013. <http://www.thejakartapost.com/news/2012/05/14/govt-tightens-grip-horticulture-imports.html>.

³⁶⁹ Dispute DS455, Dispute Settlement Body –World Trade Organization (Geneva) 10 January 2013. Date of Access: 15 January 2013. http://www.wto.org/english/tratop_e/dispu_e/cases_e/ds455_e.htm.

³⁷⁰ Indonesia Beef Quota Threatens Meatball, Sausage Producers, The Jakarta Globe (Jakarta) 14 April 2012. Date of Access: 15 January 2013. <http://www.thejakartaglobe.com/business/indonesia-beef-quota-threatens-meatball-sausage-producers/511304>.

Indonesia earned a score of +1 for full compliance with sub-commitment two by significantly amending an import quota.

Indonesia received a cumulative score of 0 for partial compliance with the trade commitment.

Sub-commitment one: Indonesia total = 2

Date imposed	Measures implemented
29 Oct. 2012	Restrictions on retail franchises and requirements for locally produced goods
28 Sept. 2012	New import permit requirement for horticultural goods

Analysts: Isa Topbas and Elizabeth Stratton

Italy: +1

Italy received an overall score of +1 for full compliance with the trade commitment.

Italy failed to comply with the standstill commitment. Italy achieved full compliance with the roll back commitment, which was not applicable to Italy.

(1) Italy partially complied with its commitment to refrain from imposing any new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

Finmeccanica, an Italian industrial group, announced the sale of Ansaldo Energia which the German company Siemens offered to buy. In July 2012 the Fondo Strategico Italiano (FSI) interfered to prevent the sale and keep the company in “Italian hands.” A memorandum of understanding was initiated by the FSI and completed on 13 October 2012 to block the Siemens bid.³⁷¹

The Government of Italy implemented a decree entitled “Urgent Measures for the Growth of the Country” on 11 August 2012. Article 34 states that all imports of biofuels from non-EU countries must now be subject to approval by the Italian Ministry of Economic Development. Exporting companies must submit all documentation in Italian.³⁷²

Since the Los Cabos Summit, the European Commission imposed anti-dumping duties in nine cases and imposed registration requirements in one instance.

On 21 December 2012, the European Commission raised the definitive anti-dumping duty on imports of certain seamless steel pipes of iron or steel from Russia to 28.7 per cent. Anti-dumping duties were previously applied to imports from The TMK Group at a rate of 27.2 per cent.³⁷³

The European Commission imposed a provisional anti-dumping duty on imports of threaded tube or pipe cast fittings of malleable cast iron from China and Thailand on 14 November 2012. The rate for China ranges from 32.7 to 67.8 per cent and the rate for Thailand ranges from 15.9

³⁷¹ FSI ed un gruppo di industriali insieme per un’offerta d’investimento a Finmeccanica per Ansaldo Energia, Fondo Strategico Italiano (Milano) 12 October 2012. Date of Access: 15 January 2013. <http://www.fondostrategico.it/news/fsi-ed-un-gruppo-di-industriali-insieme-per-un-offerta-d-investimento-a-finmeccanica-per-ansaldo-energia.html>.

³⁷² Decreto-Legge n. 83, il Presidente Della Repubblica (Rome) 22 June 2012. Date of Access: 15 January 2013. http://www.lavoro.gov.it/NR/rdonlyres/E8058E69-D1AE-40C1-9664-602FD8C63C0B/0/20120622_DL_83.pdf.

³⁷³ Commission Regulation (EU) No 585/2012, Official Journal of the European Union (Brussels) 21 December 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:357:0001:0006:EN:PDF>.

to 39.7 per cent. These duties apply for a period of six months.³⁷⁴ On 14 November 2012, the European Commission imposed a provisional anti-dumping duty on imports of ceramic tableware and kitchenware from China. The duties range from 17.6 to 58.8 per cent and will apply for six months.³⁷⁵

On 29 October 2012, the European Commission imposed a definitive anti-dumping duty on imports of aluminium radiators from China. The duties range from 12.6 to 61.4 per cent.³⁷⁶ The European Commission levied a provisional anti-dumping duty on imports of certain organic coated steel products from China on 18 September 2012. The duties range from 13.2 to 57.8 per cent and will apply for a period of six months.³⁷⁷

The European Commission imposed a provisional anti-dumping duty on imports of certain aluminium foils in rolls from China on 17 September 2012. The duties range from 13 to 35.4 per cent and will apply for six months.³⁷⁸ The European Commission levied a provisional anti-dumping duty on imports of certain tube and pipe fittings of iron or steel from Russia and Turkey on 30 July 2012. The duty rate on Russia is 23.8 per cent. The duties range from 2.9 to 16.7 per cent for Turkey.³⁷⁹

On 16 July 2012, the European Commission expanded the definitive anti-dumping duty imposed on imports of certain open mesh fabrics of glass fibres from China to include imports of certain open mesh fabrics of glass fibres consigned from Malaysia. A duty rate of 62.9 per cent will apply to these goods consigned from Malaysia.³⁸⁰ On 26 June 2012, the European Commission increased anti-dumping duties on imports of tartaric acid from China, which now range from 8.3 per cent to 34.9 per cent.³⁸¹

The European Commission issued a requirement for the registration of all imports of certain prepared or preserved citrus fruits from China on 28 June 2012.³⁸²

³⁷⁴ Commission Regulation (EU) No 1071/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0010:0027:EN:PDF>.

³⁷⁵ Commission Regulation (EU) No 1072/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0028:0065:EN:PDF>.

³⁷⁶ Commission Regulation (EU) No 1039/2012, Official Journal of the European Union (Brussels) 29 October 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:310:0001:0012:EN:PDF>.

³⁷⁷ Commission Regulation (EU) No 845/2012, Official Journal of the European Union (Brussels) 18 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:252:0033:0054:EN:PDF>.

³⁷⁸ Commission Regulation (EU) No 833/2012, Official Journal of the European Union (Brussels) 17 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:251:0029:0046:EN:PDF>.

³⁷⁹ Commission Regulation (EU) No 699/2012, Official Journal of the European Union (Brussels) 30 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³⁸⁰ Commission Regulation (EU) No 672/2012, Official Journal of the European Union (Brussels) 16 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

³⁸¹ Commission Regulation (EU) No 626/2012, Official Journal of the European Union (Brussels) 26 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:182:0001:0005:EN:PDF>.

³⁸² Commission Regulation (EU) No 572/2012, Official Journal of the European Union (Brussels) 28 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³⁸³ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

Italy received a score of 0 for introducing 2 measures, which does not exceed the G20 median.

(2) Italy did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to Italy.

Thus, Italy received a score of +1 for the second sub-commitment.

Italy was awarded a cumulative score of +1 for full compliance with the trade commitment.

Sub-commitment one: Italy total = 2

Date imposed	Measures implemented
13 Oct. 2013	Blocked sale of Italian company to foreign buyer
11 Aug. 2012	Imposed burdensome regulations on biofuel imports from non-EU countries

Analysts: Elizabeth Stratton and Michelle Galluzzo

Japan: +1

Japan received a cumulative score of +1 for full compliance with the trade commitment. Japan partially complied with its standstill commitment. The second sub-commitment was not applicable to Japan.

(1) Japan partially complied with its commitment to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

The Japanese Ministry of Agriculture, Forestry and Fisheries announced a ban on all imports of beef from Brazil on 8 December 2012. The Ministry cited a possible case of bovine spongiform encephalopathy (BSE) in a Brazilian cow in 2010. The World Organization for Animal Health did not however confirm the disease. Brazil maintained its classification as a country with negligible BSE risk, which is superior to Japan's safety classification as a country with controlled BSE risk. The Japanese ban of Brazilian beef imports is not supported by internationally recognized health concerns.³⁸⁴

Japan received a score of 0 for sub-commitment one. Japan imposed one protectionist policy during the compliance cycle, which is less than the G20 median.

(2) Japan did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to Japan.

Thus, Japan received a score of +1 for the second sub-commitment.

³⁸³ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

³⁸⁴ Japan: Ban on imports of beef from Brazil, Global Trade Alert (London) 11 December 2012. Date of Access: 15 January 2013. <http://www.globaltradealert.org/measure/japan-ban-imports-beef-brazil>.

Japan is awarded a cumulative score of +1 for full compliance with the trade commitment.

Sub-commitment one: Japan total = 1

Date imposed	Measures implemented
8 Dec. 2012	Import ban on beef from Brazil

Analysts: Aleksandar Djerić and Elizabeth Stratton

Korea: +1

Korea was awarded a score of +1 for complying with the trade commitment. Korea refrained from raising or imposing new protectionist measures under sub-commitment one. The second sub-commitment to roll back existing protectionist measures was not applicable to Korea.

(1) No information was found to indicate that Korea imposed new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports since the Los Cabos Summit.

Korea received a score of +1 for complying with sub-commitment one.

(2) Korea did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to Korea.

Thus, Korea received a score of +1 for the second sub-commitment.

Korea is awarded a cumulative score of +1 for full compliance with the trade commitment.

Analyst: Buse Kayar

Mexico: +1

Mexico earned a score of +1 for complying with the trade commitment. Mexico refrained from raising or imposing new protectionist measures under sub-commitment one. The second sub-commitment to roll back existing protectionist measures was not applicable to Mexico.

(1) Mexico complied with its commitment to refrain from imposing or raising new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports since the Los Cabos Summit.

On 11 September 2012, the Government of Mexico imposed antidumping duties on monobutyl ethers of ethylene glycol from the United States. The duties range from 14.81 per cent to 36.64 per cent. The anti-dumping investigation began on 29 October 2010 at the request of Polioles S.A. de C.V.³⁸⁵

On 10 August 2012, the Government of Mexico levied antidumping duties on coaxial cable and other coaxial electric conductors from China. The anti-dumping duties range from 88 per cent to 345.91 per cent. The duties were determined by an investigation which was initiated on 8 June 2011 at the request of Conductores Monterrey S.A. de C.V.³⁸⁶

³⁸⁵ Mexico: Definitive antidumping duties on monobutyl ethers of ethylene glycol or of diethylene glycol, Global Trade Alert (London) 11 September 2012. Date of Access: 3 January 2013.

<http://www.globaltradealert.org/measure/mexico-definitive-antidumping-duties-monobutyl-ethers-ethylene-glycol-or-diethylene-glycol>.

³⁸⁶ Mexico: Adoption of antidumping duties on coaxial cable and other coaxial electric conductors from China, Global Trade Alert (London) 10 August 2012. Date of Access: 3 January 2013.

<http://www.globaltradealert.org/measure/mexico-adoption-antidumping-duties-coaxial-cable-and-other-coaxial-electric-conductors-china>.

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.³⁸⁷ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

Mexico received a score of +1 for complying with sub-commitment one.

(2) Mexico did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore the second subcommitment is not applicable to Mexico.

Thus Mexico received a score of +1 for the second sub-commitment.

Mexico is awarded a cumulative score of +1 for complying fully with the trade commitment.

Analyst: Aleksandar Djeric

Russia: -1

Russia has failed to comply with its commitment on trade.

Sub-commitment one:

During the monitoring period Russia has introduced at least 21 protectionist measures.

On 5 July 2012, the Commission of the Customs Union of Russia, Belarus and Kazakhstan introduced a temporary quota (from 1 July 2012 to 31 December 2012) on the imports of ozone-depleting substances.³⁸⁸

On 6 July 2012, the Eurasian Economic Commission initiated a safeguard investigation against imports of harvesters and modules.³⁸⁹ The investigation led to an introduction of special duty in the amount of 27.5 per cent of the customs value of the harvesters and their components imported into the territory of Customs Union of Russia, Belarus and Kazakhstan.³⁹⁰

On 26 July 2012, the Eurasian Economic Commission imposed an import ban on a number of seal products.³⁹¹

In August 2012, Russia introduced subsidies for the medium and small enterprises including domestic agricultural producers, amounting to USD 633.7 million.³⁹²

³⁸⁷ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

³⁸⁸ Decision №99 On the introduction of the quantitative restrictions on imports of ozone-depleting substances in the Russian Federation, Eurasian Economic Commission 5 July 2012. Date of Access: 25 March 2013. http://www.tsouz.ru/EEK/RSEEEK/RKEEEK/17z/Pages/R_99.aspx.

³⁸⁹ The Customs Union of Russia, Belarus and Kazakhstan: Preliminary safeguard duty on imports of harvesters and modules, Global Trade Alert 31 August 2012. Date of Access: 21 March 2013. <http://www.globaltradealert.org/measure/customs-union-russia-belarus-and-kazakhstan-preliminary-safeguard-duty-imports-harvesters-an>.

³⁹⁰ On the application of a safeguard measure by introducing a preliminary special duty on grain combines and harvesters modules imported into the common customs territory of the Customs Union, Eurasian Economic Commission 31 December 2012. Date of Access: 21 March 2013. http://tsouz.ru/EEK/RSEEEK/RKEEEK/38z/Pages/R_289.aspx.

³⁹¹ Decision № 120 On the amendments to Section 1.8 of the Single List of goods subject to prohibitions or restrictions on the importation or exportation by the states - members of the Customs Union within the Eurasian Economic Community in trade with third countries, Eurasian Economic Commission 26 July 2012. Date of Access: 25 March 2013. http://www.tsouz.ru/EEK/RSEEEK/RKEEEK/20z/Pages/R_120.aspx.

On 11 September 2012, Russian President signed an executive order on measures protecting Russian legal entities' foreign economic activities.³⁹³ This document aims to protect so-called strategic companies of the Russian Federation operating abroad, which according to Global Trade Alert is discriminative against foreign commercial interests.³⁹⁴

On 30 August 2012, Russia introduced a disposal fee for imported new and second hand wheel vehicles, amounting to approximately USD650 for imported cars, and to USD4876 for imported trucks. The measure entered into force on 1 September 2012.³⁹⁵

On 2 October 2012, the Customs Union of Russia, Belarus and Kazakhstan introduced an import duty of USD0.45 per kg of activated carbon.³⁹⁶

On 8 October 2012, the Russian Federation provided state guarantees of USD210.5 million to United Shipbuilding Corporation and "Rubin" Central Design Bureau for Marine Engineering.³⁹⁷

On 26 September 2012, the Russian Government introduced a new subsidy scheme for the purchase of buses, trams and trolleybuses, produced in the countries of the Single Economic Space.³⁹⁸

On 22 October 2012, Russia introduced a federal subsidy to domestic leasing companies for partial reimbursement of interest rate payments of loans taken from the Russian credit institutions or the State Corporation "Bank for Development and Foreign Economic Affairs (Vnesheconombank)" for the purchase of aircraft and flight simulators in 2008-2012.³⁹⁹

On 25 December 2012, the Collegium of the Customs Union of Russia, Belarus and Kazakhstan increased from 0 to 10 per cent the import duty on data processing machines with customs value of up to USD3,000.⁴⁰⁰

³⁹² Government Decree from 2 August 2012 NO.1410-p On distribution of subsidies provided in 2012 from the federal budget of the Russian Federation for the state support of small and medium-sized businesses, including farms, Government of Russia 3 August 2012. Date of Access: 21 March 2013.

<http://www.government.ru/gov/results/19917/>.

³⁹³ Executive order on measures protecting Russian interests in Russian legal entities' foreign economic activities, President of Russia 11 September 2012. Date of Access: 25 March 2013. <http://eng.kremlin.ru/news/4401>.

³⁹⁴ <http://www.globaltradealert.org/measure/russian-federation-increased-government-control-over-“strategic-companies”>.

³⁹⁵ Government Decree № 870 On recycling tax on vehicles, Government of Russia 30 August 2012. Date of Access: 25 March 2013. <http://www.government.ru/gov/results/20492/>.

³⁹⁶ Decision № 173 Measures to protect the economic interests of producers of activated carbons in the Customs Union, Eurasian Economic Commission 2 October 2012. Date of Access: 25 March 2013.

http://www.tsouz.ru/eeK/RSEEK/RKEEK/26z/Pages/R_173.aspx.

³⁹⁷ Government Decree № 1876-p of 8 October 2012 On provision of state guarantees for loans taken by organizations of the military-industrial complex for the purpose fulfillment of the state defence order in 2012, Government of Russia 8 October 2012. Date of Access: 25 March 2013.

<http://www.government.ru/gov/results/21096/>.

³⁹⁸ Decree № 981 of 26 September 2012 On the Rules of provision and distribution of subsidies from the federal budget of the Russian Federation for the purchase of buses running on gas fuel, trams and trolleybuses produced in the states of the Single Economic Space in 2012, Government of Russia 2 October 2012. Date of Access: 25 March 2013. <http://www.government.ru/gov/results/20950/>.

³⁹⁹ Decree № 1073, Government of Russia 22 October 2012. Date of Access: 25 March 2013.

<http://www.government.ru/gov/results/21242/>.

⁴⁰⁰ Decision № 303 of 25 December 2012 On Amending the Single Commodity Nomenclature of Foreign Economic Activity of the Customs Union and the Common Customs Tariff of the Customs Union in respect of certain types of computing machines, and several decisions of the Commission of the Customs Union and the Board of Eurasian Economic Commission, Eurasian Economic Commission 25 December 2012. Date of Access: 26 March 2013.

http://tsouz.ru/eeK/RSEEK/RKEEK/38z/Pages/R_303.aspx.

On 16 January 2013, the Russian Government introduced a subsidy to enterprises operating in the timber industry to compensate for part of the interest payments on investment loans obtained in 2012-2013 for the purpose of modernization of their wood processing capacity.⁴⁰¹

On 25 December 2012, a preliminary anti-dumping duty of 51.87 per cent on the cast-iron enamelled bathtubs imported from China was introduced.⁴⁰² The preliminary duty will be applied from 26 January 2013 to 26 May 2013. The duty was introduced as a result of anti-dumping investigation initiated on 15 June 2012.⁴⁰³

On 18 February 2013, the Russian Government introduced state support measure for exports of local industrial goods. Domestic exporters of industrial goods with 30 per cent Russian content, which are part of contractual obligations with foreign partners, will be supported by a state guarantee.⁴⁰⁴

On 5 March 2013, the Customs Union of Russia, Belarus and Kazakhstan increased the import tariffs on certain types of equipment for television reception.⁴⁰⁵

On 5 March 2013 the Customs Union of Russia, Belarus and Kazakhstan banned the exports of wood, paper and cardboard goods from Kazakhstan.⁴⁰⁶

On 6 March 2013, the Eurasian Economic Commission of the Customs Union of Russia, Belarus and Kazakhstan increased the import duties on butter, dairy spreads, other fats and oils derived from milk, curd and certain types of cheese by up to 10 per cent.^{407 408}

At least 17 protectionist measures have been introduced by Russia during the monitoring period, which is more than the G20 median. Thus it gets a score of -1 for sub-commitment one.

Sub-commitment two:

The WTO report on the G20 Trade Related Measures identifies that during the monitoring period Russia has rolled back 1 protectionist measure.

⁴⁰¹ Decree № 2 of 16 January 2013 Rules for granting subsidies to organizations timber industry to compensate for part of the interest on loans, Government of Russia 18 January 2013. Date of Access: 26 March 2013. <http://www.government.ru/gov/results/22421/>.

⁴⁰² Proceedings of the anti-dumping investigation in respect to enameled cast-iron bathtubs, originating from the People's Republic of China, Eurasian Economic Commission 25 December 2012. Date of Access: 26 March 2013. http://tsouz.ru/db/spec_measures/Pages/investigation_bathtubs.aspx.

⁴⁰³ The Customs Union of Russia, Belarus and Kazakhstan: Preliminary AD duties on cast-iron enamelled bathtubs imported from China, Global trade Alert 5 February 2013. Date of Access: 26 March 2013. <http://www.globaltradealert.org/measure/customs-union-russia-belarus-and-kazakhstan-preliminary-ad-duties-cast-iron-enamelled-bathu>.

⁴⁰⁴ Amendments to the Rules of granting state guarantees in foreign currency as public support to industrial exports, Government of Russia 22 February 2013. Date of Access: 25 March 2013. <http://government.ru/gov/results/22939/>.

⁴⁰⁵ On establishing the import duties of The Common Customs Tariff of the Customs Union on certain types of equipment for television reception, Eurasian Economic Commission 5 March 2013. Date of Access: 26 March 2013. http://tsouz.ru/eeek/RSEEEK/RKEEEK/2013/6z/Pages/R_32.aspx.

⁴⁰⁶ Amendments to Section 1.5 of the Single List of goods subject to prohibitions or restrictions on the importation or exportation by the states - members of the Customs Union within the Eurasian Economic Community in trade with third countries, Eurasian Economic Commission 5 March 2013. Date of Access: 26 March 2013. http://tsouz.ru/eeek/RSEEEK/RKEEEK/2013/6z/Pages/R_33.aspx.

⁴⁰⁷ On establishment of import duty rates of the Common Customs Tariff of the Customs Union on butter, dairy spreads, other fats and oils derived from milk, curd and certain types of cheese, Eurasian Economic Commission 5 February 2013. Date of Access: 26 March 2013. http://tsouz.ru/eeek/RSEEEK/RKEEEK/2013/4z/Pages/R_13.aspx.

⁴⁰⁸ The Customs Union of Russia, Belarus and Kazakhstan: Tariff increases on some sorts of cheese, Global trade Alert 17 February 2013. Date of Access: 26 March 2013. <http://www.globaltradealert.org/measure/customs-union-russia-belarus-and-kazakhstan-tariff-increases-some-sorts-cheese>.

On 30 August 2012, Russia, Belarus and Kazakhstan eliminated the import tariffs on certain aircraft components, aircraft controls, and air conditioning.⁴⁰⁹ However, neither the WTO report, nor the Global trade Alert database contains information regarding the inception date of the measure, which was subject to roll back. Thus, this cannot be counted as a compliance with the sub-commitment two.

No additional information on protectionist measures that have been rolled back by Russia during the monitoring period has been found. Thus, Russia gets a score of -1 for sub-commitment two.

Russia received a cumulative score of -1 for failing to comply with its commitment on trade.

Analyst: Andrei Sakharov

Saudi Arabia: -1

Saudi Arabia received a score of +1 for full compliance with the trade commitment. Saudi Arabia partially complied with its standstill commitment, while the roll back commitment was not applicable to it.

(1) Saudi Arabia partially complied with sub-commitment one to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO inconsistent measures to stimulate exports.

The Saudi Minister of Commerce and Industry Tawfiq Al-Rabiah announced a ban on poultry exports on 3 October 2012.⁴¹⁰

On 1 September 2012, the Asharqia Chamber announced a strategy to nationalize services related to the industrial sector. The strategy calls for large government investments in the industry and local content requirements for the private sector which are expected to increase to 55 per cent from 20 per cent.⁴¹¹

Saudi Arabia received a score of 0 for introducing 2 measures, which does not exceed the G20 median.

(2) Saudi Arabia did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to Saudi Arabia.

Saudi Arabia was awarded a score of +1 for full compliance with sub-commitment two.

Thus, Saudi Arabia received a cumulative score of +1 for fully complying with the commitment on trade.

Sub-commitment one: Saudi Arabia total = 2

Date imposed	Measures implemented
3 Oct. 2012	Export ban on poultry
1 Sept. 2012	Nationalization strategy for industrial sector

⁴⁰⁹ WTO Report on G-20 Trade Measures, WTO 31 October 2012. Date of Access: 25 March 2013.

http://www.wto.org/english/news_e/news12_e/g20_wto_report_oct12_e.doc

⁴¹⁰ Commerce Ministry bans export of chicken, Saudi Gazette (Riyadh) 4 October 2012. Date of Access: 3 January 2013. <http://www.saudigazette.com.sa/index.cfm?method=home.regcon&contentid=20121004138454>.

⁴¹¹ Asharqia Chamber plans to launch big Saudization initiative, Middle East and North Africa Financial Network (Amman) 2 September 2012. Date of Access: 15 January 2013.

<http://www.menafn.com/menafn/1093552999/Asharqia-Chamber-plans-to-launch-big-Saudization-initiative>.

South Africa: -1

South Africa received an overall score of -1 for noncompliance with sub-commitment one to refrain from imposing new protectionist measures and sub-commitment two to roll back existing measures.

(1) South Africa did not comply with its commitment to refrain from imposing new barriers to investment or trade in goods and services, imposing new export restrictions, and from implementing WTO inconsistent measures to stimulate exports.

On 6 December 2012, the South African Minister of Trade opened a small-scale maize mill in Durban. The mill is largely funded by the South African Department of Trade and Industry and plans to sell maize meal at prices below the market rates. The South African Department of Trade and Industry plans to open four more mills in KwaZulu-Natal in the next two years.⁴¹²

The Government of South Africa granted South African Airways a guarantee equal to USD600 million for two years on 3 October 2012. The guarantee intends to support the ongoing operation of the airline despite its financial difficulties and harms foreign commercial interests.⁴¹³

On 22 June 2012, South Africa announced a plan to amend the Private Security Industry Regulation Act of 2001. The amendment limits foreign investment by requiring that 51 per cent of the shares of private security firms are domestically owned.⁴¹⁴

South Africa received a score of 0 for introducing 3 measures, which does not exceed the G20 median.

(2) No information was found to show that South Africa rolled back protectionist measures imposed since the Cannes Summit.

South Africa earned a score of +1 for noncompliance with sub-commitment two.

Thus, South Africa achieved a cumulative score of +1 for full compliance with the trade commitment.

Sub-commitment one: South Africa total = 3

Date imposed	Measures implemented
6 Dec. 2012	State funded maize mill and plan to sell maize at less than market value
3 Oct. 2012	Government guarantee to South Africa Airways
22 June 2012	Restrictions on foreign investment in amended Private Security Industry Regulation Act

Analysts: Michelle Galluzo and Elizabeth Stratton

Turkey: 0

⁴¹² Minister Davies to launch the Kuvusa small-scale maize mill, Department of Trade and Industry (Pretoria) 3 December 2012. Date of Access: 15 January 2013. <http://www.thedti.gov.za/editmedia.jsp?id=2594>.

⁴¹³ Government grants SAA request for R5 billion guarantee, National Treasury of South Africa (Pretoria) 2 October 2012. Date of Access: 15 January 2013. http://www.treasury.gov.za/comm_media/press/2012/2012100301.pdf.

⁴¹⁴ Explanatory Summary of The Private Security Industry Regulation Amendment Bill, Government Gazette (Pretoria) 22 June 2012. Date of Access: 15 January 2013. http://www.psira.co.za/joomla/pdfs/1_35461_22_6Police.pdf.

Turkey received a cumulative score of 0 for partial compliance with the trade commitment. Turkey failed to comply with its commitment to refrain from imposing new protectionist policies. The second sub-commitment was not applicable.

(1) Turkey did not comply with sub-commitment one to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

On 31 December 2012, Turkey imposed tariffs equal to 10 per cent on certain flat steel products including fat strip and flat rods containing less than 0.25 per cent carbon and plates of width not exceeding 500mm. The tariff on flat rolled sheet products of alloy steel of width of 600mm or more was increased to 6 per cent from 3 per cent.⁴¹⁵

On 30 October 2012, Turkey raised tariffs on imports of livestock and meat. This regulation increased the tariffs on cows weighing more than 400 kilograms and lambs younger than 12 months to 40 per cent from 30 per cent. The tax on imported meat was raised to 100 per cent from 70 per cent. In accordance with the EU-Turkey Customs Union Agreement, the tariffs do not apply to products from EU member states.⁴¹⁶

On 8 July 2012, Turkey increased import tariffs on live bovine animals to 30 per cent from 15 per cent and increased tariffs on live sheep to 30 per cent from 20 per cent.⁴¹⁷

Turkey imposed definitive antidumping duties on imports of vulcanized rubber thread and cord originating in Thailand on 27 November 2012. These duties were imposed following an anti-dumping investigation which was initiated in late 2011.⁴¹⁸ No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.⁴¹⁹ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

Turkey received a score of -1 for sub-commitment one. Turkey imposed seven protectionist measures during the compliance cycle, exceeding the G20 median.

(2) Turkey did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to Turkey.

Thus, Turkey received a score of +1 for the second sub-commitment.

Turkey is awarded a cumulative score of 0 for partial compliance with the trade commitment.

⁴¹⁵ Turkey: import duties on certain flat steel products changed, Global Trade Alert (London) 10 January 2013. Date of Access: 15 January 2013. <http://www.globaltradealert.org/measure/turkey-import-duties-certain-flat-steel-products-changed>.

⁴¹⁶ Ankara raises tariffs for livestock, meat imports, Sunday's Zaman (Istanbul) 20 October 2012. Date of Access: 6 January 2013. http://www.todayszaman.com/newsDetail_getNewsById.action?newsId=296599.

⁴¹⁷ Eighth report on G20 trade and investment measures, OECD, WTO and UNCTAD (Geneva) 31 October 2012. Date of Access: 15 January 2013. <http://www.oecd.org/daf/internationalinvestment/8thG20report.pdf>.

⁴¹⁸ İthalatta haksız rekabetin önlenmesine ilişkin tebliğ, Ekonomi Bakanlığı (Ankara) 27 November 2012. Date of Access: 2 January 2013. http://www.ekonomi.gov.tr/upload/8920C175-C834-95C2-3A17840F5788E635/2012_23.pdf.

⁴¹⁹ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

Sub-commitment one: Turkey total = 7

Date imposed	Measures implemented
31 Dec. 2012	Introduced tariffs on certain flat steel products
31 Dec. 2012	Increased tariff on flat rolled sheet products of alloy steel of certain width
30 Oct. 2012	Increased tariff on cows weighing more than 400kg
30 Oct. 2012	Increased tariff on lambs younger than 12 months
30 Oct. 2012	Increased tax on imported meat
8 July 2012	Increased tariff on live bovine animals
8 July 2012	Increased tariff on live sheep

Analysts: Elizabeth Stratton and Isa Topbas

United Kingdom: +1

The United Kingdom achieved a score of +1 for complying in full with the trade commitment. The United Kingdom fulfilled sub-commitment one. Sub-commitment two was not applicable.

(1) The United Kingdom fully complied with its commitment to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

British Chancellor of Exchequer George Osborne announced that a direct lending facility equal to GBP1.5 billion is to be established to support overseas buyers of capital and semi-capital goods from the United Kingdom. The measure is an indirect export subsidy because the support of overseas companies who buy British exports gives British exporters an advantage over foreign competitors.⁴²⁰ This measure is not considered protectionist because the WTO Agreement on Subsidies and Countervailing Measures does not include indirect subsidies to foreign companies an unfair measure to stimulate exports.⁴²¹

Since the Los Cabos Summit, the European Commission imposed anti-dumping duties in nine cases and imposed registration requirements in one instance.

On 21 December 2012, the European Commission raised the definitive anti-dumping duty on imports of certain seamless steel pipes of iron or steel from Russia to 28.7 per cent. Anti-dumping duties were previously applied to imports from The TMK Group at a rate of 27.2 per cent.⁴²²

The European Commission imposed a provisional anti-dumping duty on imports of threaded tube or pipe cast fittings of malleable cast iron from China and Thailand on 14 November 2012. The rate for China ranges from 32.7 to 67.8 per cent and the rate for Thailand ranges from 15.9 to 39.7 per cent. These duties apply for a period of six months.⁴²³ On 14 November 2012, the European Commission imposed a provisional anti-dumping duty on imports of ceramic

⁴²⁰ Direct lending facility announced, Export Credits Guarantee Department (London) 5 December 2012. Date of Access: 15 January 2013. <http://www.ukexportfinance.gov.uk/news-and-events/news/direct-lending-facility-announced>.

⁴²¹ Understanding the WTO - Anti-dumping, subsidies, safeguards: contingencies, etc (Geneva) 1 January 2005. Date of Access: 4 December 2012. www.wto.org/english/thewto_e/whatis_e/tif_e/agrm8_e.htm#subsidies.

⁴²² Commission Regulation (EU) No 585/2012, Official Journal of the European Union (Brussels) 21 December 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:357:0001:0006:EN:PDF>.

⁴²³ Commission Regulation (EU) No 1071/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0010:0027:EN:PDF>.

tableware and kitchenware from China. The duties range from 17.6 to 58.8 per cent and will apply for six months.⁴²⁴

On 29 October 2012, the European Commission imposed a definitive anti-dumping duty on imports of aluminium radiators from China. The duties range from 12.6 to 61.4 per cent.⁴²⁵ The European Commission levied a provisional anti-dumping duty on imports of certain organic coated steel products from China on 18 September 2012. The duties range from 13.2 to 57.8 per cent and will apply for a period of six months.⁴²⁶

The European Commission imposed a provisional anti-dumping duty on imports of certain aluminium foils in rolls from China on 17 September 2012. The duties range from 13 to 35.4 per cent and will apply for six months.⁴²⁷ The European Commission levied a provisional anti-dumping duty on imports of certain tube and pipe fittings of iron or steel from Russia and Turkey on 30 July 2012. The duty rate on Russia is 23.8 per cent. The duties range from 2.9 to 16.7 per cent for Turkey.⁴²⁸

On 16 July 2012, the European Commission expanded the definitive anti-dumping duty imposed on imports of certain open mesh fabrics of glass fibres from China to include imports of certain open mesh fabrics of glass fibres consigned from Malaysia. A duty rate of 62.9 per cent will apply to these goods consigned from Malaysia.⁴²⁹ On 26 June 2012, the European Commission increased anti-dumping duties on imports of tartaric acid from China, which now range from 8.3 per cent to 34.9 per cent.⁴³⁰

The European Commission issued a requirement for the registration of all imports of certain prepared or preserved citrus fruits from China on 28 June 2012.⁴³¹

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.⁴³²

⁴²⁴ Commission Regulation (EU) No 1072/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0028:0065:EN:PDF>.

⁴²⁵ Commission Regulation (EU) No 1039/2012, Official Journal of the European Union (Brussels) 29 October 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:310:0001:0012:EN:PDF>.

⁴²⁶ Commission Regulation (EU) No 845/2012, Official Journal of the European Union (Brussels) 18 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:252:0033:0054:EN:PDF>.

⁴²⁷ Commission Regulation (EU) No 833/2012, Official Journal of the European Union (Brussels) 17 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:251:0029:0046:EN:PDF>.

⁴²⁸ Commission Regulation (EU) No 699/2012, Official Journal of the European Union (Brussels) 30 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

⁴²⁹ Commission Regulation (EU) No 672/2012, Official Journal of the European Union (Brussels) 16 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

⁴³⁰ Commission Regulation (EU) No 626/2012, Official Journal of the European Union (Brussels) 26 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:182:0001:0005:EN:PDF>.

⁴³¹ Commission Regulation (EU) No 572/2012, Official Journal of the European Union (Brussels) 28 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

⁴³² Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

The United Kingdom received a score of +1 for complying with its standstill commitment to refrain from imposing new protectionist measures.

(2) The United Kingdom did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to the UK.

Thus, the United Kingdom received a score of +1 for the second sub-commitment.

The United Kingdom is awarded a cumulative score of +1 for full compliance with the trade commitment.

Analyst: Chris D'Souza

United States: +1

The United States earned an overall score of +1. The United States complied with its commitment to refrain from imposing new protectionist measures. The second rollback commitment was not applicable.

(1) The United States complied with sub-commitment one to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

Since the Los Cabos Summit, the Government of the United States intervened to protect domestic investment and goods in two cases.

On 28 September 2012, President Obama blocked the sale of four wind farm project companies to Sany Group, a Chinese company. The barrier to investment was justified for national security reasons as the wind farm sites are “within or in the vicinity of restricted air space at Naval Weapons Systems Training Facility Boardman in Oregon.”⁴³³ This measure is not considered protectionist because it is based on a pre-existing national security restriction.

The United States Olympic Committee (USOC) announced a strict “Buy American” policy for all future uniforms to be worn by athletes during the parade ceremonies at the Olympic, Paralympic and Pan-American Games on 23 July 2012. This agreement was brokered by Senator Robert Menendez following the introduction of legislation by 12 Senators to require American made uniforms in future parades. USOC also committed to consult Congress before making any change to the new “Buy American” policy.⁴³⁴ This measure is not considered protectionist because the ban on buying uniforms produced outside of the United States is not a direct action of the government.

The United States imposed anti-dumping duties in seven instances and changed the methodology for calculating dumping margins for certain countries since the Los Cabos Summit. On 10 January 2013, the US Department of Commerce imposed anti-dumping duties on xanthan gums

⁴³³ Order Signed by the President regarding the Acquisition of Four US Wind Farm Project Companies by Ralls Corporation, The White House (Washington) 28 September 2012. Date of Access: 15 January 2013. <http://www.whitehouse.gov/the-press-office/2012/09/28/order-signed-president-regarding-acquisition-four-us-wind-farm-project-c>.

⁴³⁴ Menendez, USOC Announce “Made in America” is Now Permanent USOC Policy, Office of Senator Robert Menendez (Newark) 23 July 2012. Date of Access: 15 January 2013. <http://www.menendez.senate.gov/newsroom/press/menendez-usoc-announce-made-in-america-is-now-permanent-usoc-policy>.

from Austria and China. The anti-dumping duties are equal to 17.18 per cent for Austria and range from 21.69 per cent to 154.07 per cent for China.⁴³⁵

The US Department of Commerce levied anti-dumping duties against wind towers imported from China and Vietnam on 26 December 2012. The anti-dumping duties range from 44.99 per cent to 70.63 per cent for China and 51.5 per cent to 58.49 per cent for Vietnam.⁴³⁶ The United States levied anti-dumping duties on large residential washers from Korea and Mexico on 26 December 2012. The duties range from 9.29 per cent to 82.41 per cent for Korea and 36.52 per cent to 72.41 per cent for Mexico.⁴³⁷

On 22 October 2012, the US Department of Commerce imposed anti-dumping and countervailing duties on circular welded carbon-quality steel pipe originating from India, Oman, the United Arab Emirates and Vietnam. The duties range from 48.43 per cent and 285.95 per cent for India, 5.81 per cent and 4.13 per cent for Oman, 3.85 per cent to 11.71 per cent, 2.06 per cent to 6.17 per cent for United Arab Emirates and 3.96 per cent to 27.96 per cent for Vietnam.⁴³⁸

The US Department of Commerce imposed an anti-dumping duty of 157 per cent on steel wire garment hangers from Vietnam on 18 December 2012.⁴³⁹ On 17 October 2012, the US Department of Commerce levied anti-dumping duties on crystalline silicon photovoltaic cells, whether or not assembled into modules, from China. The duties range from 18.32 per cent to 249.96 per cent.⁴⁴⁰ On 4 October 2012, the US Department of Commerce imposed anti-dumping duties on drawn stainless steel sinks imported from China. The total anti-dumping duties range from 59.06 per cent to 76.53 per cent.⁴⁴¹

On 19 June 2012, the International Trade Administration, a bureau within the US Department of Commerce, announced a change to the methodology used to determine export prices in anti-

⁴³⁵ Preliminary Determination of Sales at Less Than Fair Value: Xanthan Gum, US Department of Commerce (Washington) 10 January 2013. Date of Access: 25 January 2013. <http://ia.ita.doc.gov/frn/2013/1301frn/2013-00349.txt>.

⁴³⁶ Utility Scale Wind Towers from the Socialist Republic of Vietnam: Final Determination of Sales at Less Than Fair Value, US Department of Commerce (Washington) 26 December 2012. Date of Access: 4 January 2012. <http://ia.ita.doc.gov/frn/2012/1212frn/2012-30944.txt>.

⁴³⁷ Notice of Final Determination of Sales at Less Than Fair Value: Large Residential Washers from Mexico, US Department of Commerce (Washington) 26 December 2012. Date of Access: 4 January 2012. <http://ia.ita.doc.gov/frn/2012/1212frn/2012-31077.txt>.

⁴³⁸ Circular Welded Carbon-Quality Steel Pipe from the Socialist Republic of Vietnam: Final Determination of Sales at Less than Fair Value, US Department of Commerce (Washington) 22 October 2012. Date of Access: 4 January 2012. <http://ia.ita.doc.gov/frn/2012/1210frn/2012-25952.txt>.

⁴³⁹ Steel Wire Garment Hangers From the Socialist Republic of Vietnam: Final Determination of Sales at Less Than Fair Value and Final Affirmative Determination of Critical Circumstances, US Department of Commerce (Washington) 26 December 2012. Date of Access: 4 January 2012. <http://ia.ita.doc.gov/frn/2012/1212frn/2012-30951.txt>.

⁴⁴⁰ Crystalline Silicon Photovoltaic Cells, Whether or Not Assembled into Modules, from the People's Republic of China: Final Determination of Sales at Less Than Fair Value, and Affirmative Final Determination of Critical Circumstances, in Part, US Department of Commerce (Washington) 17 October 2012. Date of Access: 4 January 2012. <http://ia.ita.doc.gov/frn/2012/1210frn/2012-25580.txt>.

⁴⁴¹ Drawn Stainless Steel Sinks from the People's Republic of China: Antidumping Duty Investigation, US Department of Commerce (Washington) 4 October 2012. Date of Access: 4 January 2012. <http://ia.ita.doc.gov/frn/2012/1210frn/2012-24549.txt>.

dumping proceedings for exports from certain non-market economies.⁴⁴² The change will likely increase the calculations of dumping margins on goods exported from China and Vietnam.⁴⁴³

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.⁴⁴⁴ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

The United States received a score of +1 for complying with sub-commitment one to refrain from imposing new protectionist measures.

(2) The United States did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to the United States.

Thus, the United States received a score of +1 for the second sub-commitment.

The United States is awarded a cumulative score of +1 for full compliance with the trade commitment.

Analyst: Grace Gao

European Union: +1

The European Union earned a cumulative score of +1 for fully complying with sub-commitment one. The second sub-commitment was not applicable.

(1) The European Union complied with its commitment to refrain from raising or imposing new barriers to investment or trade in goods and services, new export restrictions or WTO-inconsistent measures to stimulate exports.

Since the Los Cabos Summit, the European Commission imposed anti-dumping duties in nine cases and imposed registration requirements in one instance.

On 21 December 2012, the European Commission raised the definitive anti-dumping duty on imports of certain seamless steel pipes of iron or steel from Russia to 28.7 per cent. Anti-dumping duties were previously applied to imports from The TMK Group at a rate of 27.2 per cent.⁴⁴⁵

The European Commission imposed a provisional anti-dumping duty on imports of threaded tube or pipe cast fittings of malleable cast iron from China and Thailand on 14 November 2012. The rate for China ranges from 32.7 to 67.8 per cent and the rate for Thailand ranges from 15.9

⁴⁴² Federal Register Volume 77, Number 118, (Tuesday, June 19, 2012), United States Government Printing Office 19 June 2012. Date of Access: 4 January 2012.

<http://www.gpo.gov/fdsys/pkg/FR-2012-06-19/html/2012-14964.htm>.

⁴⁴³ United States of America: Changed methodology in antidumping investigations of non-market economics, Global Trade Alert 25 June 2012. Date of Access: 2 January 2012.

<http://globaltradealert.org/measure/united-states-america-changed-methodology-antidumping-investigations-non-market-economies>.

⁴⁴⁴ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012.

http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

⁴⁴⁵ Commission Regulation (EU) No 585/2012, Official Journal of the European Union (Brussels) 21 December 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:357:0001:0006:EN:PDF>.

to 39.7 per cent. These duties apply for a period of six months.⁴⁴⁶ On 14 November 2012, the European Commission imposed a provisional anti-dumping duty on imports of ceramic tableware and kitchenware from China. The duties range from 17.6 to 58.8 per cent and will apply for six months.⁴⁴⁷

On 29 October 2012, the European Commission imposed a definitive anti-dumping duty on imports of aluminium radiators from China. The duties range from 12.6 to 61.4 per cent.⁴⁴⁸ The European Commission levied a provisional anti-dumping duty on imports of certain organic coated steel products from China on 18 September 2012. The duties range from 13.2 to 57.8 per cent and will apply for a period of six months.⁴⁴⁹

The European Commission imposed a provisional anti-dumping duty on imports of certain aluminium foils in rolls from China on 17 September 2012. The duties range from 13 to 35.4 per cent and will apply for six months.⁴⁵⁰ The European Commission levied a provisional anti-dumping duty on imports of certain tube and pipe fittings of iron or steel from Russia and Turkey on 30 July 2012. The duty rate on Russia is 23.8 per cent. The duties range from 2.9 to 16.7 per cent for Turkey.⁴⁵¹

On 16 July 2012, the European Commission expanded the definitive anti-dumping duty imposed on imports of certain open mesh fabrics of glass fibres from China to include imports of certain open mesh fabrics of glass fibres consigned from Malaysia. A duty rate of 62.9 per cent will apply to these goods consigned from Malaysia.⁴⁵² On 26 June 2012, the European Commission increased anti-dumping duties on imports of tartaric acid from China, which now range from 8.3 per cent to 34.9 per cent.⁴⁵³

The European Commission issued a requirement for the registration of all imports of certain prepared or preserved citrus fruits from China on 28 June 2012.⁴⁵⁴

⁴⁴⁶ Commission Regulation (EU) No 1071/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0010:0027:EN:PDF>.

⁴⁴⁷ Commission Regulation (EU) No 1072/2012, Official Journal of the European Union (Brussels) 14 November 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:318:0028:0065:EN:PDF>.

⁴⁴⁸ Commission Regulation (EU) No 1039/2012, Official Journal of the European Union (Brussels) 29 October 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:310:0001:0012:EN:PDF>.

⁴⁴⁹ Commission Regulation (EU) No 845/2012, Official Journal of the European Union (Brussels) 18 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:252:0033:0054:EN:PDF>.

⁴⁵⁰ Commission Regulation (EU) No 833/2012, Official Journal of the European Union (Brussels) 17 September 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:251:0029:0046:EN:PDF>.

⁴⁵¹ Commission Regulation (EU) No 699/2012, Official Journal of the European Union (Brussels) 30 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

⁴⁵² Commission Regulation (EU) No 672/2012, Official Journal of the European Union (Brussels) 16 July 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

⁴⁵³ Commission Regulation (EU) No 626/2012, Official Journal of the European Union (Brussels) 26 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:182:0001:0005:EN:PDF>.

⁴⁵⁴ Commission Regulation (EU) No 572/2012, Official Journal of the European Union (Brussels) 28 June 2012. Date of Access: 5 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:196:0001:0007:EN:PDF>.

No information was found to indicate that the affected exporting countries referred the anti-dumping duties to the WTO Dispute Settlement Body. Without a ruling by the Body, anti-dumping and countervailing measures cannot be considered a violation of WTO rules.⁴⁵⁵ Therefore, these measures will not be counted as new protectionist measures under sub-commitment one.

The European Union received a score of +1 for complying with sub-commitment one to refrain from imposing or raising new protectionist measures.

(2) The European Union did not implement any new protectionist measures during the period between the Cannes and Los Cabos Summits. Therefore, the second subcommitment is not applicable to the European Union.

Thus, the European Union received a score of +1 for the second sub-commitment.

The European Union is awarded a cumulative score of +1 for full compliance with the trade commitment.

Analyst: Chris D'Souza

4. Food and Agriculture: Scaling Up Nutrition Movement

2012-74: *We [also note that chronic malnutrition is an enormous drain on a country's human resources, and] we therefore support the Scaling Up Nutrition movement and encourage wider involvement of G20 members.*

Los Cabos G20 Leaders Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina	-1		
Australia		0	
Brazil	-1		
Canada			+1
China	-1		
France	-1		
Germany		0	
India	-1		
Indonesia		0	
Italy	-1		
Japan			+1
Korea	-1		
Mexico	-1		
Russia	-1		
Saudi Arabia	-1		
South Africa	-1		
Turkey	-1		
United Kingdom			+1
United States		0	

⁴⁵⁵ Disputes by Country/Territory, World Trade Organization, (Geneva) 2012. Date of Access: 29 December 2012. http://www.wto.org/english/tratop_e/dispu_e/dispu_by_country_e.htm.

European Union			+1
Average Score		-0.30	

Background:

The Scaling Up Nutrition (SUN) process began in 2009 with the development of the Scale Up Nutrition Framework and has evolved into a movement aimed to improve maternal and child nutrition. The SUN movement participants include national governments, the United Nations, civil society, businesses, researchers and other donors.⁴⁵⁶

In September 2010 the Road Map for Scaling up Nutrition was released. It stipulates the principles and directions to support countries as they scale up efforts to fight malnutrition. A wide range of stakeholders are encouraged to provide support to affected countries' national actions in a coordinated way.

The main principles of the SUN movement are:

- SUN efforts are led by countries and external support processes must add value to this country-led action and must be demand-driven;
- ongoing initiatives to improve nutrition should be linked together for greater coherence, efficiency, and impact, wherever possible; and
- a combination of networks and movements are needed to enable a range of stakeholders to work together and contribute to lasting results. The following describes the mechanisms that enable the movement to function in a coordinated and coherent way.⁴⁵⁷

The SUN initiative has steadily expanded to include 33 countries. The movement has laid out a three-year plan (2012-15) to significantly reduce under-nutrition in participating countries, most of which have established their own mechanisms of reducing under-nutrition.

The G20 committed to the movement for scaling-up nutrition in the 2011 Development Working Group Report to the Cannes Summit. The G20 also agreed "to provide coordinated support to region, country- and community-led strategies and programmes".⁴⁵⁸ The commitment was reiterated in the Final Declaration of the summit.⁴⁵⁹

In the report to the G20 Los Cabos Summit the B20 recommended to "coordinate multistakeholder leadership and engagement at the global and country levels through the Scaling Up Nutrition (SUN) movement and other key platforms". They also proposed "the number of countries that have implemented the Scaling Up Nutrition (SUN) movement" as one of the metrics to track success of the proposed G20 commitments on food security.⁴⁶⁰

At the 2012 Los Cabos Summit the G20 leaders expressed their support to the SUN movement and encouraged wider G20 members' involvement.⁴⁶¹

Commitment Features:

The commitment requires members to get involved into the Scaling Up Nutrition movement. The country can participate either as a recipient (among which the only G20 member is Indonesia), or

⁴⁵⁶ About, Scaling Up Nutrition. http://scalingupnutrition.org/about#countries_reveal.

⁴⁵⁷ Scaling Up Nutrition, United Nations System Standing Committee on Nutrition. http://www.unscn.org/en/scaling_up_nutrition_sun/.

⁴⁵⁸ 2011 Report of the Development Working Group, 28 October 2011. <http://www.g20.utoronto.ca/2011/2011-cannes-declaration-111104-en.html>.

⁴⁵⁹ Cannes Summit Final Declaration, 4 November 2011. <http://www.g20.utoronto.ca/2011/2011-cannes-declaration-111104-en.html>.

⁴⁶⁰ B20 Task Force Recommendations, June 2012. <http://b20.org/documentos/B20-Complete-Report.pdf>.

⁴⁶¹ G20 Leaders Declaration Los Cabos, Mexico, June 19, 2012. <http://www.g20.utoronto.ca/2012/2012-0619-loscabos.html>.

as a donor. The information on specific programs designed by the recipient countries and contributing donors can be found on the official SUN web-site in “SUN Countries” Section.⁴⁶² This information should be used to identify donor agencies and search for more detailed data in the contributing country’s national sources. For full compliance the G20 country should actively participate in the SUN movement activities, i.e. take relevant actions during the monitoring period and encourage wider involvement of G20 members.

Scoring Guidelines:

-1	Member does not participate in the SUN movement AND does not encourage wider involvement of G20 members in the SUN.
0	Member participates in the SUN movement OR encourages wider involvement of G20 members in the SUN.
+1	Member participates in the SUN movement AND encourages wider involvement of G20 members in the SUN.

Argentina: -1

Argentina has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of Argentina’s participation in the SUN movement have been registered during the monitoring period.

Argentina has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Valeriya Ganzhela

Australia: 0

Australia has partially complied with its commitment to support the Scaling Up Nutrition movement.

Australia has taken part in the SUN movement.

Australia participates in a number of nutrition-related projects in SUN countries. For instance, Australian International Development agency conducts the Australia-Indonesia Maternal and Newborn Health and Nutrition Program, aimed to assist the Government of Indonesia to improve health and nutrition outcomes for women and children.⁴⁶³ AusAID was identified as one of the key donors involved in ongoing “nutrition-specific and nutrition-sensitive interventions” in Indonesia. In addition, AusAID is involved in the SUN Platform for Development Partners.⁴⁶⁴

AusAID is also a member of the donor group formed by the donor convener for the Scaling Up Nutrition projects in Lao DPR.⁴⁶⁵

No facts of Australia’s encouragement of wider involvement of G20 members in the SUN movement have been registered.

Australia has participated in the SUN movement but has not encouraged wider involvement of G20 members in it during the monitoring period. Thus, it has been awarded a score of 0.

⁴⁶² <http://scalingupnutrition.org/sun-countries>.

⁴⁶³ Australia-Indonesia Maternal & Newborn Health & Nutrition Program – Cover Note, AusAID 4 March 2013. Date of Access: 3 April 2013. <http://www.usaid.gov/au/business/Documents/mnch-conceptnote-indonesia.docx>.

⁴⁶⁴ Donors, Scaling Up Nutrition. Date of Access: 3 April 2013. <http://scalingupnutrition.org/sun-countries/indonesia/progress-impact/bringing-people-together/donors>.

⁴⁶⁵ Donors, Scaling Up Nutrition. Date of Access: 3 April 2013. <http://scalingupnutrition.org/sun-countries/lao-pdr/9458-2/bringing-people-together/donors>.

Brazil: -1

Brazil has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of Brazil's participation in the SUN movement have been registered during the monitoring period.

Brazil has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Andrei Sakharov

Canada: +1

Canada has fully complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

Canada has participated in the SUN movement activities.

Concerning CIDA Report⁴⁶⁶ from 1 January 2012 to 31 March 2012, Canada will contribute approximately USD1.5 million between 2012 and 2015 to the SUN through United Nations Office for Project Services (UNOPS).⁴⁶⁷ CIDA coordinates ongoing projects within SUN initiative for total amount of CAD 45 million.⁴⁶⁸ CIDA acts as the donor in the SUN movement's projects in Mali⁴⁶⁹, Malawi⁴⁷⁰, Tanzania⁴⁷¹, Guatemala⁴⁷², Ghana⁴⁷³, Ethiopia⁴⁷⁴, Nigeria⁴⁷⁵.

Canada has encouraged wider involvement of G20 members in the SUN movement.

On 27 September 2012, Minister of International Cooperation of Canada Mr. Julian Fantino co-hosted High-level meeting on scaling up nutrition during the 2012 UN General Assembly. Canada has displayed ongoing leadership in the effort to scale up nutrition.⁴⁷⁶

⁴⁶⁶ Report 2011 - 2012 - 4th quarter. CIDA. URL: <http://www.acdi-cida.gc.ca/acdi-cida/contributions.nsf/Eng/0071B56FB863450485257A0F005FF19A>.

⁴⁶⁷ Project profile for Scaling Up Nutrition Movement Secretariat. CIDA. URL: <http://www.acdi-cida.gc.ca/cidaweb%5Ccpo.nsf/projEn/M013669001>.

⁴⁶⁸ Project profile for Child Health Days and Weeks. CIDA. URL: <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/projEn/M013163001>.

Project profile for Scaling-Up Nutrition – REACH. CIDA. URL: <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/projEn/M013426001>.

Project profile for Prevention and Treatment of HIV and Undernutrition in Infants and Young Children. CIDA. URL: <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/projEn/M013498001>

Project profile for Land Administration Project - Phase II. CIDA. URL: <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/projEn/A034588001>.

⁴⁶⁹ Mali. Donors. URL : <http://scalingupnutrition.org/sun-countries/mali/progress-impact/bringing-people-together/donors>.

⁴⁷⁰ Malawi. Donors. URL : <http://scalingupnutrition.org/sun-countries/malawi/progress-impact/bringing-people-together/donors>.

⁴⁷¹ Tanzania. Donors. URL : <http://scalingupnutrition.org/sun-countries/tanzania/progress-impact/bringing-people-together/donors>.

⁴⁷² Guatemala. Donors. URL : <http://scalingupnutrition.org/sun-countries/guatemala/progress-impact/bringing-people-together/donors>.

⁴⁷³ Ghana. Donors. URL : <http://scalingupnutrition.org/sun-countries/ghana/progress-impact/bringing-people-together/donors>.

⁴⁷⁴ Ethiopia. Donors. URL : <http://scalingupnutrition.org/sun-countries/ethiopia/progress-impact/bringing-people-together/donors>.

⁴⁷⁵ Nigeria. Donors. URL : <http://scalingupnutrition.org/sun-countries/nigeria/progress-impact/bringing-people-together/donors>.

⁴⁷⁶ Press Release. 27 September 2012. High-level meeting on scaling up nutrition. URL: http://www.un.org/millenniumgoals/pdf/Scaling_Up_Nutrition.pdf.

On 29 September 2012, Julian Fantino, the new Minister of International Cooperation, and Anthony Lake, Executive Director of the United Nations Children's Fund, co-hosted a SUN event convened by the Secretary-General of the United Nations.⁴⁷⁷ Fantino stated that "the Scaling Up Nutrition Movement provides an opportunity for partners to work together to focus our efforts on reducing deaths and diseases caused by under nutrition in mothers and children and to give the world's most vulnerable a better chance at a healthier future." He encouraged attendees to "continue to fund nutrition programming, build partnerships, and measure the impact of our investments in helping developing countries create a strong, healthy, and productive workforce and economy."⁴⁷⁸

Canada has participated and has encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of +1.

Analyst: Vitaliy Nagornov

China: -1

China has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

International Life Sciences Institute Focal Point in China which is based in the Chinese Center for Disease Control and Prevention, one of the Chinese Ministry of Health agencies, is mentioned as one of the SUN supporters. However, no facts of this Institute activities towards supporting SUN movement have been registered.

No facts of China's participation in the SUN movement have been registered during the monitoring period.

China has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Andrey Shelepov

France: -1

India has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of France's participation in the SUN movement have been registered during the monitoring period.

France has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Ekaterina Ivanova

Germany: 0

Germany has partially complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

Germany has participated in the SUN movement activities.

⁴⁷⁷ Minister Fantino Champions Canada's Leadership at the United Nations General Assembly, Canadian International Development Agency. 29 September 2012. Date of Access: 1 November 2012. <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-928162249-RWB>

⁴⁷⁸ Minister Fantino Champions Canada's Leadership at the United Nations General Assembly, Canadian International Development Agency. 29 September 2012. Date of Access: 1 November 2012. <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-928162249-RWB>

German “Organization for Technical Cooperation” (GTZ) is a financial and technical partner of several SUN movement programmes, including, “Health Population and Nutrition Sector Development Programme 2011 -16”. “Health Population and Nutrition Sector Development Programme 2011 - 16” is a programme realized by the SUN until 2016 in order to improve access to essential health and nutrition services for the population, particularly for the poor; and mainstream nutrition in all service delivery points through the regular channels of the Directorate General of Health Services and the Directorial General of Family Planning.⁴⁷⁹

Germany has participated but has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of 0.

Analyst: Anton Komarov

India: -1

India has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of India’s participation in the SUN movement have been registered during the monitoring period.

India has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst:

Indonesia: 0

Indonesia has partially complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

Indonesia has participated in the SUN movement activities.

The SUN Movement activities in Indonesia are implemented by actions taken as a part of the “First 1,000 Days of Life Movement”. It has been stipulated in the official policy framework that mirrors the five global nutrition targets that were endorsed at the 2012 World Health Assembly. The targets cover chronic and acute malnutrition, anemia, low-birth weight, exclusive breastfeeding and obesity.⁴⁸⁰

The “First 1,000 Days of Life Movement” was launched by four government ministers – the Coordinating Minister of People’s Welfare, the Minister of Development and Planning, Minister of Health and Minister of Women’s Empowerment and Child Protection – together with members of the SUN platforms⁴⁸¹.

On 14 August 2012, Health Minister Nafsiah Mboi has stated that improving maternal health care is one of the key measures for the Indonesian government, with a main focus on improving nutrition for mothers and their children, during the latter’s first 1,000 days of life⁴⁸². The

⁴⁷⁹ Nutrition-Specific Programmes, Scaling Up Nutrition official web-site. Date of Access: 15 April 2013. <http://scalingupnutrition.org/sun-countries/bangladesh/progress-impact/implementing-aligning-programs/nutrition-direct-programs>

⁴⁸⁰ Scaling Up Nutrition. Indonesia. Date of access: 24 March 2013. <http://scalingupnutrition.org/sun-countries/indonesia>.

⁴⁸¹ Scaling Up Nutrition. Indonesia. Date of access: 24 March 2013. <http://scalingupnutrition.org/sun-countries/indonesia>.

⁴⁸² Govt focus on nutritional improvements for new mothers and toddlers. Date of access: 24 March 2013. <http://www.thejakartapost.com/news/2012/08/14/govt-focus-nutritional-improvements-new-mothers-and-toddlers.html>

ministry launched its “First 1,000 Days of Life for the Country” program in 2010 when the United Nations first introduced “Scaling-up Nutrition” as a global movement the same year.⁴⁸³

On 20 November 2012, Indonesia’s commitment to the SUN Movement was the focus of the National Conference on Food and Nutrition. Dr. David Nabarro, the United Nation’s Special Representative for Food Security and Nutrition and SUN Movement Coordinator joined the United Nations in congratulating the Indonesian government for its commitment to making nutrition a top priority, and expressed his support to the efforts to scale up nutrition as a way to accelerate the nation’s long term development goals⁴⁸⁴.

Indonesia’s actions in the framework of its participation in the SUN movement also include:

- a community-based nutrition program which covers all provinces and delivers nutrition specific interventions via the Ministry of Health is still held in Indonesia. The period of its implementation is 4 years – until 2014.;
- the National Food and Nutrition Action Plan, implemented since 2012. It is an overarching framework to implement and align both nutrition-specific and nutrition-sensitive interventions across sectors to scale up nutrition. The Plan sets out a comprehensive approach to food security based on: improved nutrition, food safety, food accessibility, healthy lifestyle and institutional food and nutrition.⁴⁸⁵

Indonesia has actively participated in actions held by SUN Movement as a recipient. National Government created National Action Plan for approaching main problems of under nutrition. However, no facts of Indonesia’s encouragement of G20 countries to get involved in the SUM movement have been registered.

Indonesia has participated but has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of 0.

Analyst: Valeriya Ganzhela

Italy: -1

India has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of India’s participation in the SUN movement have been registered during the monitoring period.

India has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Pavel Prokopiev

Japan: +1

Japan has fully complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

Japan has participated in the SUN movement during the monitoring period.

⁴⁸³ President Yudhoyono collects inputs from leaders of state institutions. Date of access: 17 March 2013. <http://en.voi.co.id/voi-news/2316-ri-slashes-palm-oil-export-estimate-to-176-million-tons>.

⁴⁸⁴ Indonesia Commits to Scaling Up Nutrition. Date of access: 17 March 2013.

<http://scalingupnutrition.org/news/francais-indonesia-commits-to-sun#.UTx2IDf0rUI>.

⁴⁸⁵ Implementing & Aligning Programs. Date of access: 17 March 2013. <http://scalingupnutrition.org/sun-countries/indonesia/progress-impact/implementing-aligning-programs>

The Japanese International Cooperation Agency (JICA) is one of the financial and technical partners of the SUN program 'Health Population and Nutrition Sector Development Program 2011-2016'.⁴⁸⁶

Japan has encouraged wider involvement of G20 members in the SUN movement during the monitoring period.

On 30 May 2012, the United States Agency for International Development (USAID), the Japan International Cooperation Agency (JICA) and Ajinomoto Co., Inc. (Ajinomoto) signed a memorandum in Ghana, confirming collaborative efforts to increase the nutritional well-being of children during the weaning period. 'Further, the partnership is also closely aligned with the SUN movement, which is a global effort to improve nutritional status among children under two and pregnant women'.⁴⁸⁷ JICA will provide on-going assistance to develop a business model and a business plan for Ajinomoto's nutritional supplements in Ghana through the Preparatory Survey for Base of the Pyramid Business Promotion from March 2011 to March 2014.⁴⁸⁸

Japan has participated and has encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it gets a score of +1.

Analyst: Maya Kostina

Korea: -1

Korea has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of South Korea's participation in the SUN movement have been registered during the monitoring period.

Korea has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Anastasia Zhuravleva

Mexico: -1

Mexico has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of Mexico's participation in the SUN movement have been registered during the monitoring period.

Mexico has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Kira Zatsepina

Russia: -1

Russia has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

⁴⁸⁶ Health Population and Nutrition Sector Development Program 2011-16, Scaling Up Nutrition Movement. Date of access: 05.04.2013. URL: scalingupnutrition.org/sun-countries/bangladesh/progress-impact/implementing-aligning-programs/nutrition-direct-programs

⁴⁸⁷ USAID, JICA and Ajinomoto Signed Memorandum of Understanding on Weaning Child Nutrition Improvement in Ghana, Japanese International Cooperation Agency 31 May 2012. Date of access: 05.04.2013. URL: www.jica.go.jp/english/news/press/2012/120531_01.html

⁴⁸⁸ USAID, JICA and Ajinomoto Signed Memorandum of Understanding on Weaning Child Nutrition Improvement in Ghana, Japanese International Cooperation Agency 31 May 2012. Date of access: 05.04.2013. URL: www.jica.go.jp/english/news/press/2012/120531_01.html

Russia is committed to “actively support the Scaling Up Nutrition movement” within the G8 Action on Food Security and Nutrition.

However, no facts of Russia’s participation in the SUN movement have been registered during the monitoring period.

Russia has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Mark Rakhmangulov

Saudi Arabia: -1

Saudi Arabia has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of Saudi Arabia’s participation in the SUN movement have been registered during the monitoring period.

Saudi Arabia has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Andrey Shelepov

South Africa: -1

South Africa has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of South Africa’s participation in the SUN movement have been registered during the monitoring period.

South Africa has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Andrey Skriba

Turkey: -1

Turkey has not complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

No facts of Turkey’s participation in the SUN movement have been registered during the monitoring period.

Turkey has not participated and has not encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of -1.

Analyst: Alisa Prokhorova

United Kingdom: +1

The United Kingdom has fully complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

The United Kingdom has participated in the SUN movement activities.

On 9 July 2012, at the first managing committee meeting of the SUN movement Multi-Partner Trust Fund (MPTF) the initial funding pool (USD3.67 million), provided by the UK government among Switzerland and Ireland, was approved.⁴⁸⁹

On 28 August 2012, at the second managing committee meeting of the SUN movement MPTF the USD1.035 million contribution from the British Department for International Development (DFID) was specified.⁴⁹⁰

On 5-6 November 2012, at the SUN movement Symposium the UK government has committed USD26 million to assist the Government of Kenya in upscaling nutrition in three counties - Turkana, Wajir and Mandera.⁴⁹¹

According to the information from SUN Progress Report⁴⁹², which covers the compliance period (till September 2012), and the SUN web-site⁴⁹³, the UK participates in the movement's donor network. Precisely it donates and provides technical support to Ethiopia, Nigeria, Yemen and Zambia. For instance, DFID contributed \$ 5,2 million to nutrition-specific interventions in 2012 in Zambia⁴⁹⁴. Also a representative from DFID serves as a donor network facilitator.

The United Kingdom has encouraged wider involvement of G20 members in the SUN movement.

On 12 August 2012, Great Britain organized the Global Hunger Event in London during the Olympic Games to draw attention of global leaders to the problem of hunger and malnutrition and to bring together representatives from Governments, NGOs, businesses and sporting celebrities to urge decisive action on nutrition. The achievements of the SUN movement were also highlighted. UK Prime Minister David Cameron attended the event.⁴⁹⁵

On 10-11 December 2012, London hosted the SUN business network meeting, described on the SUN web-site as "the most important gathering of business and partners from governments and civil society since the launch of SUN".⁴⁹⁶

On 23 January 2013 the Prime Minister D. Cameron released a video message where he expressed the fight against hunger and malnutrition as an issue having a high political priority in the UK and announced the special event before G8 Summit devoted to global action to reduce hunger and malnutrition.⁴⁹⁷ It will take place in the UK in June 2013, where, according to the

⁴⁸⁹ The summary of the meeting «Key decisions on allocations for funds», SUN movement 9 July 2012. Date of Access: 20 March 2013. <http://mptf.undp.org/document/download/9843>.

⁴⁹⁰ The summary of the meeting «Key decisions on MPTF TOR and ROP», SUN movement 28 August 2012. Date of Access: 20 March 2013. <http://mptf.undp.org/document/download/10011>.

⁴⁹¹ National Symposium in Kenya for launching of SUN movement, SUN movement 6 November 2012. Date of Access: 16 March 2013. <http://scalingupnutrition.org/news/kenya-national-symposium-held-to-launch-the-sun-movement#.UVARV1p4e9Y>, Country Profile for Kenya, August 2012, Date of Access 16 March 2012: <http://scalingupnutrition.org/sun-countries/kenya>.

⁴⁹² Progress report, SUN movement September 2012. Date of access: 20 March 2013. http://scalingupnutrition.org/wp-content/uploads/2012/10/SUN-MP-REPORT_EN.pdf.

⁴⁹³ SUN movement. Date of access: 20 March 2012. <http://scalingupnutrition.org/about/the-global-movement/donor-network>.

⁴⁹⁴ SUN movement. Date of access: 20 March 2012. <http://scalingupnutrition.org/sun-countries/zambia/progress-impact/mobilizing-resources>.

⁴⁹⁵ Hunger Event, The UK Government 12 August 2012. Date of Access: 20 March 2013.

<https://www.gov.uk/government/news/hunger-event-lasting-legacy-for-children-around-the-world>.

⁴⁹⁶ Business meeting in London, SUN movement November 2012. Date of Access: 20 March 2013. <http://scalingupnutrition.org/news/wfp-and-gain-launch-sun-business-network#.UWJiqat4e9Y>.

⁴⁹⁷ Video message from D. Cameron, Prime Minister web-site 23 January 2013, Date of Access: 16 March 2013. <http://www.number10.gov.uk/news/if-campaign/>.

SUN movement coordinator D. Nabarro, the SUN representatives expect to participate and consolidate global efforts in scaling up nutrition.⁴⁹⁸

On 14-15 March 2013, the director of Institute of Development Studies UK Lawrence Haddad participated in the conference of the SUN networks representatives in Brussels. The event was aimed to mobilize partnership and funding within the European region.⁴⁹⁹

The United Kingdom has participated and has encouraged wider involvement of G20 members in the SUN movement during the monitoring period. Thus, it has been awarded a score of +1.

Analyst: Kira Zatsepina

The United States: 0

The United States has partially complied with the commitment to participate in the SUN movement and encourage wider involvement of G20 members in it.

The United States has participated in the SUN movement activities.

On 21 September 2012, The United States and the Royal Government of Cambodia signed an amendment to their bilateral agreement that will provide \$18.5 million funding from the US Agency for International Development (USAID) to support joint US and Cambodian priorities in economic growth, agriculture, food security, and global climate change adaptation and mitigation⁵⁰⁰.

On 27 September 2012, during a high-level meeting on Scaling Up Nutrition (the SUN) at the United Nations General Assembly, USAID Administrator Rajiv Shah announced that USAID will continue to work to ensure that the principles and programmatic priorities of the SUN are fully integrated across all relevant USAID-supported programs in food security, health, water and sanitation, education, and humanitarian assistance in 14 countries⁵⁰¹.

On 31 October 2012, it was announced that the US Agency for International Development will support a partnership to develop heat resilient maize for South Asia, as part of the US government's Feed the Future initiative, through which the USA mainly supports the SUN⁵⁰².

On 17 November 2012, as a part of Feed the future initiative the US Agency for International Development launched a new five-year project called "Livestock Market Development" in support of the Government of Ethiopia's Agricultural Growth Plan⁵⁰³.

In December 2012, Feed the future initiative awarded a four-year, USD 4 million-grant to the Tanzania Horticultural Association to help develop the country's horticulture sector⁵⁰⁴.

⁴⁹⁸ Message from SUN coordinator D. Nabarro, SUN movement January 2013. Date of Access: 16 March 2013. <http://scalingupnutrition.org/news/david-nabarro-the-year-ahead-for-sun-2#.UVHNG1p4e9Z>.

⁴⁹⁹ Conference of SUN's networks representatives in Brussels, Project Devex, 14 March 2013, Date of Access 20 March 2013. <https://www.devex.com/en/news/eu-nutrition/80501>.

⁵⁰⁰ United States Provides \$18.5 million for Economic Growth in Cambodia: Food Security, Agriculture and Environment, Embassy of the United States 21 September 2012. Date of Access: 7 April 2013. http://cambodia.usembassy.gov/092012_pr.html.

⁵⁰¹ US Government Leaders Highlight Commitment to Reducing Poverty and Undernutrition, Feed the Future Initiative 27 September 2012. Date of Access: 7 April 2013. <http://feedthefuture.gov/article/us-government-leaders-highlight-commitment-reducing-poverty-and-undernutrition>.

⁵⁰² USAID supports CIMMYT-led partnership for heat resilient maize in South Asia, International Maize Wheat Improvement Center 31 October 2012. Date of Access: 7 April 2013. <http://blog.cimmyt.org/?p=9488>.

⁵⁰³ US Launches New Livestock Market Development Project, USAID 17 November 2012. Date of Access: 7 April 2013. <http://ethiopia.usaid.gov/newsroom/press-release/us-launches-new-livestock-market-development-project>.

On 24 January 2013, the US Agency for International Development signed a Memorandum of Understanding with Ethiopia and DuPont to boost maize harvests through increased use of hybrid maize seed, improved seed distribution, and post-harvest storage⁵⁰⁵.

On 3 April, Special Representative for Global Food Security Jonathan Shrier and Assistant to the Administrator for the Bureau for Food Security at the US Agency for International Development (USAID) Paul Weisenfeld hosted Guatemalan Minister of Health Jorge Villavicencio, other Government of Guatemala officials, private sector representatives and a panel of nutrition experts at the Department of State for a joint discussion on Guatemala's "Zero Hunger Pact" to reduce chronic malnutrition.⁵⁰⁶

No facts of The United States' efforts to encourage wider involvement of G20 members in the SUN movement have been registered during the monitoring period.

The United States has participated in the SUN movement activities. However, no facts of The United States' efforts to encourage wider involvement of G20 members in the SUN movement have been registered during the monitoring period. Thus, it gets a score of 0.

Analyst: Ekaterina Ivanova

European Union: +1

The European Union has fully complied with the commitment to support the Scaling Up Nutrition (SUN) movement.

The EU has participated in the SUN movement activities.

On 26 September 2012, the Commissioner for Development Piebalgs during the 67th session of the United Nations General Assembly participated at the Scaling-Up Nutrition meeting, where he reiterated the EU's commitment to reach at least seven million malnourished children with its development programmes by 2025⁵⁰⁷.

On 14 March 2013, the high-level meeting on the Scaling-Up Nutrition movement took place in Brussels. The European Union pledged to reduce the number of stunted children by 7 million by 2025. The EU communication released on 13 March 2013 sets out the three priorities on nutrition: mobilize support and rally political commitments for nutrition at national and international levels; help boost actions at the country level such as by helping develop national action plans for nutrition and increasing investments in effective interventions in countries with high burdens of undernutrition; widen knowledge on nutrition by investing in research and providing technical assistance.⁵⁰⁸

The European Union has encouraged wider involvement of G20 members in the SUN movement.

On 13 March 2013, the European Commission adopted the Communication "Enhancing Maternal and Children Nutrition in external assistance: an EU policy framework", outlining "a

⁵⁰⁴ Feed the Future Provides Tanzania Horticulture Association with \$4 Million Grant, Feed the Future Initiative 29 January 2013. Date of Access: 7 April 2013. <http://feedthefuture.gov/article/feed-future-provides-tanzania-horticulture-association-4-million-grant>.

⁵⁰⁵ Dupont Work with Government of Ethiopia to Improve Food Security, USAID 24 January 2013. Date of Access: 7 April 2013. <http://www.usaid.gov/news-information/press-releases/usaid-dupont-work-government-ethiopia-improve-food-security>.

⁵⁰⁶ Department of State and USAID Host "A Healthy Start for Children: Scaling Up Nutrition in Guatemala", US Department of State 2 April 2013. Date of Access: 7 April 2013. <http://www.state.gov/r/pa/prs/ps/2013/04/207083.htm>.

⁵⁰⁷ Commissioner Piebalgs highlights development at the UN General Assembly. Date of Access: 24 March 2013. http://ec.europa.eu/europeaid/news/20120921_un-general-assembly_en.htm

⁵⁰⁸ Ravelo J.L. In Brussels, a spotlight on nutrition. Devex 14 March 2013. Date of Access: 7 April 2013. <https://www.devex.com/en/news/eu-nutrition/80501>.

stronger mobilisation and political commitment for nutrition at country and international level (through the Scaling Up Nutrition (SUN) movement)”as one of the three strategic priorities of this policy⁵⁰⁹. According to the Communication, the EU should equally support the SUN Movement in encouraging more high-burden countries to join, maintaining high-level political commitment and leadership, and facilitating coordination of international efforts. In order to enhance nutrition governance more effectively both at national and international levels, the EU will build on its role in the SUN and in particular on the influence of its “Lead Group”⁵¹⁰.

The EU has participated in the SUN movement and has encouraged wider involvement of G20 members in the SUN during the monitoring period. Thus, it has been awarded a score of +1.

Analyst: Sergey Rastoltsev

5. Food and Agriculture: Sustainable Agriculture

Commitment [#77]:

“[We recognize the need to adapt agriculture to climate change and we recognize the importance of improving the efficiency of water and soil use in a sustainable manner. To this end,] we support the development of and a greater use of available technologies, well-known practices and techniques such as soil fertility enhancement, minimum tillage and agroforestry.”

Los Cabos Summit Final Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina			+1
Australia			+1
Brazil			+1
Canada			+1
China	-1		
France			+1
Germany		0	
India		0	
Indonesia			+1
Italy	-1		
Japan	-1		
Korea	-1		
Mexico		0	
Russia			+1
Saudi Arabia	-1		
South Africa			+1
Turkey		0	
United Kingdom			+1
United States			+1
European Union	-1		
Average Score	+0.20		

⁵⁰⁹ EU action on nutrition in development cooperation. Date of Access: 24 March 2013. http://europa.eu/rapid/press-release_MEMO-13-205_en.htm

⁵¹⁰ The Communication “Enhancing Maternal and Children Nutrition in external assistance: an EU policy framework”. Date of Access: 24 March 2013. http://ec.europa.eu/europeaid/documents/enhancing_maternal-child_nutrition_in_external_assistance_en.pdf

Background:

At the Los Cabos Summit held on 18-19 June 2012, G20 Leaders affirmed their on-going commitment to improving domestic food and agricultural practices, with a particular focus on adapting agriculture so as to mitigate its contributions to climate change.⁵¹¹ The commitment responds to calls for heightened international cooperation on the use of land and water resources recently expressed by the United Nations. As put forth by the Food and Agriculture Organization of the United Nations (FAO), “Increasing competition over natural resources because of population and economic growth, climate change and other drivers is magnifying the challenges of natural resource management.”⁵¹² In such progressively challenging conditions, it becomes crucial to bring attention to and make decisions on the sustainable use of land and water in agriculture to “ensure land and water remain a conduit for agricultural and economic growth and for the general advancement of human well-being.”⁵¹³

Several international conventions and initiatives have been developed in order to foster international cooperation. The 1972 United Nations Conference on Human Environment in Stockholm served as the catalyst that brought the need for cooperation on environment and natural resource management to the fore. The 1992 United Nations Conference on Environment and Development (UNCED), also known as the Earth Summit, in Rio de Janeiro reaffirmed the need for enhanced natural resource management.⁵¹⁴ These have been followed by several other international conferences, the most recent of which was the 2012 United Nations Conference on Sustainable Development held in Rio de Janeiro, and international and regional agreements. As the FAO asserts, “International cooperation on agricultural research has been one of the shining examples of successful cooperation and has achieved significant impacts on the livelihoods of the global community.”⁵¹⁵

To further strengthen the existing international commitment to sustainable use of world resources, at past G20 summits, including the Toronto Summit in 2010 and the Cannes Summit in 2011, the member states have made a variety of commitments to address matters in the domain of food and agriculture, which have included excessive price volatility and food export restrictions.⁵¹⁶ Also in line with their continuing support for efficient use of world resources, at the Los Cabos Summit in 2012, the G20 members committed to engaging in practices that focus on adapting agricultural practices to climate change and improving the efficiency of water and soil use. These practices include, but are not limited to, adopting methods to enhance soil fertility, engaging in minimum tillage, and promoting agroforestry domestically.

⁵¹¹ G20 Leaders Declaration, G20 Information Center (Toronto) 19 June 2012. Date of Access: 8 December 2012. <http://www.g20.utoronto.ca/2012/2012-0619-loscabos.html>.

⁵¹² Report 16: International Cooperation for Sustainable Land and Water Management, Food and Agriculture Organization of the United Nations (Rome) 2011. Date of Access: 7 December 2012. http://www.fao.org/fileadmin/templates/solaw/files/thematic_reports/TR_16_web.pdf.

⁵¹³ Report 16: International Cooperation for Sustainable Land and Water Management, Food and Agriculture Organization of the United Nations (Rome) 2011. Date of Access: 7 December 2012. http://www.fao.org/fileadmin/templates/solaw/files/thematic_reports/TR_16_web.pdf.

⁵¹⁴ Report 16: International Cooperation for Sustainable Land and Water Management, Food and Agriculture Organization of the United Nations (Rome) 2011. Date of Access: 7 December 2012. http://www.fao.org/fileadmin/templates/solaw/files/thematic_reports/TR_16_web.pdf.

⁵¹⁵ Report 16: International Cooperation for Sustainable Land and Water Management, Food and Agriculture Organization of the United Nations (Rome) 2011. Date of Access: 7 December 2012. http://www.fao.org/fileadmin/templates/solaw/files/thematic_reports/TR_16_web.pdf.

⁵¹⁶ 2011 Cannes G20 Summit Final Compliance Report, G20 Information Center (Toronto), 16 June 2012. Date of Access: 8 December 2012. <http://www.g20.utoronto.ca/compliance/2011cannes-final/index.html>.

Recognizing the need to disseminate sustainable agriculture practices, FAO endorses and encourages the use of several such practices:

- 1) Direct seeding or planting, which is equivalent to minimum tillage, involves “growing crops without mechanical seedbed preparation and with minimal soil disturbance since the harvest of the previous crop.”⁵¹⁷
- 2) The use of permanent soil covers is necessary to protect the soil against a range of harmful environmental exposures, to provide the organisms in the soil with nutrients, and to alter the microclimate in the soil to induce optimal growth and development of soil organisms.⁵¹⁸
- 3) Crop rotation is necessary to provide a diversity of nutrients to the soil organisms and to allow these organisms to reach the different soil layers.⁵¹⁹

These practices, among others, are examples of agriculture methods that improve the efficiency of water and soil use in a sustainable manner.

Definitions:

Agroforestry – the management approach of intentional combining of agriculture and working trees to create sustainable farming and ranching systems.⁵²⁰

Minimum tillage – is the tillage practice in which the seeds are placed into the soil with the minimum soil disturbance possible.⁵²¹

Commitment Features:

There are three components to watch in this commitment:

- (1) In order to fully comply with the commitment, the member state must foster both the development and greater use of available technologies, practice, and techniques which produce minimal harm to the environment. If the member state promotes either the development or the greater use of such mechanisms, then their actions will be qualified as partial compliance.
- (2) All developments and implementation frameworks should be on a national level; adopted international developments and implementation frameworks are not acceptable.
- (3) Despite the commitment’s explicit mentioning of soil fertility enhancement, minimum tillage, and agroforestry, the commitment does not limit the members to those three. The member is free to turn to other available technologies, well-known practices and techniques for improving the efficiency of water and soil use in a sustainable manner to qualify for full compliance.

⁵¹⁷ The Main Principles of Conservation Agriculture, Food and Agriculture Organization of the United Nations (Rome) 2012. Date of Access: 8 December 2012.

<http://www.fao.org/ag/ca/1b.html>

⁵¹⁸ The Main Principles of Conservation Agriculture, Food and Agriculture Organization of the United Nations (Rome) 2012. Date of Access: 8 December 2012.

<http://www.fao.org/ag/ca/1b.html>

⁵¹⁹ The Main Principles of Conservation Agriculture, Food and Agriculture Organization of the United Nations (Rome) 2012. Date of Access: 8 December 2012.

<http://www.fao.org/ag/ca/1b.html>

⁵²⁰ Agroforestry – Enriching Our Lives With Trees That Work, United States Department of Agriculture National Agroforestry Center (Lincoln) 18 February 2012. Date of Access: 7 December 2012.

<http://nac.unl.edu/documents/multimedia/presentations/Canned-PowerPoints/AgroforestryOverview2-18-12.ppt>.

⁵²¹ Conservation Agriculture: Soil Tillage, Food and Agriculture Organization of the United Nations (Rome) 2012. Date of Access: 8 December 2012.

<http://www.fao.org/ag/ca/3b.html>.

Scoring Guidelines:

-1	Member takes no steps to improve the efficiency of water and soil use in a sustainable manner through development AND implementation of available technologies, well-known practices, and techniques such as soil fertility enhancement, minimum tillage, and agroforestry.
0	Member takes steps to improve the efficiency of water and soil use in a sustainable manner through development OR implementation of available technologies, well-known practices, and techniques such as soil fertility enhancement, minimum tillage, and agroforestry.
+1	Member takes steps to improve the efficiency of water and soil use in a sustainable manner through development AND implementation of available technologies, well-known practices, and techniques such as soil fertility enhancement, minimum tillage, and agroforestry.

Lead Analyst: Samantha Young

Argentina: +1

Argentina has fully complied with its commitment to support the development and greater use of available technologies to improve water efficiency and the sustainable use of soil. Government of Argentina has continued to enhance the country's agriculture initiatives that had been instituted in recent years, with a renewed focus on promoting sustainability efforts.

In January 2013, Argentina participated in the 5th Berlin Agriculture Minister's Summit.⁵²² The Argentinian delegation joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁵²³

On 6 December 2012, the National Institute for Agricultural Technology (INTA) presented a management module to the country's Chaco region that involves adopting a silvopastoral management system for its forests.⁵²⁴ Silvopasture is an agroforestry technique that involves the introduction of trees within a forage production system.⁵²⁵ The presentation was held in Santiago del Estero and involved officials from the INTA, as well as regional INTA representatives from Chaco, the Ministry of Agriculture, and various non-governmental organizations.⁵²⁶

⁵²² Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013. http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertgipfel2013_EN.pdf?__blob=publicationFile.

⁵²³ Press release no. 22 from 19.01.13: Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertgipfel.html>.

⁵²⁴ Se Presentó Formalmente el Módulo Experimental con Fines Demostrativos en la Región Chaqueña, Ministerio de Agricultura, Ganadería y Pesca (Buenos Aires) 6 December 2012. Date of Access: 21 December 2012.

http://64.76.123.202/site/css/leer.php?imp=1&url=forestacion/proyectos_forestales/noticias/121206005000.txt.

⁵²⁵ Silvopasture, United States Department of Agriculture: National Agroforestry Centre (Lincoln) 2012. Date of Access: 21 December 2012.

<http://nac.unl.edu/silvopasture.htm>.

⁵²⁶ Se Presentó Formalmente el Módulo Experimental con Fines Demostrativos en la Región Chaqueña, Ministerio de Agricultura, Ganadería y Pesca (Buenos Aires) 6 December 2012. Date of Access: 21 December 2012.

http://64.76.123.202/site/css/leer.php?imp=1&url=forestacion/proyectos_forestales/noticias/121206005000.txt.

On 25 July 2012, the Ministry of Agriculture, Livestock, and Fisheries advertised in an on-line news bulletin for a course in organic production for people in agricultural engineering.⁵²⁷ The course, run by the INTA, focuses on promoting sustainable agricultural techniques such as soil fertility enhancement, organic soil management, and crop rotation. The bulletin stated that 35 per cent of Argentina's vegetable crop is organic, and that the Ministry of Agriculture "promotes organic production" through actions such as these training sessions.⁵²⁸

Additionally, on 4 September 2012, the Ministry of Agriculture held a workshop session that considered proposals on how farmers can better contribute to conservation and forestry management efforts.⁵²⁹

In 2010, the Ministry of Agriculture allocated funding to a project called Programa Nacional de Agricultura Periurbana, which is aimed at helping small farmers and municipalities develop their agricultural and economic capabilities.⁵³⁰ Throughout all of 2012, it has continued to distribute funds to rural municipalities such as Corrientes (ARS1.5 million)⁵³¹ and cooperatives that support small farmers (ARS22 million).⁵³²

Thus, Argentina receives a score of +1 for its efforts to develop conservation and forest management practices appropriate for the country's agricultural sector and its promotion of sustainable agricultural techniques.

Analyst: Vipasha Shaikh

Australia: +1

Australia has complied with its commitment on sustainable agriculture, implementing many measures that aim to address the detrimental effects of climate change on agriculture. The Department of Agriculture, Forestry, and Fisheries has maintained that it "is preparing for the impacts of climate change."⁵³³ In particular, the Australian government is "investing in the science and research that provides the information and skills needed to help communities, industries, and governments to adapt to a changing climate."⁵³⁴

On 14 November 2012, Australia's Minister for Agriculture, Fisheries and Forestry Joe Ludwig

⁵²⁷ Formación de Asesores en Producción de Cultivos Intensivos, Ministerio de Agricultura, Ganadería y Pesca (Buenos Aires) 25 July 2012. Date of Access: 21 December 2012.

http://www.minagri.gob.ar/site/institucional/prensa/index.php?edit_accion=noticia&id_info=120725134127.

⁵²⁸ Formación de Asesores en Producción de Cultivos Intensivos, Ministerio de Agricultura, Ganadería y Pesca (Buenos Aires) 25 July 2012. Date of Access: 21 December 2012.

http://www.minagri.gob.ar/site/institucional/prensa/index.php?edit_accion=noticia&id_info=120725134127.

⁵²⁹ Taller de Formulación de Subproyectos Forestales de Producción y Conservación, Ministerio de Agricultura, Ganadería y Pesca (Buenos Aires) 4 September 2012. Date of Access: 24 December 2012.

http://64.76.123.202/site/css/leer.php?imp=1&url=forestacion/proyectos_forestales/noticias/120904005000.txt.

⁵³⁰ Programa Nacional de Agricultura Periurbana, Ministerio de Agricultura Ganadería y Pesca (Buenos Aires) 2012. Date of Access: 21 December 2012.

http://64.76.123.202/site/economias_regionales/institucional/03_Programas_Vigentes/05_Programa_Nacional_de_Agricultura_Periurbana/index.php.

⁵³¹ Yauhar Firmó un Convenio por 1.500.000 Pesos para Corrientes, Ministerio de Agricultura Ganadería y Pesca (Buenos Aires) 20 November 2012. Date of Access: 22 December 2012.

http://www.minagri.gob.ar/site/institucional/prensa/index.php?edit_accion=noticia&id_info=121121122335.

⁵³² Yauhar Entregó Más de \$22 Millones a Cooperativas, Ministerio de Agricultura Ganadería y Pesca (Buenos Aires) 13 November 2012. Date of Access: 22 December 2012.

http://www.minagri.gob.ar/site/institucional/prensa/index.php?edit_accion=noticia&id_info=121121121648.

⁵³³ How We Are Responding to Climate Change, Department of Agriculture, Fisheries and Forestry (Canberra) 6 December 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/climate>.

⁵³⁴ How We Are Responding to Climate Change, Department of Agriculture, Fisheries and Forestry (Canberra) 6 December 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/climate>.

reaffirmed the Australian government's commitment to prioritizing research for farmers and other land managers, announcing the second round of competitive grants totalling AUD50 million for the "Filling the Research Gap" program.⁵³⁵ The program aims to "support research into emerging abatement technologies, strategies and innovative management practices that reduce greenhouse gas emissions from the land sector, sequester carbon, and enhance sustainable agricultural practices."⁵³⁶

On 27 November 2012, Minister Ludwig launched a revised Climate Change Research Strategy for Primary Industries that seeks to "build a sustainable, strong and viable future for Australia's primary industries."⁵³⁷ Minister Ludwig noted that the strategy highlights the importance of the country's agricultural sector and will be used to "help mitigate the impacts of climate change through a wide range of research, development and extension."⁵³⁸

Additionally, on 3 November 2012, the Department of Agriculture, Farming, and Fishing announced that applications for the government's AUD64 million "Carbon Farming Futures Extension and Outreach Program" were open.⁵³⁹ Established on 17 May 2012, prior to the Los Cabos Summit, the Program provides grants to assist farmers and land managers "to adopt technologies and practices to reduce greenhouse gas emissions."⁵⁴⁰ Through this program, the Australian government is in the process of delivering AUD429 million over six years so as to "fund measures to help land managers benefit from carbon farming and unlock financial opportunities."⁵⁴¹

Furthermore, Government of Australia has committed AUD2.2 billion over five years to the initiative "Caring for our Country," with funding commencing on 1 July 2013.⁵⁴² The initiative has two specific streams: one dedicated to sustainable environment and the other to sustainable

⁵³⁵ Priority Research for Farmers and Other Land Managers, Department of Agriculture, Fisheries and Forestry (Canberra) 14 November 2012. Date of Access: 5 January 2013.
http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/november/priority-research-for-farmers-and-other-land-managers.

⁵³⁶ Filling the Research Gap, Department of Agriculture, Fisheries and Forestry (Canberra) 6 December 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/carbonfarmingfutures/ftfg>.

⁵³⁷ New Strategy in the Fight Against Climate Change, Department of Agriculture, Fisheries and Forestry (Canberra) 27 November 2012. Date of Access: 5 January 2013.

http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/november/new-strategy-in-the-fight-against-climate-change.

⁵³⁸ New Strategy in the Fight Against Climate Change, Department of Agriculture, Fisheries and Forestry (Canberra) 27 November 2012. Date of Access: 5 January 2013.

http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/november/new-strategy-in-the-fight-against-climate-change.

⁵³⁹ Support for Climate Action on Farms, Department of Agriculture, Fisheries and Forestry (Canberra) 3 November 2012. Date of Access: 5 January 2013.

http://www.maff.gov.au/media_office/media_releases/media_releases/2012/november/support-for-climate-action-on-farms.

⁵⁴⁰ Support for Climate Action on Farms, Department of Agriculture, Fisheries and Forestry (Canberra) 3 November 2012. Date of Access: 5 January 2013.

http://www.maff.gov.au/media_office/media_releases/media_releases/2012/november/support-for-climate-action-on-farms.

⁵⁴¹ How We Are Responding to Climate Change, Department of Agriculture, Fisheries and Forestry (Canberra) 6 December 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/climate>.

⁵⁴² National Biodiversity Investment Prospectus Launched, Invest in Australia (Sydney) 11 December 2012. Date of Access: 5 January 2013.

<http://www.investinaustralia.com/news/national-biodiversity-investment-prospectus-launched-12c3>.

agriculture.⁵⁴³ In October 2012, the government of Australia announced an allocation of AUD700 million for the sustainable agriculture stream.⁵⁴⁴

At a more local level, on 23 November 2012, Minister Ludwig awarded a AUD302.5 thousand grant to volunteers of Landcare, a community-based movement that has “played a major role in raising awareness, influencing farming and land management practices and delivering environmental outcomes across Australian landscapes.”⁵⁴⁵ Indeed, the government of Australia has dedicated over AUD200 million to Landcare activities over the next five years.⁵⁴⁶

The Australian government has taken steps to enhance the sustainability of the country’s fisheries and waters more generally. On 11 September 2012, Minister Ludwig announced a major review of policies and legislation involving Australia’s fisheries, “the first of its kind in over twenty years.”⁵⁴⁷ The minister noted that the review is meant to identify any improvements that are needed to ensure the industry’s sustainability.⁵⁴⁸ Also, on 22 November 2012, the Australian government adopted a plan to restore flows to the Murray-Darling River Basin – a key source of the country’s agricultural production and harbours 30,000 unique wetlands.⁵⁴⁹

On 11 December 2012, Australian Environment Minister Tony Burke released the federal government’s first national biodiversity prospectus entitled “Our Land – Many Stories: Prospectus of Investment 2013-14.”⁵⁵⁰ Minister Burke stated that the Australian government must “take up the opportunities we have right now for conservation and natural resources management in a changing climate.”⁵⁵¹ The minister noted the importance of conserving the

⁵⁴³ National Biodiversity Investment Prospectus Launched, Invest in Australia (Sydney) 11 December 2012. Date of Access: 5 January 2013.

<http://www.investinaustralia.com/news/national-biodiversity-investment-prospectus-launched-12c3>.

⁵⁴⁴ Support From the Ground Up With New Advocate for Soil Health, Department of Agriculture, Fisheries and Forestry (Canberra) 26 October 2012. Date of Access: 5 January 2013.

http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/october/support-from-the-ground-up-with-new-advocate-for-soil-health.

⁵⁴⁵ Australia’s Natural Resources are “In Safe Hands,” Department of Agriculture, Fisheries and Forestry (Canberra) 23 November 2012. Date of Access: 5 January 2013.

http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/november/in-safe-hands.

⁵⁴⁶ Australia’s Natural Resources are “In Safe Hands,” Department of Agriculture, Fisheries and Forestry (Canberra) 23 November 2012. Date of Access: 5 January 2013.

http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/november/in-safe-hands.

⁵⁴⁷ Major Review of Australian Fisheries Management, Department of Agriculture, Fisheries and Forestry (Canberra) 11 September 2012. Date of Access: 5 January 2013.

http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/september/major-review-of-australian-fisheries-management.

⁵⁴⁸ Major Review of Australian Fisheries Management, Department of Agriculture, Fisheries and Forestry (Canberra) 11 September 2012. Date of Access: 5 January 2013.

http://www.daff.gov.au/ludwig/media_office/media_releases/media_releases/2012/september/major-review-of-australian-fisheries-management.

⁵⁴⁹ A Groundbreaking Agreement to Save Australia’s Ailing Murray River, National Geographic (Washington) 28 December 2012. Date of Access: 5 January 2013.

<http://newswatch.nationalgeographic.com/2012/12/28/a-groundbreaking-agreement-to-save-australias-ailing-murray-river/>.

⁵⁵⁰ National Biodiversity Investment Prospectus Launched, Invest in Australia (Sydney) 11 December 2012. Date of Access: 5 January 2012.

<http://www.investinaustralia.com/news/national-biodiversity-investment-prospectus-launched-12c3>.

⁵⁵¹ National Biodiversity Investment Prospectus Launched, Invest in Australia (Sydney) 11 December 2012. Date of Access: 5 January 2012.

<http://www.investinaustralia.com/news/national-biodiversity-investment-prospectus-launched-12c3>.

country's marine environments through federal investment, maintaining that, "it is important that our urban and coastal waterways are protected."⁵⁵²

Moreover, on 20 December 2012, Australia's Environment Minister Tony Burke launched the government's first wave of climate change-related funding for the country's natural resource management organizations.⁵⁵³

On 29 June 2012, Government of Australia announced its intentions to change the eligibility requirements for its conservation tillage offset.⁵⁵⁴ Eligibility requirements for the refundable tax offset have been simplified regarding the purchase of a new eligible no-till seeder, rendering the offset more accessible. Assistant Treasurer David Bradbury has noted, "This is a small but important change that will assist the Government's objective of encouraging the uptake of conservation tillage practices."⁵⁵⁵

However, Government of Australia has terminated some agricultural programmes that would have been in service to the commitment. For example, on 30 June 2012, Australia's Climate Change Adjustment Program was closed. Its purpose was to assist "primary producers to manage the impacts of climate change by helping them to access farm business and management advice."⁵⁵⁶ Adjustment advice, training, and other services were available to eligible producers who were adversely affected by climate change.⁵⁵⁷ Furthermore, the Transitional Income Support, which provided assistance to farm families in financial difficulty to manage the impacts of climate change, also closed on 30 June 2012.⁵⁵⁸

In order to compensate for these closures, the "Rural Financial Counselling Service Program" continues to offer free financial counselling to primary producers, fishers, and some eligible small rural businesses suffering financial hardship as a result of climate change.⁵⁵⁹

Thus, Australia has been awarded a score of +1 for its funding, development, promotion, and implementation of sustainable agricultural practices and increased attention to fisheries and waterways management.

⁵⁵² National Biodiversity Investment Prospectus Launched, Invest in Australia (Sydney) 11 December 2012. Date of Access: 5 January 2012.

<http://www.investinaustralia.com/news/national-biodiversity-investment-prospectus-launched-12c3>.

⁵⁵³ Regions Given Climate Change Help, Sky News (Sydney) 20 December 2012. Date of Access: 5 January 2013.

<http://www.skynews.com.au/eco/article.aspx?id=828549>.

⁵⁵⁴ Reforms to Conservation Tillage Offset, Assistant Treasurer Minister Assisting for Deregulation (29 June 2012). Date of Access: 5 January 2013.

<http://assistant.treasurer.gov.au/DisplayDocs.aspx?doc=pressreleases/2012/058.htm&pageID=003&min=djba&Year=&DocType>.

⁵⁵⁵ Reforms to Conservation Tillage Offset, Assistant Treasurer Minister Assisting for Deregulation (29 June 2012). Date of Access: 5 January 2013.

<http://assistant.treasurer.gov.au/DisplayDocs.aspx?doc=pressreleases/2012/058.htm&pageID=003&min=djba&Year=&DocType>.

⁵⁵⁶ Climate Change Adjustment, Department of Agriculture, Fisheries and Forestry (Canberra) 31 July 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/australias-farming-future/climate-change-adjustment-assistance>.

⁵⁵⁷ Climate Change Adjustment, Department of Agriculture, Fisheries and Forestry (Canberra) 31 July 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/australias-farming-future/climate-change-adjustment-assistance>.

⁵⁵⁸ Climate Change Adjustment, Department of Agriculture, Fisheries and Forestry (Canberra) 31 July 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/australias-farming-future/climate-change-adjustment-assistance>.

⁵⁵⁹ Climate Change Adjustment, Department of Agriculture, Fisheries and Forestry (Canberra) 31 July 2012. Date of Access: 5 January 2013.

<http://www.daff.gov.au/climatechange/australias-farming-future/climate-change-adjustment-assistance>.

Brazil: +1

Brazil has fully complied with its commitment to foster the development and greater use of technologies, practices, and techniques to improve the efficiency of water and soil use in a sustainable manner.

On 29 January 2013, the Ministry of Agriculture, Livestock and Supply announced the Project Recovery of Degraded Areas of the Amazon, launched in partnership with the United Nations Food and Agriculture Organization. The project will aim to recover productive areas degraded in the arc of deforestation in the Amazon by promoting alternative sustainable agriculture production and good agricultural practices.⁵⁶⁰

On 19 January 2013, Brazil participated in the 5th Berlin Agriculture Minister's Summit.⁵⁶¹ The Brazilian delegation joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁵⁶²

On 20 November 2012, the Brazilian government officially installed the National Commission for Agroecology and Organic Production (CNAPO), which is responsible for the development of the country's new Agroecology and Organic Production Policy.⁵⁶³

On 20 December 2012, the Brazilian Ministry of Agriculture, Livestock, and Supply (MAPA) announced initiatives to increase the production and consumption of organic products. The Ministry will contribute BRL3.4 million to the National Council for Scientific and Technological Development (CNPq) to expand a federal network of technical education and development in agroecology and organic farming.⁵⁶⁴

President Dilma Rousseff and MAPA Minister Mendes Ribeiro Filho launched the Agricultural and Livestock Plan 2012/2013 on 28 June 2012. The plan will allot BRL3.4 billion in 2012-2013 to the Low Carbon Agriculture Program (ABC).⁵⁶⁵ The ABC program aims to reduce carbon emissions in the agricultural sector and promote the adoption of sustainable agricultural

⁵⁶⁰ Project Will Promote Recovery of Degraded Productive Area, Ministry of Agriculture, Livestock and Supply (Brasilia) 28 January 2013. Date of Access: 13 February 2013.

<http://www.agricultura.gov.br/comunicacao/noticias/2013/01/projeto-vai-promover-recuperacao-de-area-produitiva-degradada>.

⁵⁶¹ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertgipfel2013_EN.pdf?__blob=publicationFile.

⁵⁶² Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertgipfel.html>.

⁵⁶³ Commission Instituted Agroecology and Organic Production, Ministry of Agriculture, Livestock and Supply (Brasilia) 20 November 2012. Date of Access: 6 January 2013.

<http://www.agricultura.gov.br/comunicacao/noticias/2012/11/instituida-comissao-de-agroecologia-e-producao-organica>.

⁵⁶⁴ Map Invests in Expanding Production System Based Agroecological, Ministry of Agriculture, Livestock and Supply (Brasilia) 20 December 2012. Date of Access: 6 January 2013.

<http://www.agricultura.gov.br/comunicacao/noticias/2012/12/mapa-investe-na-expansao-do-sistema-productivo-de-base-agroecologica>.

⁵⁶⁵ Rio Grande do Sul Enables Technicians to Divulge ABC Plan, Ministry of Agriculture, Livestock and Supply (Brasilia) 20 November 2012. Date of Access: 6 January 2013.

<http://www.agricultura.gov.br/comunicacao/noticias/2012/11/rio-grande-do-sul-capacita-tecnicos-para-divulgar-plano-abc>.

techniques. Among the techniques funded by the program are no-tillage systems, forest planting and maintenance, soil conservation, and recovery of degraded farmland.⁵⁶⁶

Thus, for its development and implementation of sustainable agriculture policies, initiatives, and programs with a goal of adaption to the effects of climate change, Brazil has been awarded a score of +1.

Analyst: Bianca Vong

Canada: +1

Canada has fully complied with its commitment to improve the efficiency of water and soil use in a sustainable manner through the development and implementation of available technologies, well-known practices, and techniques such as soil fertility enhancement, minimum tillage, and agroforestry.

On 18 December 2012, the Canadian government announced it would invest more than CAD850 thousand to finance seven projects, led by Grain Farmers of Ontario, that would allow grain producers to implement soil management practices that could increase their yields and make crops more sustainable. The investment is also directed towards helping producers develop new seed varieties with improved disease resistance and higher protein content.⁵⁶⁷

On 7 December 2012, Gerry Ritz, the Canadian minister of Agriculture and Agri-Food, announced the details of Canada's new agricultural policy framework, "Growing Forward 2." The three new programs under the framework are intended to streamline investments in the agriculture and agri-food sector, focusing on innovation, competitiveness, and market development.⁵⁶⁸ One of these programs – the AgriInnovation Program – will begin in April 2013 and run for five years. This program will receive funding of up to CAD468 million and "is designed to accelerate the pace of innovation by supporting research and development activities in agri-innovations and facilitating the demonstration, commercialization, and/or adoption of innovative products, technologies, processes, practices, and services" with an aim to increase the adaptability and sustainability of Canadian agriculture.⁵⁶⁹

Thus, for its efforts towards improving the sustainability of the country's agriculture sector, Canada receives a score of +1.

Analyst: Nikki Vukasovic

China: -1

China failed to comply with its commitment to improve the efficiency of water and soil use in a sustainable manner through the development and implementation of available technologies, practices, and techniques.

⁵⁶⁶ Government Provides More Resources For Sustainable Production, Ministry of Agriculture, Livestock and Supply (Brasilia) 28 June 2012. Date of Access: 6 January 2013.

<http://www.agricultura.gov.br/politica-agricola/noticias/2012/06/governo-disponibiliza-mais-recursos-para-producao-sustentavel>.

⁵⁶⁷ Harper Government Helps Grain Farmers Grow Stronger, Agriculture and Agri-Food Canada (Ottawa) 18 December 2012. Date of Access: 5 January 2013.

http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2012&page=n121218.

⁵⁶⁸ Harper Government Announces Federal Growing Forward 2 Programs, Agriculture and Agri-Food Canada (Ottawa) 7 December 2012. Date of Access: 5 January 2013.

http://www.agr.gc.ca/cb/index_e.php?s1=n&s2=2012&page=n121207.

⁵⁶⁹ AgriInnovation Program, Agriculture and Agri-Food Canada (Ottawa) 7 December 2012. Date of Access: 5 January 2013.

<http://www4.agr.gc.ca/AAFC-AAC/display-afficher.do?id=1354301302625&lang=eng>.

In January 2013, China participated in the 5th Berlin Agriculture Minister's Summit.⁵⁷⁰ The Chinese delegation joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁵⁷¹

On 31 October 2012, the State Council pledged to launch a national program on soil protection, with the goal of protecting the soil of cultivated land and drinking water by monitoring and controlling pollutant risks, rehabilitating polluted soil, and improving mechanisms for monitoring soil environment.⁵⁷²

Furthermore, the Facilitating Reforestation for Guangxi Watershed Management in the Pearl River Basin Project has recently reforested three thousand hectares of land in southwest Guangxi. The project will control soil and water erosion, restore degraded land, and preserve biodiversity in the area.⁵⁷³

However, no current programs for the development and implementation of technologies, practices, and techniques to improve the efficiency of water and soil use in a sustainable manner were found.

Despite China's promised support of sustainable agriculture and expressed intent to launch a national program on soil protection, the current lack of development and implementation of such programs warrants a score of -1.

Analyst: Bianca Vong

France: +1

France has fully complied with its commitment to promote environmentally sustainable agricultural methods.

On 19 January 2013, France participated in the 5th Berlin Agriculture Minister's Summit.⁵⁷⁴ The French delegation joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁵⁷⁵

On 18 December 2012, France's Ministry of Agriculture held a conference in Paris to discuss their new project "Agricultures Produisons Autrement." During the conference, the French

⁵⁷⁰ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013. http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertgipfel2013_EN.pdf?__blob=publicationFile.

⁵⁷¹ Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013. <http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertgipfel.html>.

⁵⁷² China Vows to Curb Soil Pollution, China Daily (Beijing) 31 October 2012. Date of Access: 5 January 2013. http://www.chinadaily.com.cn/china/2012-10/31/content_15862217.htm.

⁵⁷³ Reforestation Pilot in China is Earning Carbon Credits, World Bank (Washington) 27 December 2012. Date of Access: 5 January 2013. <http://www.worldbank.org/en/news/2012/12/28/reforestation-pilot-in-china-is-earning-carbon-credits>.

⁵⁷⁴ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013. http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertgipfel2013_EN.pdf?__blob=publicationFile.

⁵⁷⁵ Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013. <http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertgipfel.html>.

Minister of Agriculture, Stéphane Le Foll, affirmed France's goal to become a "leader in agro-ecology in Europe."⁵⁷⁶

The French Ministry of Agriculture established that the goals of this program are to: (1) gather, organize, and complete agro-ecological knowledge; (2) provide training and technical support; (3) "individually and collectively encourage farmers to convert their practices and maintain these changes over time."⁵⁷⁷

In pursuit of these objectives, the Ministry of Agriculture has stated that it will allocate EUR3 million to agro-ecological development projects in 2013. The French Government also intends to provide incentives to farmers with tax breaks, and redirect Collective Agricultural Plan (CAP) money to fund individual agro-ecological initiatives.⁵⁷⁸

Thus, for its efforts to enhance sustainable agriculture in the face of climate change, France receives a score of +1.

Analyst: Mary Davidson

Germany: 0

Germany has taken steps to improve the efficiency of water and soil use through the development of sustainable practices. However, Germany is yet to commence the implementation of such practices.

On 28 January 2013, Federal Minister of Food, Agriculture and Consumer Protection Ilse Aigner and Co-Chair of the Bill and Melinda Gates Foundation shared their vision of the importance of agricultural research in the fight against world hunger.⁵⁷⁹ Minister Aigner spoke of the significance of development of agriculture in the developing countries: "Responsible investments in agriculture and agricultural research that is tailored to the needs of developing countries are key factors in the fight against hunger and poverty." Minister Aigner meeting with Mr. Gates aligned with the 5th International Agriculture Ministers' Summit in Berlin, initiated and chaired by Minister Aigner.⁵⁸⁰ Upon the conclusion of the Summit, delegations from 80 countries⁵⁸¹ united in their call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.

⁵⁷⁶ Stéphane Le Foll Veut Faire de la France le Leader Européen de l'Agroécologie, La France Agricole (Paris) 18 December 2012. Date of Access: 5 January 2013.

<http://www.lafranceagricole.fr/actualite-agricole/modeles-de-production-stephane-le-foll-veut-faire-de-la-france-le-leader-europeen-de-l-agroecologie-66153.html>.

⁵⁷⁷ Conférence Nationale: Stéphane Le Foll Présente Son Projet Agro-écologique, Ministère de l'Agriculture, de l'Agroalimentaire et de la Forêt (Paris) 18 December 2012. Date of Access: 5 January 2013.

<http://agriculture.gouv.fr/Conference-nationale-Stephane-Le>.

⁵⁷⁸ Conférence Nationale: Stéphane Le Foll Présente Son Projet Agro-écologique, Ministère de l'Agriculture, de l'Agroalimentaire et de la Forêt (Paris) 18 December 2012. Date of Access: 5 January 2013.

<http://agriculture.gouv.fr/Conference-nationale-Stephane-Le>.

⁵⁷⁹ Press release no. 38 from 28.01.13: Aigner and Gates talk about a world without hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 28 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/038-AI-Gates.html>.

⁵⁸⁰ Press release no. 22 from 19.01.13: Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertagung.html>.

⁵⁸¹ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertagung2013_EN.pdf?__blob=publicationFile.

On 6 December 2012, Minister Ilse Aigner signed an intergovernmental agreement on scientific-technical cooperation in agricultural and food research Israel's Minister of Agriculture Orit Noked.⁵⁸² The agreement is meant to bring together the research platforms of the two countries in joint projects addressing the global food situation. The points of emphasis are: (1) adaptation of agriculture to climate change, (2) drought and stress tolerance of wheat, and (3) more efficient irrigation practices.

On 9 November 2012, the Federal Ministry of Food, Agriculture and Consumer Protection (BMELV) released a brochure outlining the Ministry's primary areas of work and policy goals. In the brochure, the BMELV described its ongoing efforts to "encourage sustainable forest management" and explained that "[its] aim is to create optimal conditions to enable the German agricultural industry to be modern, multifunctional and innovative".⁵⁸³

On 20 November 2012, at the Global Soil Week hosted in Berlin, Gudrun Kopp, Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development (BMZ), emphasized the increasing significance of soil conservation: "We urgently need to prevent further loss of the limited resource of fertile soil."⁵⁸⁴ Speaking of Germany's efforts to promote soil conservation and rehabilitation internationally, Parliamentary State Secretary said that "[...] it is important that people throughout the world develop an awareness of the value of land and of the dangers of not managing land in a sustainable way."

Germany has taken actions to enhance the development of efficient soil and water use technologies through the international exchange of experience. However, Germany is yet to translate the new developments into practices. Thus Germany is awarded a score of 0.

Co-Director of Compliance: Vera V. Gavrilova

India: 0

India partially complied with its commitment to support the development and a greater use of available technologies, well-known practices, and techniques such as soil fertility enhancement, minimum tillage, and agroforestry.

In January 2013, India participated in the 5th Berlin Agriculture Minister's Summit.⁵⁸⁵ The Indian delegation joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁵⁸⁶

⁵⁸² Press release No. 374 from 06.12.12: Germany and Israel intensify cooperation in agricultural research and rural development, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 6 December 2012. Date of Access: 11 January 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2012/374-Zusammenarbeit-mit-Israel.html>.

⁵⁸³ The BEMLV, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 9 November 2012. Date of Access: 11 January 2013.

http://www.bmelv.de/SharedDocs/Downloads/EN/Publications/Self-Portrait.pdf?__blob=publicationFile.

⁵⁸⁴ Press Releases: Global Soil Week, Federal Ministry of Economic Cooperation and Development (Bonn) 20 November 2012. Date of Access: 11 January 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2012/November/20121120_pm_276_boeden/index.html.

⁵⁸⁵ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertag2013_EN.pdf?__blob=publicationFile.

⁵⁸⁶ Press release no. 22 from 19.01.13: Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertag.html>.

On 21 December 2012, the Planning Commission of the Government of India released a draft of the country's Twelfth Five Year Plan (2012-2017) that renewed federal funding for Rashtriya Krishi Vikas Yojana (RKVY) – the National Agriculture Development Scheme – in the amount of INR632.46 billion over five years.⁵⁸⁷

RKVY is a Central Assistance scheme created under the country's Eleventh Five Year Plan "to incentivise States to draw up plans for their agriculture sector more comprehensively, taking agro-climatic conditions, natural resource issues and technology into account, and integrating livestock, poultry and fisheries more fully."⁵⁸⁸ The scheme provides assistance for activities in defined areas of focus that include enhancement of soil health, skill development and training among farmers, and scaling up micro-irrigation systems.⁵⁸⁹

The Twelfth Five Year Plan also highlights the importance of sustainable agriculture in its chapter on Sustainable Development: "The major thrust of the agricultural development programmes is on improving the efficiency and use of scarce natural resources, namely, land, water, and energy."⁵⁹⁰

India's renewed financial commitment to the RKVY warrants a score of 0.

Analyst: Erin Singer

Indonesia: +1

Indonesia has fully complied with its commitment to support the development and greater use of available technologies, well-known practices, and techniques such as soil fertility enhancement, minimum tillage, and agroforestry.

On 19 January 2013, Indonesia participated in the 5th Berlin Agriculture Minister's Summit.⁵⁹¹ The Indonesian delegation joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁵⁹²

On 2 August 2012, the Board of Directors of the World Bank approved a USD80 million loan to the Republic of Indonesia for the country's Sustainable Management of Agricultural Research

⁵⁸⁷ Twelfth Five Year Plan (2012-2017) Volume 1: Faster, More Inclusive, and Sustainable Growth, Planning Commission of the Government of India (New Delhi) 21 December 2012. Date of Access: 4 January 2013.

<http://planningcommission.gov.in/plans/planrel/12thplan/welcome.html>.

⁵⁸⁸ About RKVY: Vision/Mission, Department of Agriculture and Cooperation at the Ministry of Agriculture (New Delhi) 2009. Date of Access: 4 January 2013.

<http://rkvy.nic.in/Index.html>.

⁵⁸⁹ Guidelines & Amendments: Areas of Focus under the RKVY, Department of Agriculture and Cooperation at the Ministry of Agriculture (New Delhi) 2009. Date of Access: 4 January 2013.

<http://rkvy.nic.in/Index.html>.

⁵⁹⁰ Twelfth Five Year Plan (2012-2017) Volume 1: Faster, More Inclusive, and Sustainable Growth, Planning Commission of the Government of India (New Delhi) 21 December 2012. Date of Access: 4 January 2013.

<http://planningcommission.gov.in/plans/planrel/12thplan/welcome.html>.

⁵⁹¹ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Ag_rarministergipfel2013_EN.pdf?__blob=publicationFile.

⁵⁹² Press release no. 22 from 19.01.13: Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministergipfel.html>.

and Dissemination (SMARTD) project.⁵⁹³ The project aims to “improve the institutional capacity and performance of the Indonesian Agency for Agricultural Research and Development (IAARD) to develop and disseminate relevant and demand-driven innovative technologies, meeting the needs of producers and of the agri-food system.”⁵⁹⁴

Currently, including both public and private sector spending, Indonesia spends 0.27 per cent of its GDP on agricultural research.⁵⁹⁵

In November 2012, the Partnership for Indonesia Sustainable Agriculture (PISAgro) announced that its working group on rice had agreed to launch its first pilot project in the upcoming growing season. PISAgro is a partnership between Government of Indonesia and several Indonesian and multinational corporations. Bayer CropScience will supply hybrid rice seed and a crop protection package for farmers to the Indonesian company TPS Food. Both Bayer and TPS will support farmers through the growing and cultivation process to ensure quality and will provide training to farmers in good agricultural practices.⁵⁹⁶

Thus, Indonesia was awarded a score of +1 for its efforts in development and capacity building in IAARD and for its multi-stakeholder initiative to increase rice crop productivity through the use of practices of sustainable agriculture.

Analyst: Erin Singer

Italy: -1

Italy has failed comply with its commitment on sustainable agriculture. Italy has expressed its understanding of the importance of practices sustainable water and soil use and stated its intent to develop and implement such practices. However, to date, no actions have been taken to substantiate the statement.

On 11 September 2012, Italy’s Minister of Agriculture and Forestry Mario Catania attended the informal Council of Ministers for Agriculture and Fisheries of the European Union. Minister Catania stated that water and soil conservation are fundamental issues, and policies must be developed to address them.⁵⁹⁷ During his speech, the minister referenced the initiatives Italy is undertaking to address these issues domestically. He said changes to the climate in the

⁵⁹³ Implementation Status & Results: Indonesia Sustainable Management of Agricultural Research and Technology Dissemination (SMARTD), World Bank (Washington) 24 November 2012. Date of Access: 5 January 2013.

http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/EAP/2012/11/24/090224b0817a0360/1_0/Rendered/PDF/Indonesia000Su0Report000Sequence001.pdf

⁵⁹⁴ Project Appraisal Document on a Proposed Loan in the Amount of USD\$80.0 Million to the Republic of Indonesia for the Sustainable Management of Agricultural Research and Technology Dissemination (SMARTD) Project, World Bank (Washington) 1 July 2012. Date of Access: 5 January 2013.

http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/07/17/000356161_20120717004253/Rendered/PDF/643060PAD0P1170only0900R20120015501.pdf

⁵⁹⁵ OECD Review of Agricultural Policies: Indonesia 2012, Organization for Economic Cooperation and Development (Paris) 19 October 2012. Date of Access: 4 January 2013.

http://www.keepeek.com/Digital-Asset-Management/oecd/agriculture-and-food/oecd-review-of-agricultural-policies-indonesia-2012/policy-trends-and-evaluation_9789264179011-7-en

⁵⁹⁶ News and Productivity Monthly Publication Issue 1, Partnership for Indonesia Sustainable Agriculture (Jakarta) November 2012. Date of Access: 5 January 2013.

<http://pisagro.org/wp-content/uploads/2012/11/PISAGRO%20NOV12.pdf>

⁵⁹⁷ Consiglio Informale Ministri Agricoltura Ue, Catania: Questione Dell'acqua e Salvaguardia Dei Terreni Sono Temi Fondamentali, Servono Politiche Mirate, Ministry of Agricultural, Food, and Forestry Policies (Rome) 11 September 2012. Date of Access: 5 January 2013.

<http://www.politicheagricole.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/5406>

Mediterranean have led to the need to use and store water more efficiently. As a result, Italy would be investing in new reservoirs, irrigation systems, and conservation programs while also trying to halt overbuilding on agricultural land.⁵⁹⁸

Italy has taken no steps to develop and implement practices of sustainable use of soils and water. Thus, Italy is awarded a score of -1.

Analyst: Nikki Vukasovic

Japan: -1

Japan has not complied with its commitment on sustainable agriculture, failing to develop or implement well-known technologies, practices, or techniques such as soil fertility enhancement, minimum tillage, and agroforestry in order to improve the efficiency of water and soil use in a sustainable manner.

On December 2012, the Japan International Research Center for Agricultural Sciences (JIRCAS) – an incorporated Administrative Agency under the Japanese Ministry of Agriculture, Forestry and Fisheries – in conjunction with the Thai Department of Agriculture, hosted an international workshop on carbon sequestration in soils through farmland management.⁵⁹⁹ The workshop “promoted the information exchange among the researchers in this field and successfully provided the latest achievements in soil carbon sequestration studies and long term soil experiments.”⁶⁰⁰

Internationally, Japan has taken some steps to disseminate its agricultural practices to developing countries. On 28-29 November 2012, the JIRCAS, under the auspices of several Japanese government ministries including the Ministry of Agriculture, Forestry, and Fisheries, the Japan International Cooperation Agency, and the Japan Forum on International Agricultural Research for Sustainable Development, hosted a conference, titled “Resilient Food Production Systems: The Role of Agricultural Technology Development in Developing Regions.”⁶⁰¹

Also, on 19 December 2012, The Japanese Government donated 33 units of agricultural mechanization equipment worth USD5 million to Uganda in order to increase Uganda’s capabilities to cope with natural disasters caused by climate change.⁶⁰²

⁵⁹⁸ Consiglio Informale Ministri Agricoltura Ue, Catania: Questione Dell'acqua e Salvaguardia Dei Terreni Sono Temi Fondamentali, Servono Politiche Mirate, Ministry of Agricultural, Food, and Forestry Policies (Rome) 11 September 2012. Date of Access: 5 January 2013.

<http://www.politicheagricole.it/flex/cm/pages/ServeBLOB.php/L/IT/IDPagina/5406>.

⁵⁹⁹ JIRCAS International Workshop: Carbon Sequestration in Soils Through Farm Land Management – The Latest World Researches and Relevancy in Southeast Asia, Japan International Research Center for Agricultural Sciences (Tokyo) 6 December 2012. Date of Access: 13 January 2013.

<http://www.jircas.affrc.go.jp/english/reports/s20121206e.html>.

⁶⁰⁰ JIRCAS International Workshop: Carbon Sequestration in Soils Through Farm Land Management – The Latest World Researches and Relevancy in Southeast Asia, Japan International Research Center for Agricultural Sciences (Tokyo) 6 December 2012. Date of Access: 13 January 2013.

<http://www.jircas.affrc.go.jp/english/reports/s20121206e.html>.

⁶⁰¹ JIRCAS International Symposium 2012 Resilient Food Production Systems, Japan International Research Center for Agricultural Sciences (Tokyo) 29 November 2012. Date of Access: 13 January 2013.

<http://www.jircas.affrc.go.jp/english/reports/s20121128e.html>.

⁶⁰² Japan Donates Agricultural Equipment, Daily Monitor (Kampala) 19 December 2012. Date of Access: 13 January 2013.

<http://www.monitor.co.ug/News/National/Japan-donates-agricultural-equipment/-/688334/1647128/-/1awq7q/-/index.html>.

However, Government of Japan has not yet passed any legislation or taken other actions to improve the sustainability of its domestic agriculture sector. Thus, despite Japan's efforts to promote sustainable agriculture internationally, Japan has been awarded a score of -1.

Lead Analyst: Samantha Young

Korea: -1

Korea has not complied with its commitment on sustainable agriculture. It has failed to foster and promote the use of sustainable agricultural technologies, especially in regard to minimizing water use and effective soil management.

Korea's current policy towards the country's agriculture sector is very broad, as the Ministry of Agriculture states that its intentions for the sector are to "reinforce the consumer orientated agricultural food policy and focus on competitiveness improvement focusing primarily on the agricultural management system and systematic promotion of agricultural policy."⁶⁰³ With regards to the development of technologies within the agricultural sector, Government of Korea is focused on fostering research and development in biotechnology, as opposed to fostering research in sustainability.⁶⁰⁴

On 28 November 2012, Al Jazeera released its coverage on Korea and its current development of vertical farms.⁶⁰⁵ Korea has been developing new ways to make agriculture more sustainable and environmentally-friendly through focusing on making urban spaces more "green," to the point where skyscrapers could mimic natural conditions for farming.⁶⁰⁶

Government of Korea has also been sharing its agricultural techniques over the past few years through workshops with officials from around the world.⁶⁰⁷ On 22 August 2012, Government of India's Ministry of Rural Development posted a bulletin for officials to take part in a sustainable agricultural development summit in Korea. The main objectives of the summit are: "to learn cultivation technology and management for environmentally agriculture" and to disseminate Korea's policies on sustainability.⁶⁰⁸

Presently, Korea lacks a national program on development and implementation of sustainable agricultural and water use practices. Thus, Korea receives a score of -1.

⁶⁰³ Promotion of a Comprehensive Agriculture Industry and Community Plan, Ministry for Food Agriculture Forestry and Fisheries (Sejong) 2012. Date of Access: 26 December 2012.
http://english.mifaff.go.kr/eng/list.jsp?group_id=1002&menu_id=1024&link_menu_id=1072&division=H&board_kind=&board_skin_id=&parent_code=1002&depth=1&tab_yn=Y.

⁶⁰⁴ Promotion of a Comprehensive Agriculture Industry and Community Plan, Ministry for Food Agriculture Forestry and Fisheries (Sejong) 2012. Date of Access: 26 December 2012.
http://english.mifaff.go.kr/eng/list.jsp?group_id=1000&menu_id=1019&link_menu_id=&division=H&board_kind=&board_skin_id=&parent_code=1000&depth=1&tab_yn=N.

⁶⁰⁵ Korea's Vertical Farms Envision a Greener Future, Korea Culture and Information Service (Seoul) 28 November 2012. Date of Access: 26 December 2012.
<http://www.korea.net/NewsFocus/Sci-Tech/view?articleId=103942>.

⁶⁰⁶ Korea's Vertical Farms Envision a Greener Future, Korea Culture and Information Service (Seoul) 28 November 2012. Date of Access: 26 December 2012.
<http://www.korea.net/NewsFocus/Sci-Tech/view?articleId=103942>

⁶⁰⁷ Korea's Agricultural Technology Goes Global, Korea Culture and Information Service (Seoul) 2 September 2011. Date of Access: 26 December 2012.
<http://www.korea.net/NewsFocus/Policies/view?articleId=88567>.

⁶⁰⁸ Training Programme on Sustainable Agriculture Development, Ministry of Rural Development (New Delhi) 22 August 2012. Date of Access: 26 December 2012.
http://rural.nic.in/sites/downloads/latest/Training_Sustainable_Agriculture_Development_Korea11_31Oct12.pdf

Mexico: 0

Mexico has taken steps to improve the efficiency of water and soil use in a sustainable manner by enlarging the budget of a program directed at water and soil conservation.

On 24 September 2012, during a G20 Meeting of Agriculture Chief Scientists, Mexico's Secretary of Agriculture, Livestock, Rural Development, Fisheries and Food (SAGARPA), Mayorga Castañeda, stated that as current chair of the G20 he proposed that the primary focus of work on food security this year should be to develop tools to increase agricultural production and productivity in a sustainable manner, creating economic opportunities for small production units.⁶⁰⁹

On 22 January 2013, Mexico's President Enrique Peña Nieto announced that National Commission for Arid Zones program's (CONAZA) – which seeks to increase economic activity in Mexico's rural areas by funding water and soil conservation projects – budget for 2013 would be MXN720 million, which constitutes an increase of over MXN300 million budgeted in 2012.⁶¹⁰ The funds will be applied to programs that benefit the conservation and sustainable use of soil and water and ensure that Mexico's food production could withstand future droughts.⁶¹¹ CONAZA has several components including Conservation and Sustainable Use of Soil and Water (COUSSA). This component “aims to contribute to the conservation, sustainable use and management of land resources, water and vegetation used in primary production” by enabling rural producers to undertake conservation-orientated projects.⁶¹²

Thus, for its increased funding of CONAZA, Mexico was awarded a score of 0.

Analyst: Nikki Vukasovic

Russia: +1

Russia has fully complied with the three components of the commitment on food and agriculture.

On 14 July 2012, the Russian Government approved the State Program of Agricultural Development and Agricultural Products, Raw Materials and Food Markets Regulation in 2013-2020. One of the stated goals of the program is to “improve the efficiency of land and other resources and ecologization of production process”. The program provides for the measures to conduct amelioration and improve the use of arable land through enhancing of the amelioration systems, funding of research and development activities, and training in this sphere.⁶¹³

⁶⁰⁹ Inicia Reunión de Científicos Agrícolas del G20, Ganadería, Desarrollo Rural, Pesca y Alimentación (México City) 24 September 2012. Date of Access: 6 January 2013.

<http://www.sagarpa.gob.mx/saladeprensa/discursos2/Paginas/2012D017.aspx>.

⁶¹⁰ Impulsará SAGARPA capacidades productivas de habitantes en las zonas áridas de México erradicando asistencialismos, Secretaria De Agricultura Ganadería, Desarrollo Rural, Pesca y Alimentación (México City) 4 February 2012. Date of Access: January 2013.

<http://www.sagarpa.gob.mx/saladeprensa/2012/Paginas/2013B058.aspx>.

⁶¹¹ Designan a nuevo director general de la CONAZA, Secretaria De Agricultura Ganadería, Desarrollo Rural, Pesca y Alimentación (México City) 22 January 2013. Date of Access: 6 January 2013.

<http://www.sagarpa.gob.mx/saladeprensa/2012/Paginas/2013B031.aspx>.

⁶¹² ¿Qué hace la CONAZA?, Secretaria De Agricultura Ganadería, Desarrollo Rural, Pesca y Alimentación (México City) 10 July 2012. Date of Access: 9 February 2013.

<http://www.conaza.gob.mx/index.php/consulta-y-servicios/costos-por-reproducción-de-información>.

⁶¹³ State Program of Agricultural Development and agricultural products, raw materials and food markets regulation in 2013-2020, Russian Ministry of Agriculture. Date of Access: 26 March 2013.

<http://www.mcx.ru/navigation/docfeeder/show/342.htm>.

In 2013, construction and modernization of 73 amelioration objects is to be conducted in the framework of implementation of the “Preservation and restoration of soil fertility of agricultural land as a national heritage of Russia for the period of 2006-2010 and up to 2013” federal program. The federal budget spending is planned to amount to approximately USD179 million.

The works on 54 objects are to be completed in 2013.⁶¹⁴

On 22 January 2013, the Russian Government initiated the development of the federal targeted program “Development of agricultural land amelioration in Russia in 2014 – 2020”⁶¹⁵ which stipulates measures to improve water resources use in agriculture. Among these measures are: reconstruction and modernization of existing amelioration systems through introduction of new technologies and equipment, agroforestry, phytomeliorative, land clearance activities, research and development exercise.⁶¹⁶ According to the Deputy Minister of Agriculture Pavel Semenov by 2020 the project’s implementation will allow to bring 841 hectares into agricultural production and to create 92.9 thousand employment opportunities.⁶¹⁷

In pursuance of the Government decree the Department of Amelioration of the Russian Ministry of Agriculture conducts a number of economically viable regional agricultural development programs, which provide for compensation of the costs of construction and modernization of amelioration systems to the farmers’ enterprises. In 2013 the compensation is planned to amount to approximately USD87.5 million.⁶¹⁸

Russia has taken actions to improve the efficiency of water and soil use in agriculture through development and implementation of available technologies, soil fertility enhancement and agroforestry. Thus, it gets a score of +1.

Analyst: Andrei Sakharov

Saudi Arabia: -1

Saudi Arabia has failed to comply with its commitment on sustainable agriculture, taking no steps to promote or develop available technologies, well-known practices, and techniques such as soil fertility enhancement, minimum tillage, and agroforestry.

On 19 January 2013, Saudi Arabia participated in the 5th Berlin Agriculture Minister’s Summit.⁶¹⁹ The delegation of Saudi Arabia joined the Summit’s participants in a call to increase

⁶¹⁴ The construction and reconstruction of the amelioration complex objects is under way, Russian Ministry of Agriculture 14 February 2013. Date of Access: 26 March 2013. <http://www.mcx.ru/news/news/show/9470.355.htm>.

⁶¹⁵ Draft federal target program “Development of agricultural land amelioration in Russia in 2014 – 2020”, Russian Ministry of Agriculture 25 March 2013. Date of Access: 27 March 2013. http://www.mcx.ru/documents/document/v7_show/23299.299.htm.

⁶¹⁶ On approval of the concept of the federal target program "Development of agricultural land amelioration Russia in 2014 - 2020 years", Government of Russia 22 January 2013. Date of Access: 27 March 2013. <http://xn--80aealotwbjpid2k.xn--p1ai/gov/results/22537/>.

⁶¹⁷ The Future of Amelioration, Russian Ministry of Agriculture 27 March 2013. Date of Access: 27 March 2013. http://www.mcx.ru/news/news/v7_show/10612.285.htm.

⁶¹⁸ The ameliorated lands are to be put into operation with state support, Russian Ministry of Agriculture 25 March 2013. Date of Access: 27 March 2013. <http://www.mcx.ru/news/news/show/10536.355.htm>.

⁶¹⁹ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013. http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertgipfel2013_EN.pdf?__blob=publicationFile.

capital investments to develop a sustainable agri-food industry, especially in developing countries.⁶²⁰

On 9 October 2012, the new Organic Agricultural Policy for Saudi Arabia was presented in Riyadh.⁶²¹ The policy encompasses plans for higher agricultural production in addition to certain resource conservation objectives in the organic sector.⁶²² The implementation of this policy is forthcoming, and is expected to be adopted in 2013.⁶²³

However, the emphasis of Saudi Arabian agricultural policy is, at present, more focused on investment in foreign projects, rather than domestic sustainability. For instance, on 18 September 2012, Saudi Arabian Minister of Agriculture Fahd Balghunaim signed an agreement to increase agricultural investment in the Sudan.⁶²⁴ Similarly, Eid al-Ma'arik, chairman of the Agricultural Investment Committee at the Saudi Council of Chambers, formally announced the government's decision to invest USD11 billion in foreign agricultural projects, most notably in the Ukraine, Brazil, and Canada.⁶²⁵

This trend in Saudi Arabia's policy encourages domestic companies to invest in farms in Africa, with the intention of replacing local production with a stable imported food supply.⁶²⁶

Thus, for the lack of domestically oriented national policies for sustainable agriculture and efficient water use, Saudi Arabia received a score of -1.

Analyst: Mary Davidson

South Africa: +1

South Africa has complied with its commitment on sustainable agriculture, taking steps to improve water use efficiency within the country.

Government of South Africa has engaged in several measures to improve country efficiency in the country's use of water. On 30 August 2012, the South African Department of Water Affairs and Forestry announced that it is set to host a Water Conservation Conference, "calling on municipalities and all water users to reflect on how they can contribute to curbing water losses

⁶²⁰ Press release no. 22 from 19.01.13: Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmely.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertag.html>.

⁶²¹ Organic Agricultural Policy for Saudi Arabia, Research Institute of Organic Agriculture (Frick) 24 October 2012. Date of Access: 8 January 2013.

<http://www.fibl.org/en/service-en/news-archive/news/article/organic-agricultural-policy-for-saudi-arabia.html>.

⁶²² Organic Agricultural Policy for Saudi Arabia, Research Institute of Organic Agriculture (Frick) 24 October 2012. Date of Access: 8 January 2013.

<http://www.fibl.org/en/service-en/news-archive/news/article/organic-agricultural-policy-for-saudi-arabia.html>.

⁶²³ Organic Agricultural Policy for Saudi Arabia, Research Institute of Organic Agriculture (Frick) 24 October 2012. Date of Access: 8 January 2013.

<http://www.fibl.org/en/service-en/news-archive/news/article/organic-agricultural-policy-for-saudi-arabia.html>.

⁶²⁴ Saudi Arabia, Sudan Sign Farm-Investment Accord, Al-Awsat Says, Bloomberg (New York City) 19 September 2012. Date of Access: 8 January 2013.

<http://www.bloomberg.com/news/2012-09-19/saudi-arabia-sudan-sign-farm-investment-accord-al-awsat-says.html>.

⁶²⁵ Saudi to Invest Over US\$11bn in Farmland Projects, Arabian Business (Dubai) 20 September 2012. Date of Access: 8 January 2013.

<http://www.arabianbusiness.com/saudi-invest-over-us-11bn-in-farmland-projects-473653.html>.

⁶²⁶ Saudi to Invest Over US\$11bn in Farmland Projects, Arabian Business (Dubai) 20 September 2012. Date of Access: 8 January 2013.

<http://www.arabianbusiness.com/saudi-invest-over-us-11bn-in-farmland-projects-473653.html>.

and curtailing wasteful uses of water.”⁶²⁷ Moreover, on 27 August 2012, the Department published the second edition of the South African National Water Resource Strategy.⁶²⁸

On 11 October 2012, South African Minister of Water and Environmental Affairs Edna Molewa presided over the opening of the Rand Water Academy in Zuikerbosch. Minister Molewa “acknowledged that the shortage of appropriate skills and capability in the right places was a critical challenge in the water sector.”⁶²⁹ This includes a lack of trained engineers, scientists, and artisans, as well as adequate leadership, governance, and oversight.⁶³⁰

On 5 November 2012, the Department of Water Affairs and Forestry announced that it would spend a further ZAR258 million “on clean-up, re-habilitation and maintenance of the Hartebeespoort Dam in the North West Province.”⁶³¹ Likewise, on 21 November 2012, the Deputy Minister of Water and Environmental Affairs, Ms. Rejoice Mabudafhasi, instituted the “Sandspruit River Clean Up.” The initiative is an effort to “deepen the Department of Water Affairs’ call to communities for active participation in water resource management for sustainability.”⁶³²

Moreover, on 10 December 2012, the South African Department of Water Affairs confirmed that it is taking “measures to ensure sustainable water supply in the short and long term for the Nelson Mandela Bay Municipality and surrounding areas.”⁶³³ The Department established that “the most important measures to ensure water security for this important area are to intensify the implementation of further water conservation and water demand management (WC/WDM) initiatives to ensure efficient use of water.”⁶³⁴

For its investments in the development of efficient water use practices and efforts to bring municipalities to apply water conservation practices, South Africa is awarded a score of +1.

Lead Analyst: Samantha Young

⁶²⁷ Water Saving in an Ongoing Responsibility, Department of Water Affairs and Forestry (Pretoria) 20 August 2012. Date of Access: 13 January 2013.
<http://www.dwaf.gov.za/Communications/PressReleases/2012/Water%20Saving%20is%20an%20Ongoing%20Responsibility.pdf>.

⁶²⁸ 2nd National Water Resource Strategy, Department of Water Affairs and Forestry (Pretoria) 27 August 2012. Date of Access: 13 January 2013.
<http://www.dwaf.gov.za/Communications/PressReleases/2012/Media%20Briefing%20nd%20National%20Water%20Resource%20Strategy.pdf>.

⁶²⁹ Minister of Water and Environmental Affairs to Launch the Rand Water Academy, Department of Water Affairs and Forestry (Pretoria) 11 October 2012. Date of Access: 13 January 2013.

<http://www.dwaf.gov.za/Communications/PressReleases/2012/Rand%20Water%20Academy.pdf>.

⁶³⁰ Minister of Water and Environmental Affairs to Launch the Rand Water Academy, Department of Water Affairs and Forestry (Pretoria) 11 October 2012. Date of Access: 13 January 2013.

<http://www.dwaf.gov.za/Communications/PressReleases/2012/Rand%20Water%20Academy.pdf>.

⁶³¹ More Investment for Hartebeespoort Dam, Department of Water Affairs and Forestry (Pretoria) 5 November 2012. Date of Access: 13 January 2013.

<http://www.dwaf.gov.za/Communications/PressReleases/2012/More%20investment%20for%20Hartebeespoort%20Dam.pdf>.

⁶³² Deputy Minister Mabudafhasi to Embark on Sandspruit River Clean Up In Senekal, Free State, Department of Water Affairs and Forestry (Pretoria) 21 November 2012. Date of Access: 13 January 2013.

<http://www.dwaf.gov.za/Communications/PressReleases/2012/Sandspruit%20river%20clean%20up%20in%20Senekal.pdf>.

⁶³³ Sustainable Water Supply for Nelson Mandela Bay Municipality and Surrounding Areas, Department of Water Affairs and Forestry (Pretoria) 10 December 2012. Date of Access: 13 January 2013.

<http://www.dwaf.gov.za/Communications/PressReleases/2012/Algoa%20SSC.pdf>.

⁶³⁴ Sustainable Water Supply for Nelson Mandela Bay Municipality and Surrounding Areas, Department of Water Affairs and Forestry (Pretoria) 10 December 2012. Date of Access: 13 January 2013.

<http://www.dwaf.gov.za/Communications/PressReleases/2012/Algoa%20SSC.pdf>.

Turkey: 0

Turkey has partially complied with its commitment to develop and implement sustainable agricultural practices.

The Turkish government has instituted a number of incentives in order to promote sustainable agriculture. For example, on 6 December 2012, the Turkish Ministry of Food, Agriculture, and Livestock published a communiqué stating that, “farmers engaged in Good Agricultural Practices [are to be] provided with a support payment of TRY20 per decare for fruits and vegetables, and TRY80 per decare for protected farming.”⁶³⁵

In September 2012, Turkey’s Agricultural Minister Mehmet Mehdi Eker reported an increase in funding for research and development projects from TRY11 million to TRY126 million in a speech at the opening of the GAP International Agricultural Research and Training Center in Diyarbakir.⁶³⁶

However, most Turkish agricultural research and spending has been focused on increasing production than enhancing sustainability, as demonstrated by the allocation of TRY63 million to help farmers buy modern agricultural machinery and equipment.⁶³⁷

Although existing government initiatives, including the National Climate Change Plan (2011-2013)⁶³⁸ and the Strategic Plan (2012-2016),⁶³⁹ seek to address agricultural sustainability and environmental protection, there is very little evidence of these policies being implemented since the Los Cabos Summit.

Thus, Turkey receives a score of 0 for its ongoing financial support of research and development of sustainable agricultural practices.

Analyst: Mary Davidson

United Kingdom: +1

The United Kingdom has fully complied with the commitment to develop and implement sustainable agricultural technologies and practices for efficient water and soil use.

⁶³⁵ Support Payments for Good Agricultural Practices, Republic of Turkey Ministry of Food, Agriculture and Livestock (Ankara) 2012. Date of Access: 9 January 2013.

<http://www.tarim.gov.tr/en/agricultural-support/item/537-t%C3%BCrkiye-iyi-tar%C4%B1m-uygulamalar%C4%B1-alan-bazl%C4%B1-destekleme-%C3%B6demeleri.html>.

⁶³⁶ Minister Eker opens the GAP International Agricultural Research and Training Center, Ministry of Food, Agriculture and Livestock (Ankara) 9 January 2013. Date of Access: 9 January 2013.

<http://www.tarim.gov.tr/en/guncel-haberler/item/939-gap-diyarbakir-ac%C4%B1%C4%B1s.html>.

⁶³⁷ Undersecretary Mirmahmutogullari opens the Agricultural Exhibition in Ankara, Ministry of Food, Agriculture and Livestock (Ankara) 2012. Date of Access: 9 January 2013.

<http://www.tarim.gov.tr/en/guncel-haberler/item/927-argotec-mustesar-fuar.html>

⁶³⁸ Republic of Turkey National Climate Change Plan, Ministry of Environment and Urbanization (Ankara) July 2011. Date of Access: 9 January 2013.

http://www.cem.gov.tr/erozyon/Files/faaliyetler/dis_iliskiler/iklim_degisikligi_cerceve_sozlesmesi/Cevre_Bak_Ulusal_Eylem_Plani_ing_2011_2023_2_.pdf.

⁶³⁹ Strategic Plan, Republic of Turkey Ministry of Food, Agriculture and Livestock (Ankara) 2012. Date of Access: 9 January 2013.

<http://www.tarim.gov.tr/en/ministry/strategic-plan.html>.

On 31 January 2013, the United Kingdom's Environment Secretary Owen Paterson announced the creation of a new, independent public body to own, maintain, and protect publicly-owned forests.⁶⁴⁰ The action is a response to the Independent Panel on Forestry's series of recommendations from the Final Report⁶⁴¹ on forests conservation.⁶⁴² The government has expressed its support for many of the recommendations and agreed to pursue appropriate policies, including expanding wooded areas.

In January 2013, the United Kingdom participated in the 5th Berlin Agriculture Minister's Summit.⁶⁴³ The British delegation joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁶⁴⁴

On 28 December 2012, the Department for Environment, Food and Rural Affairs (DEFRA) concluded a competition amongst entrepreneurs which sought to find sustainable technologies that could protect homes from flooding and conserve water especially in rural communities.⁶⁴⁵

On 17 December 2012, Government of Britain announced that it was on track to planting one million new trees on British soil. The Big Tree Plant is a project that seeks to make urban places healthier. One in ten new trees is also being planted to create new orchards for communities to grow their own food.⁶⁴⁶

On 10 July 2012, at a meeting of the Green Food Project Steering Group launched its initial report on the Green Food Project – a government-sponsored study on how Britain's food system must change to meet growing consumption and environmental demands. The report noted that the first steps to reforming Britain's food system include "introducing more innovative technology" and "improving conservation management."⁶⁴⁷

Furthermore, on 10 July 2012, the British Parliament announced its intention to reform the country's water industry. The government seeks to open up the national water market in order to

⁶⁴⁰ New public body will protect forests for future generations, Department for Environment, Food, and Rural Affairs (London) 31 January 2013. Date of Access: 14 February 2013.

<http://www.defra.gov.uk/news/2013/01/31/protect-forests/>.

⁶⁴¹ Independent Panel on Forestry – Final Report, Department for Environment, Food, and Rural Affairs (London) 4 July 2012. Date of Access: 14 February 2013.

<http://www.defra.gov.uk/forestrypanel/reports/>.

⁶⁴² Government Forestry and Woodlands Policy Statement Incorporating the Government's Response to the Independent Panel on Forestry's Final Report, Department for Environment, Food, and Rural Affairs (London) 31 January 2013. Date of Access: 14 February 2013.

<http://www.defra.gov.uk/publications/files/pb13871-forestry-policy-statement.pdf>.

⁶⁴³ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertagung2013_EN.pdf?__blob=publicationFile.

⁶⁴⁴ Press release no. 22 from 19.01.13: Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertagung.html>.

⁶⁴⁵ New Technology to Protect Homes From Flooding, Department for Environment Food and Rural Affairs (London) 28 December 2012. Date of Access: 29 December 2012.

<http://www.defra.gov.uk/news/2012/12/28/new-technology-to-protect-homes-from-flooding/>.

⁶⁴⁶ On Track to Plant One Million New Neighbourhood Trees in England, Department for Environment Food and Rural Affairs (London) 17 December 2012. Date of Access: 23 December 2012.

<http://www.defra.gov.uk/news/2012/12/17/big-tree-plant/>.

⁶⁴⁷ Feeding the Nation and Enriching the Environment, Department for Environment Food and Rural Affairs (London) 10 July 2012. Date of Access: 23 December 2012.

<http://www.defra.gov.uk/news/2012/07/10/green-food-project/>.

“drive innovation and open the market to new companies.”⁶⁴⁸ It is hoped that “increased competition in the wholesale market will give water companies an incentive to come up with cheaper, more sustainable solutions to sourcing water.”⁶⁴⁹

Just prior to the Los Cabos Summit, in May 2012, Secretary of State for the Environment Carol Spelman made a statement that the Rio+20 Summit should prioritize sustainable agriculture.⁶⁵⁰

The United Kingdom has taken action to promote the development and implementation of sustainable practices in forestry and water use. Thus, the United Kingdom received a score of +1.

Analyst: Vipasha Shaikh

United States: +1

The United States has fully complied with its commitment to support the development and use of sustainable agriculture methods in the face of a changing change.

On 24 August 2012, the United States’ Secretary of Agriculture Tom Vilsack announced that the United States Department of Agriculture’s (USDA) Natural Resources Conservation Service (NRCS) would award USD26 million in Conservation Innovation Grants. These grants will be allocated to projects that develop and demonstrate innovative approaches for land conservation, including the areas of soil health improvement and water quality protection.⁶⁵¹

On 20 September 2012, the USDA partnered with the state of Colorado to launch the Rio Grande Basin Water Conservation Project to help conserve irrigation water and reduce groundwater withdrawal in the Rio Grande Basin. The program will be voluntary for agricultural producers in the area.⁶⁵²

Furthermore, on 10 September 2012, the USDA’s Agricultural Research Service (ARS) announced the creation of a Long Term Agro-Ecosystem Research network to support the ARS’ established long-term research in agricultural sustainability.⁶⁵³

Thus, for its investments in the development of water and soil conservation practices and the involvement with the implementation of the Rio Grande Basin Water Conservation Project, the United States is awarded a score of +1.

⁶⁴⁸Government Sets out Ambitious Reform of the Water Industry, Department for Environment Food and Rural Affairs (London) 10 July 2012. Date of Access: 23 December 2012.

<http://www.defra.gov.uk/news/2012/07/10/water-industry-refor/>.

⁶⁴⁹Government Sets out Ambitious Reform of the Water Industry, Department for Environment Food and Rural Affairs (London) 10 July 2012. Date of Access: 23 December 2012.

<http://www.defra.gov.uk/news/2012/07/10/water-industry-refor/>.

⁶⁵⁰Rio+20 Should Prioritise Sustainable Agriculture Says Caroline Spelman, The Guardian News UK (London) 24 May 2012. Date of Access: 28 December 2012.

<http://www.guardian.co.uk/global-development/2012/may/24/rio-20-sustainable-agriculture-caroline-spelman>.

⁶⁵¹USDA Awards \$26 Million in Conservation Innovation Grants, United States Department of Agriculture (Washington) 24 August 2012. Date of Access: 6 January 2013.

<http://www.nrcs.usda.gov/wps/portal/nrcs/detail/national/newsroom/releases/?cid=STELPRDB1048728>.

⁶⁵²USDA and Colorado Announce Rio Grande Basin Water Conservation Project Agreement, United States Department of Agriculture (Washington) 20 September 2012. Date of Access: 6 January 2013.

http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0304.xml&navid=NEWS_RELEASE&navtype=RT&parentnav=LATEST_RELEASES&edeployment_action=retrievecontent.

⁶⁵³USDA Establishes National Watershed Research Network, United States Department of Agriculture (Washington) 10 September 2012. Date of Access: 6 January 2013.

http://www.usda.gov/wps/portal/usda/usdahome?contentid=2012/09/0304.xml&navid=NEWS_RELEASE&navtype=RT&parentnav=LATEST_RELEASES&edeployment_action=retrievecontent.

European Union: -1

The European Union has failed to comply with its commitment to support the development of and greater use of water and soil conservation practices. Although the European Union has spoken supportively on the matter and is presently working towards a reform of its agricultural policy, the European Union has taken no concrete actions to develop or implement practices of sustainable use water and soils.

In January 2013, the European Union's several member states as well as the European Commission participated in the 5th Berlin Agriculture Minister's Summit.⁶⁵⁴ The delegations of the European Union member states and the European Commission joined the Summit's participants in a call to increase capital investments to develop a sustainable agri-food industry, especially in developing countries.⁶⁵⁵

The primary initiative of the European Union in relation to sustainable agriculture is the ongoing preparation of the Common Agricultural Policy (CAP) reform.⁶⁵⁶ In October 2012, the European Commission presented a series of legal proposals designed to transform the existing CAP into a more effective policy for a more economically vibrant and sustainable agriculture.⁶⁵⁷ The debate with concerned institutions and stakeholders in ongoing and expected to culminate in the approval and enactment of the CAP reform by 1 January 2014.⁶⁵⁸ On 23 January 2013, the members of the European Parliament voted on the two provisions of the CAP reform, direct payments and rural development, thus adhering to the established timeline.⁶⁵⁹

Since the Los Cabos Summit, the European Union has taken no steps to promote the development and a greater use of practices for sustainable use of water and soil resources. Thus, the European Union is awarded a score of -1.

Analyst: Erin Singer
Co-Director of Compliance: Vera V. Gavrilova

6. Crime and Corruption

Commitment [#100]:

⁶⁵⁴ Participating countries of the Berlin Agriculture Ministers' Summit 2013, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.
http://www.bmelv.de/SharedDocs/Downloads/Ministerium/Veranstaltungen/GFFA2013/participating_countries_Agrarministertgipfel2013_EN.pdf?__blob=publicationFile.

⁶⁵⁵ Press release no. 22 from 19.01.13: Berlin Agriculture Ministers' Summit 80 countries commit themselves to a resolute fight against hunger, Federal Ministry of Food, Agriculture and Consumer Protection (Bonn) 19 January 2013. Date of Access: 8 February 2013.

<http://www.bmelv.de/SharedDocs/Pressemitteilungen/EN/2013/0022-Internationaler-Agrarministertgipfel.html>.

⁶⁵⁶ The Common Agricultural Policy after 2013, Agriculture and Rural Development (Brussels) 7 June 2012. Date of Access: 15 February 2013.

<http://ec.europa.eu/agriculture/cap-post-2013/>.

⁶⁵⁷ Legal proposals for the CAP after 2013, Agriculture and Rural Development (Brussels) 12 October 2012. Date of Access: 15 February 2013.

http://ec.europa.eu/agriculture/cap-post-2013/legal-proposals/index_en.htm.

⁶⁵⁸ The Common Agricultural Policy after 2013, Agriculture and Rural Development (Brussels) 7 June 2012. Date of Access: 15 February 2013.

<http://ec.europa.eu/agriculture/cap-post-2013/>.

⁶⁵⁹ Ministers to take stock of MEP's stance on CAP, European Voice (Brussels) 24 January 2013. Date of Access: 15 February 2013.

<http://www.europeanvoice.com/article/imported/ministers-to-take-stock-of-meps-stance-on-cap/76233.aspx>.

We endorse today the G20 Anti-Corruption Working Group principles for denial of entry to our countries of corrupt officials, and those who corrupt them, and will continue to develop frameworks for cooperation.

Los Cabos Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina	-1		
Australia		0	
Brazil	-1		
Canada	-1		
China	-1		
France	-1		
Germany		0	
India	-1		
Indonesia	-1		
Italy	-1		
Japan	-1		
Korea	-1		
Mexico	-1		
Russia		0	
Saudi Arabia		0	
South Africa	-1		
Turkey	-1		
United Kingdom	-1		
United States		0	
European Union		0	
Average Score		-0.7	

Background:

The G20 Anti-Corruption Working Group (ACWG) was created in June 2010 during the G20 Toronto Summit, in order to make recommendations on the ways the G20 could contribute to international anti-corruption efforts.

At the Seoul Summit in November 2010, G20 members published the Anti-Corruption Action Plan. It contains several measures to strengthen the fight against corruption, promote market integrity and support international cooperation among member countries of G20.

The principles, referred to in the G20 Los Cabos Declaration commitment are listed in the G20 Common Principles for Action: Denial of Safe Haven document:

- Each G20 country should have sufficient authorities (that is, policies, legal frameworks, and enforcement measures) and should actively apply them when the circumstances present themselves. Where there exist formal common approaches to the crossing of external borders, such as provided in the Shengen Convention implementing the Shengen Agreement, participating countries will need to coordinate closely and act individually where appropriate towards the goals outlined below.
- Our objective is to send a strong signal to corrupt individuals that corruption and impunity are unacceptable and that G20 members are, therefore, committed to denying safe haven to those who engage in such behavior. The target is corrupt behavior and the individuals who engage in it, not specific countries or regions.

- Countries have the sovereign right to control their borders so that ultimately all decisions to deny entry reside with the relevant national authorities and are taken at their discretion.
- The definition of conduct that will trigger denial of entry, should, as a starting point, be determined in reference to the corruption offences that are criminalized in the member country in question, drawing on the offences listed in the UN Convention Against Corruption and other corruption instruments as appropriate.
- Countries are encouraged to adopt denial of entry authorities (policies, legal frameworks, and enforcement measures) that apply, specifically and by explicit reference, to corrupt conduct.
- To have greatest impact, particularly given the stated aim of tackling impunity, countries should seek to deny entry even absent a prior conviction where there is sufficient other information to make a determination.
- Countries should consider extending their authorities to deny entry to family members or close associates who are considered to have derived personal benefit from corrupt behavior of the principal target (for example, by broadening the definition of corrupt persons to capture such individuals), with similar requirements for substantiation as is required for the principal.
- Cooperation is useful to ensure the greatest effectiveness of our actions in this area. G-20 countries can usefully share points of contact for their respective relevant authorities for the purposes of cooperation, as a starting point. Our respective relevant authorities are encouraged to cooperate for purposes of meeting the Leaders commitment in this area.⁶⁶⁰

Commitment Features:

This is a two-part commitment. To comply with the first part a G20 member needs to conform with the ACWG principles on Denial of Safe Haven, that is to take domestic actions in line with the ACWG principles listed above (for example, amend national legislation). To comply with the second part a member needs to take steps to create, promote or take part in international anti-corruption cooperation mechanisms and frameworks on Denial of Safe Haven. To achieve full compliance members need to comply with both parts of the commitment.

Scoring Guidelines:

-1	Member does not take domestic actions in accordance with the ACWG Denial of Safe Haven principles AND does not take actions to develop or take part in the frameworks for international cooperation on this issue.
0	Member takes domestic actions in accordance with the ACWG Denial of Safe Haven principles OR takes actions to develop or take part in the frameworks for international cooperation on this issue.
+1	Member takes domestic actions in accordance with the ACWG Denial of Safe Haven principles AND takes actions to develop or take part in the frameworks for international cooperation on this issue.

Argentina: -1

Argentina has failed to comply with the commitment on crime and corruption.

No facts of Argentina's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

⁶⁶⁰ G20 Common Principles for Action: Denial of Safe Haven, G20 Mexico 2012. Date of Access: 22 February 2013. <http://g20mexico.org/images/stories/docs/canalsherpas/anticorrupt/g20denial-1.pdf>.

No evidence of Argentina's participation in international cooperation frameworks to promote the ACWG principles has been found.

Argentina has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Valeriya Ganzhela

Australia: 0

Australia has partially complied with its commitment on corruption.

No facts of Australia's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

Australia has taken part in international cooperation frameworks to advance the ACWG principles.

Australia is engaged in the anti-corruption cooperation in the framework of the ASEAN-Australia Comprehensive Partnership. The 2008 Plan of Action to Implement the Joint Declaration on ASEAN-Australia Comprehensive Partnership specifies that the parties should "intensify cooperation to combat corruption, including denying a safe haven to those guilty of public corruption and those who corrupt them, and cooperate in the recovery and return of the proceeds of corruption, as well as cooperate in the extradition and prosecution of those engaged in bribery, including in international business transactions, according to the means of each concerned country." The Plan of Action implements the decisions of the declaration over the years 2008-2013.⁶⁶¹

Australia has not taken actions in accordance with the ACWG principles but has taken part in international cooperation framework to advance the ACWG principles. Thus, Australia has been awarded a score of 0.

Analyst: Andrei Sakharov

Brazil: -1

Brazil has failed to comply with the commitment on crime and corruption.

No facts of Brazil's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of Brazil's participation in international cooperation frameworks to promote the ACWG principles has been found.

Brazil has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Andrei Sakharov

Canada: -1

Canada has failed to comply with the commitment on crime and corruption.

No facts of Canada's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

⁶⁶¹ Plan of Action to Implement the Joint Declaration on ASEAN-Australia Comprehensive Partnership, Australian Government Department of Foreign Affairs and Trade. Date of Access: 8 April 2013. http://www.dfat.gov.au/asean/plan_of_action.html.

No evidence of Canada's participation in international cooperation frameworks to promote the ACWG principles has been found.

Canada has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Vitaliy Nagornov

China: -1

China has failed to comply with the commitment on crime and corruption.

No facts of China's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of China's participation in international cooperation frameworks to promote the ACWG principles has been found.

China has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Andrey Shelepov

France: -1

France has failed to comply with the commitment on crime and corruption.

No facts of France's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of France's participation in international cooperation frameworks to promote the ACWG principles has been found.

France has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Ekaterina Ivanova

Germany: 0

Germany has partially complied with the commitment on crime and corruption.

Germany has taken actions in accordance with the ACWG principles.

On 5 March 2013, Bundestag passed the bill to tighten the offense of MPs's bribery. According to the bill, every member of parliament, who is making an advantage to another person in return for an advantage for himself or another person will be sentenced to the five-year prison term or fined. This rule also applies to officials of foreign states, European Union, and international organizations. This measure was required for the ratification of the UN Convention against Corruption. The bill is designed to discourage officials from accepting bribes, due to sharpened punishment for such activities.⁶⁶²

⁶⁶² Transparency Deutschland begrüsst interfraktionellen Gesetzentwurf zur Verschärfung des Straftatbestandes der Abgeordnetenbestechung, Transparency International Deutschland official web-site 5 March 2013. Date of Access: 15 April 2013. <http://www.transparency.de/2013-03-05-Gesetzentwurf-Abgeo.2249.0.html?&contUId=4953>

No evidence of Germany's participation in international cooperation frameworks to promote the ACWG principles has been found.

Germany has taken domestic actions in accordance with the ACWG principles but has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of 0.

Analyst: Anton Komarov

India: -1

India has failed to comply with the commitment on crime and corruption.

No facts of India's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of India's participation in international cooperation frameworks to promote the ACWG principles has been found.

India has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Fern Ramoutar

Indonesia: -1

Indonesia has failed to comply with the commitment on crime and corruption.

No facts of India's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of India's participation in international cooperation frameworks to promote the ACWG principles has been found.

India has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Valeriya Ganzhela

Italy: -1

Italy has failed to comply with the commitment on crime and corruption.

No facts of Italy's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of Italy's participation in international cooperation frameworks to promote the ACWG principles has been found.

Italy has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Pavel Prokopiev

Japan: -1

Japan has failed to comply with the commitment on crime and corruption.

No facts of Japan's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of Japan's participation in international cooperation frameworks to promote the ACWG principles has been found.

Japan has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Maya Kostina

Korea: -1

Korea has failed to comply with the commitment on crime and corruption.

No facts of Korea's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of Korea's participation in international cooperation frameworks to promote the ACWG principles has been found.

Korea has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Anastasia Zhuravleva

Mexico: -1

Mexico has failed to comply with the commitment on crime and corruption.

No facts of Mexico's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of Mexico's participation in international cooperation frameworks to promote the ACWG principles has been found.

Mexico has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Kira Zatsepina

Russia: 0

Russia has partially complied with the commitment on crime and corruption.

Russia has promoted international cooperation to advance the ACWG principles.

Russian G20 Presidency has included the Denial of Safe Haven principles into its agenda. On 26 February 2013, the G20 Anti-Corruption Working Group agreed "to create a network to share information to ensure that those convinced of corruption can be denied entry to [G20] countries".⁶⁶³ On 6-7 June 2013, at the second meeting of the G20 Anti-Corruption Working Group the Denial of Entry Network contact list was completed and the group agreed "to circulate it to the concerned officials within national governments".⁶⁶⁴

However, no facts that Russia has taken domestic actions in accordance with the ACWG principles have been registered.

⁶⁶³ The G20 Anti-Corruption Working Group specified its working plan for 2013, 26 February 2013. <http://en.g20russia.ru/news/20130226/781243304.html>.

⁶⁶⁴ The Second G20 Anti-Corruption Working Group Meeting was held in Ottawa, 8 June 2013. <http://en.g20russia.ru/news/20130608/781435847.html>.

Russia has not taken domestic actions in accordance with the ACWG principles but has promoted international cooperation to advance the ACWG principles. Thus it has been awarded a score of 0.

Analyst: Mark Rakhmangulov

Saudi Arabia: 0

Saudi Arabia has partially complied with the commitment on crime and corruption.

Saudi Arabia has taken actions in accordance with the ACWG principles

In 2013 The Ministry of Commerce and Industry of Saudi Arabia has issued 43 precautionary measures aimed at combating money laundering and terror funding. These measures stipulate that diplomats will no longer enjoy immunity and will be subjected to investigation in case they are found involved in any suspicious transactions.⁶⁶⁵

No evidence of Saudi Arabia's participation in international cooperation frameworks to promote the ACWG principles has been found.

Saudi Arabia has taken domestic actions in accordance with the ACWG principles but has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of 0.

Analyst: Andrei Sakharov

South Africa: -1

South Africa has failed to comply with the commitment on crime and corruption.

No facts of South Africa's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of South Africa's participation in international cooperation frameworks to promote the ACWG principles has been found.

South Africa has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Andrew Skriba

Turkey: -1

Turkey has failed to comply with the commitment on crime and corruption.

No facts of Turkey's actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of Turkey's participation in international cooperation frameworks to promote the ACWG principles has been found.

Turkey has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Alice Prokhorova

United Kingdom: -1

The United Kingdom has failed to comply with the commitment on crime and corruption.

⁶⁶⁵ No immunity for diplomats over dubious transactions, Saudi Gazette 22 February 2013. Date of Access: 25 April 2013. <http://www.saudigazette.com.sa/index.cfm?method=home.regcon&contentid=20130222154127>.

No facts of the UK actions taken in accordance with the ACWG principles for denial of entry of corrupt officials have been registered during the monitoring period.

No evidence of the UK participation in international cooperation frameworks to promote the ACWG principles has been found.

The United Kingdom has not taken domestic actions in accordance with the ACWG principles and has not promoted international cooperation to advance the ACWG principles. Thus it is awarded a score of -1.

Analyst: Kira Zatsepina

United States: 0

The United States has partially complied with the commitment on taking actions consistent with the ACWG Denial of Safe Haven principles and developing frameworks for cooperation on this issue.

The US has taken actions in accordance with the ACWG Denial of Safe Heaven Principles.

The US legislation provides for the suspension of entry of corrupt officials into the country. On 12 January 2004, the US President issued a proclamation No. 7750 “To Suspend Entry as Immigrants or Nonimmigrants of Persons Engaged in or Benefiting from Corruption”. This proclamation is aimed at preventing “the entry into the United States of certain persons who have committed, participated in, or are beneficiaries of corruption in the performance of public functions where that corruption has serious adverse effects on international activity of US businesses, US foreign assistance goals, the security of the United States against transnational crime and terrorism, or the stability of democratic institutions and nations”.⁶⁶⁶

On 14 November 2012, the US Department of Justice’s and Securities and Exchange Commission released “A Resource Guide to the US Foreign Corrupt Practices Act” to provide helpful information to enterprises about the US Foreign Corrupt Practices Act, its provisions, and enforcement. The Guide explains the provisions of the law that may be the grounds for refusal of entry in accordance with The Magnitsky Act, passed later.⁶⁶⁷

On 14 December 2012, the US President Barack Obama signed into law The Magnitsky Act, which provides for a ban on travel to the US Russian corrupted officials as well as to all individuals if it is “in the national security interests of the United States”.⁶⁶⁸

On 30 December 2012, the US President Barack Obama signed “FISA Amendments Act Reauthorization Act of 2012”, that extends the FISA Amendments Act of 2008 for five years. The Act prescribes procedures for the physical and electronic surveillance and collection of “foreign intelligence information” between “foreign powers” and “agents of foreign powers”. The reauthorization of the “FISA” facilitates the implementation of such procedures that may serve as a way to get information, which could be the grounds for refusal of entry in accordance with “The Magnitsky Act”⁶⁶⁹.

⁶⁶⁶ To Suspend Entry as Immigrants or Nonimmigrants of Persons Engaged in or Benefiting from Corruption, US Government Printing Office 12 January 2004. Date of Access: 18 June 2013. <http://www.gpo.gov/fdsys/pkg/FR-2004-01-14/pdf/04-957.pdf>

⁶⁶⁷ Resource Guide to the US Foreign Corrupt Practices Act, US Securities and Exchange Commission 14 November 2012. Date of Access: 7 April 2013. <http://www.feedthefuture.gov/institutional-sponsor/us-agency-international-development> <http://www.sec.gov/spotlight/fcpa/fcpa-resource-guide.pdf>

⁶⁶⁸ Sergei Magnitsky Rule of Law Accountability Act of 2012, Govtrack.us 14 December 2012. Date of Access: 7 April 2013. <http://www.govtrack.us/congress/bills/112/s1039/text>

⁶⁶⁹ FISA Amendments Act Reauthorization Act of 2012, Govtrack 30 December 2012. Date of Access: 7 April 2013. <http://www.govtrack.us/congress/bills/112/hr5949/text>

No evidence of the US participation in international cooperation frameworks to promote the ACWG principles has been found.

The US has taken actions in accordance with the ACWG Denial of Safe Haven Principles. However, during the compliance period no facts of the US actions to develop frameworks for international cooperation on this issue have been found. Thus it has been awarded a score of 0.

Analyst: Ekaterina Ivanova

European Union: 0

The European Union has partially complied with the commitment on crime and corruption.

The European Union has taken actions in accordance with the ACWG principles.

On 17 October 2012, the Council of the European Union decided to restrict admission of persons responsible for serious violations of human rights or the repression of civil society and democratic opposition or those whose activities otherwise seriously undermine democracy or the rule of law in Belarus, or any person associated with them and natural persons benefiting from or supporting the Lukashenka regime as well as freeze the funds and economic resources of such persons until 31 October 2013 that replaced Council Decision 2010/639/CFSP.⁶⁷⁰

No evidence of the European Union participation in international cooperation frameworks to promote the ACWG principles has been found.

The European Union has taken actions in accordance with the ACWG principles but has not promoted international cooperation to advance the ACWG principles for denial of entry of corrupt officials. Thus it is awarded a score of 0.

Analyst: Sergey Rastoltsev

7. Financial Regulation: Financial Inclusion

2012-172: [G-20 members continue to look to the FSB, in cooperation with standard setters, to monitor progress, reporting back on a regular basis.] This will be complemented by efforts to increase financial inclusion.

G20 Los Cabos Growth and Jobs Action Plan

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina	-1		
Australia			+1
Brazil		0	
Canada		0	
China		0	
France		0	
Germany		0	
India			+1
Indonesia	-1		
Italy	-1		
Japan			+1
Korea		0	
Mexico	-1		

⁶⁷⁰ Council Decision 2012/642/CFSP, OJ L 285, 17.10.2012, p. 1, Eur-lex: Access to European Union Law. Date of access: 4 May 2013.

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:285:0001:0052:EN:PDF>.

Russia			+1
Saudi Arabia	-1		
South Africa	-1		
Turkey	-1		
United Kingdom		0	
United States		0	
European Union			+1
Average Score		-0.1	

Background:

The G20 members for the first time committed to promote financial inclusion at the Pittsburgh Summit along with announcing the launch of the SME Finance Challenge. Selection of proposals for this initiative was completed prior to the G20 Seoul Summit, and the winners were announced at this meeting. A set of additional measures on financial inclusion was proposed, including the launch of the Global Partnership for Financial Inclusion (GPFI).⁶⁷¹ G20 Leaders also endorsed the Financial Inclusion Action Plan.⁶⁷²

The first meeting of the GPFI mandated to execute the Financial Inclusion Action Plan took place in Seoul in December 2010. Three subgroups were created within the GPFI, namely, Principles for Innovative Financial Inclusion and Standard Setting Bodies (SSBs) Engagement, SME Finance, and Financial Inclusion Data and Measurement.

At the G20 Cannes Summit, the GPFI reported on its work to G20 Leaders. A consolidated report of the three subgroups focused on the main achievements of the GPFI, and recommendations for further actions were presented to the G20 Leaders. The recommendations focused on promoting further implementation of the nine Principles for Innovative Financial Inclusion endorsed at the Toronto Summit, consideration by the standard-setting bodies of the GPFI white paper, consolidating progress made in meeting the G20 commitment to establishing a finance framework that mobilizes grant and risk capital for winning proposals from the SME Finance Challenge and for scaling up successful SME financing models,⁶⁷³ and strengthening data collection efforts with the support of the IFC and Consultative Group to Assist the Poor (CGAP).⁶⁷⁴ The GPFI has also elaborated on the SME Finance Policy Guide, aimed at scaling up successful SME financing models and presented to G20 Leaders in Cannes. The subgroup on SME Finance provided research reports on agricultural SME finance⁶⁷⁵ and strengthening access to finance for women-owned SMEs in developing countries.⁶⁷⁶ The subgroup on Data and Measurement issued a progress report with recommendations on financial inclusion data

⁶⁷¹ Our Progress, Global Partnership for Financial Inclusion. Date of Access: 21 November 2012. <http://www.gpfi.org/our-work/our-progress>.

⁶⁷² G20 Financial Inclusion Action Plan, Global Partnership for Financial Inclusion. Date of Access: 21 November 2012. <http://www.gpfi.org/our-work/work-plans/g20-financial-inclusion-action-plan>.

⁶⁷³ SME Finance Policy Guide, Global Partnership for Financial Inclusion 4 November 2011. Date of Access: 21 November 2012. <http://www.gpfi.org/knowledge-bank/publications/sme-finance-policy-guide>.

⁶⁷⁴ GPFI Report to the G-20 Leaders, Global Partnership for Financial Inclusion 8 November 2011. Date of Access: 21 November 2012. <http://www.gpfi.org/knowledge-bank/publications/gpfi-report-g-20-leaders>.

⁶⁷⁵ Scaling-Up Access to Finance for Agricultural SMEs, Global Partnership for Financial Inclusion 4 November 2011. Date of Access: 21 November 2012. <http://www.gpfi.org/knowledge-bank/publications/scaling-access-finance-agricultural-smes>.

⁶⁷⁶ Strengthening Access to Finance for Women-Owned SMEs in Developing Countries, Global Partnership for Financial Inclusion 4 November 2011. Date of Access: 21 November 2012. <http://www.gpfi.org/sites/default/files/documents/Strengthening.pdf>.

analysis. These proposed key performance indicators for country-level actions on financial inclusion.⁶⁷⁷

In April 2012, the SME Finance Forum was officially launched. This Forum, managed by the International Finance Corporation (IFC), is a «collaborative knowledge sharing platform for data, research and best practices for small and medium enterprise (SME) finance».⁶⁷⁸

At the G20 Los Cabos Summit, G20 Leaders welcomed progress on implementing the recommendations set out in the GPFI 2011 report and called on the GPFI to continue its work in this area. The G20 Leaders endorsed the GPFI-developed Basic Set of Financial Inclusion Indicators,⁶⁷⁹ aimed at improving the quantity and quality of data on financial inclusion.⁶⁸⁰ They also supported efforts to establish an additional GPFI subgroup which will be focused on «consumer protection and financial literacy issues» and acknowledged the «G20 Financial Inclusion Peer Learning Program». Under this program, both G20 and non-G20 countries committed to pay more attention to the issue of financial inclusion in their national agendas and create a high-level coordination platform for stimulating financial inclusion actions.⁶⁸¹ Finally, the G20 Leaders welcomed the launch of the SME Finance Compact, which «will support developing innovative models and approaches to address the specific access to finance challenges and constraints faced by developing countries with regards to SME finance».⁶⁸²

Commitment Features:

The structure of the G20 initiative on financial inclusion has significantly evolved since its launch. Despite the growing complexity of the initiative, in terms of individual G20 members' actions it remains focused on implementing policies consistent with the nine principles for innovative financial inclusion endorsed at the Toronto G20 Summit in 2010. These principles include:

1. Leadership. Cultivate a broad-based government commitment to financial inclusion to help alleviate poverty;
2. Diversity. Implement policy approaches that promote competition and provide market-based incentives for delivery of sustainable financial access and usage of a broad range of affordable services (savings, credit, payments and transfers, insurance) as well as a diversity of service providers;
3. Innovation. Promote technological and institutional innovation as a means to expand financial system access and usage, including by addressing infrastructure weaknesses;
4. Protection. Encourage a comprehensive approach to consumer protection that recognizes the roles of government, providers and consumers;
5. Empowerment. Develop financial literacy and financial capability;

⁶⁷⁷ Financial Inclusion Data: Assessing the Landscape and Country-Level Target Approaches, Global Partnership for Financial Inclusion 4 November 2011. Date of Access: 21 November 2012. <http://www.gpfi.org/knowledge-bank/publications/financial-inclusion-data-assessing-landscape-and-country-level-target-approaches>.

⁶⁷⁸ Timeline of the G20's Commitment to Financial Inclusion, Global Partnership for Financial Inclusion. Date of Access: 21 November 2012. <http://www.gpfi.org/about-gpfi/about-the-g20/timeline-g20s-commitment-financial-inclusion>.

⁶⁷⁹ The G20 Basic Set of Financial Inclusion Indicators, Global Partnership for Financial Inclusion. Date of Access: 21 November 2012. <http://www.gpfi.org/featured/g20-basic-set-financial-inclusion-indicators>.

⁶⁸⁰ Indicators include: number or percentage of formally banked adults, adults with credits by regulated institutions, formally banked enterprises, enterprises with outstanding loan or line of credit by regulated institutions, and number of points of service per 100,000 adults.

⁶⁸¹ Los Cabos Financial Inclusion Event, G20 2012 Mexico 17 June 2012. Date of Access: 21 November 2012. <http://www.g20mexico.org/index.php/en/press-releases/459-evento-de-inclusion-financiera-en-los-cabos>

⁶⁸² Los Cabos G20 Leaders Declaration, G20 Information Centre 19 June 2012. Date of Access: 21 November 2012. <http://www.g20.utoronto.ca/2012/2012-0619-loscabos.html>.

6. Cooperation. Create an institutional environment with clear lines of accountability and co-ordination within government; and also encourage partnerships and direct consultation across government, business and other stakeholders;
7. Knowledge. Utilize improved data to make evidence based policy, measure progress, and consider an incremental “test and learn” approach acceptable to both regulator and service provider;
8. Proportionality. Build a policy and regulatory framework that is proportionate with the risks and benefits involved in such innovative products and services and is based on an understanding of the gaps and barriers in existing regulation; and
9. Framework. Consider the following in the regulatory framework, reflecting international standards, national circumstances and support for a competitive landscape: an appropriate, flexible, risk-based Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) regime; conditions for the use of agents as a customer interface; a clear regulatory regime for electronically stored value; and market-based incentives to achieve the long-term goal of broad interoperability and interconnection.⁶⁸³

Examples of actions taking into account these principles are presented in the executive brief on G20 Principles for Innovative Financial Inclusion prepared by the GPMI.⁶⁸⁴ Actions taken by G20 members both within their countries and abroad, including through participation in bilateral or multilateral international mechanisms of financial inclusion promotion, can be considered as compliance. For full compliance G20 member must implement policies in accordance with more than six of the abovementioned principles. Taking actions consistent with four to six of the principles means partial compliance, less than four of the principles – lack of compliance.

Scoring Guidelines:

-1	G20 member takes actions consistent with less than four of the G20 Principles for Innovative Financial Inclusion.
0	G20 member takes actions consistent with four to six of the G20 Principles for Innovative Financial Inclusion.
+1	G20 member takes actions consistent with more than six of the G20 Principles for Innovative Financial Inclusion.

Argentina: -1

Argentina has not complied with the commitment on financial inclusion.

On 27 September 2012 Minister of Economy of Argentina Hernan Lorenzino stressed "the importance of financial inclusion as part of the social development model" and committed to active state involvement in regulating capital markets so that everyone has access to financial services. He also noted that the goal of measures to stimulate financial inclusion is “channeling savings workers and corporate savings to the productive sector”. Finally, Lorenzino said that financial inclusion is “an issue of the G20 agenda which is important for Argentina”.⁶⁸⁵

This action is consistent with the leadership principle.

⁶⁸³ Principles for Innovative Financial Inclusion, G20 Information Centre 27 June 2010. Date of Access: 20 February 2013. <http://www.g20.utoronto.ca/2010/to-principles.html>.

⁶⁸⁴ G20 Principles for Innovative Financial Inclusion - executive brief, Global Partnership for Financial Inclusion 29 August 2011. Date of Access: 20 February 2013. <http://www.gpmi.org/knowledge-bank/publications/g20-principles-innovative-financial-inclusion>.

⁶⁸⁵ LORENZINO CERRO EL SEMINARIO "EDUCACIÓN: UN MERCADO DE CAPITALES PARA TODOS", Ministry of Economy and Public Finance of Argentina 27 September 2012. Date of access: 26 March 2013. <http://www.mecon.gov.ar/wp-content/uploads/2012/09/270912-CNV-LORENZINO.pdf>.

During the compliance period Argentina has taken actions consistent with one of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of -1.

Analyst: Valeriya Ganzhela

Australia: +1

Australia has fully complied with its commitment on financial inclusion.

Australian Agency for International Development (AusAID) implements the “Financial Services for the Poor: A strategy for the Australian aid program 2010–15”. The program has four principal targets: to create a policy and regulatory environment that allows institutions offering financial services to the poor to enter the market and grow; to encourage financial service providers and infrastructure that have the capacity to provide high quality financial services to the poor; to implement innovative models of financial service provision to be used effectively to extend outreach to underserved regions and people; to increase the capacity of clients to understand and utilize financial services effectively.⁶⁸⁶

This action is consistent with the leadership, diversity, innovation, and empowerment principles.

AusAID takes part in the Pacific Financial Inclusion Program (PFIP), the initiative developed to enhance financial inclusion and financial literacy in the Pacific, as one of the donors.⁶⁸⁷ This regional multi-donor program aims to increase the number of people and enterprises with access to new or improved financial services; improve the enabling environment, industry infrastructure, and supportive investments to strengthen the microfinance sector; improve national ownership and promotion of financial inclusion in Pacific countries and develop better policies and programs for financial services for the poor.⁶⁸⁸

This action is consistent with the leadership, diversity, innovation, cooperation and proportionality principles.

On 27 February 2013, Australian Minister for Financial Services and Superannuation Bill Shorten announced a reform aimed at expanding access to financial advice and to increasing consumer protection in this sphere through regulations to replace the accountants' licensing exemption with a limited Australian Financial Services Licence (AFSL). The regulation requires licensees to provide advice in accordance with the consumer protection provisions of the Corporations Act including the best interest duty obligation.⁶⁸⁹

This action is consistent with the protection principle.

During the compliance period Australia has taken actions consistent with seven of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of +1.

Analyst: Andrei Sakharov

Brazil: 0

Brazil has partially complied with the commitment on financial inclusion.

⁶⁸⁶ Financial services for the poor, AusAID. Date of Access: 12 April 2013.

http://www.ausaid.gov.au/aidissues/economicgrowth/pages/growth_microfinance.aspx.

⁶⁸⁷ Donors, Pacific Financial Inclusion Program. Date of Access: 11 April 2013. <http://www.pfip.org/who-we-are/donors/>.

⁶⁸⁸ Pacific Financial Inclusion Program, AusAID. Date of Access: 12 April 2013.

<http://www.ausaid.gov.au/countries/pacific/fiji/Pages/regional-econ-init1.aspx>.

⁶⁸⁹ Better Access to Financial Advice, Minister for Financial Services and Superannuation 27 February 2013. Date of Access: 12 April 2013.

<http://ministers.treasury.gov.au/DisplayDocs.aspx?doc=pressreleases/2013/011.htm&pageID=003&min=brs&Year=&DocType=>.

On 10 October 2012, the National Financial Fund of Education published a new resolution which expanded credit terms for students who entered the university since 2010 but hadn't finished it yet. Students now have an opportunity to continue studying and their debts for the bank should be paid after the graduation from universities.⁶⁹⁰

This action is consistent with the leadership principle.

On 29-31 October 2012, the Brazilian Central Bank announced a new mobile payments regulation. It focused on providing interoperability, low-cost service, same-day transactions and inclusiveness principle, and is aimed at increasing the number of potential players to enter the market and to provide innovation.⁶⁹¹

This action is consistent with the leadership, diversity, innovation and framework principles.

On 15 March 2013, Brazilian Government announced measures that should protect Brazilian consumers. Companies and banks have to inform and explain their clients how prices are settled for their services in terms of credits and exchange rates. The Government plans to create a special committee which should provide public consultations on this issue.⁶⁹²

This action is consistent with the protection and empowerment principles.

During the compliance period Brazil has taken actions consistent with six of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Dina Karakash

Canada: 0

Canada has partially complied with the commitment on financial inclusion.

On 1 November 2012, Minister of State (Finance) Ted Menzies and Commissioner of the Financial Consumer Agency of Canada (FCAC) Ursula Menke officially launched the second annual Financial Literacy Month in Canada.⁶⁹³ The second Financial Literacy Month brought nearly 60 organizations to join FCAC “in organizing almost 275 events and activities to promote financial education”.⁶⁹⁴

This action is consistent with the empowerment principle.

On 16 November 2012, the Canadian Centre for Financial Literacy released the report⁶⁹⁵ calling for money management programs to be tailored to meet the needs of low-income and disadvantaged households.⁶⁹⁶

⁶⁹⁰ Students Have to Ask for the Extension of the Term of the Credit Agreement Fies, Planalto 11 October 2012. Date of Access: 15 April 2013. <http://www2.planalto.gov.br/imprensa/noticias-de-governo/estudantes-tem-ate-31-de-dezembro-para-pedir-aumento-de-prazo-para-contrato-de-credito-do-fies>.

⁶⁹¹ Financial Inclusion in Latin America: Looking Back, then Forward, The Consultative Group to Assist the Poor 11 February 2013. Date of Access: 15 April 2013. <http://www.cgap.org/blog/financial-inclusion-latin-america-looking-back-then-forward>.

⁶⁹² Federal Government Announced Measures to Protect Brazilian Consumers, Planalto 15 March 2013. Date of Access: 15 April 2013. <http://www2.planalto.gov.br/vice-presidente/noticias/2013/03/governo-federal-anuncia-medidas-de-protecao-ao-consumidor-brasileiro>.

⁶⁹³ Financial Literacy Month Starts Today in Canada, Financial Consumer Agency of Canada 1 November 2012.. Date of Access: 15 April 2013. <http://www.fcac-acfc.gc.ca/eng/media/News/posting-eng.asp?postingId=419>

⁶⁹⁴ Financial Literacy Month (FLM) 2012 was a great success! Financial Consumer Agency of Canada. Date of Access: 15 April 2013. <http://www.fcac-acfc.gc.ca/eng/FLM/index-eng.asp>

⁶⁹⁵ The Case for Financial Literacy, Canadian Centre for Financial Literacy November 2012. Date of Access: 15 April 2013. <http://theccfl.ca/CCFL/media/CCFL-Library/PDF/The-Case-for-Financial-Literacy-EN.pdf>

⁶⁹⁶ Minister Menzies Applauds Efforts of the Canadian Centre for Financial Literacy to Build a Brighter Financial Future, Department of Finance Canada 16 November 2012. Date of Access: 15 April 2013. <http://www.fin.gc.ca/n12/12-146-eng.asp>

This action is consistent with the leadership principle.

On 7 January 2013, Social and Enterprise Development Innovations (SEDI) announced that the TD Financial Literacy Grant Fund had awarded over CAD800 thousand (about USD795,000) in grants to 12 community organizations engaged in financial literacy projects across Canada.⁶⁹⁷

This action is consistent with the leadership, diversity and empowerment principles.

On 27 March 2013, Minister of State Ted Menzies welcomed the Royal Assent of the Financial Literacy Leader Act. The Act established the legislative framework to appoint a Financial Literacy Leader to coordinate a national effort aimed at helping Canadians “become better money managers”.⁶⁹⁸

This action is consistent with the leadership, protection, empowerment and cooperation principles.

During the compliance period Canada has taken actions consistent with five of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Vitaly Nagornov

China: 0

China has partially complied with the commitment on financial inclusion.

On 17 September 2012, China’s State Council adopted the 12th Five-Year Plan for the Development and Reform of the Financial Industry. The Plan is aimed, inter alia, at encouraging competition among small and medium banks in the area of financing, providing better access to financial services for Chinese people, developing innovative financial services, and improving cooperation between regulatory authorities.⁶⁹⁹

This action is consistent with the diversity, innovation and cooperation principles.

On 12 March 2013, representative of the People’s Bank of China announced measures to improve access to financial services in rural areas through attracting private capital. The main goal of these measures is to stimulate the development of SMEs in agricultural sector.⁷⁰⁰

This action is consistent with the leadership principle.

On 12 March 2013, People’s Bank of China announced the new stage of its plan to combat money-laundering to be implemented in 2013. The policy will be based on innovative methods of assessing risks and best international practices.⁷⁰¹

This action is consistent with the framework principle.

During the compliance period China has taken actions consistent with five of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Andrey Shelepov

⁶⁹⁷ TD Financial Literacy Grant Fund Awards over \$800,000 in Grants to 12 Organizations. Social and Enterprise Development Innovations (SEDI) 7 January 2013. Date of Access: 15 April 2013.

<http://www.sedi.org/grantfund/TDFLGF%20Fifth%20round%20of%20grantees%20announced%20bilingual.pdf>

⁶⁹⁸ Harper Government Welcomes Royal Assent of the Financial Literacy Leader Act, Department of Finance Canada 27 March 2013. Date of Access: 15 April 2013. <http://www.fin.gc.ca/n13/13-046-eng.asp>

⁶⁹⁹ Interpretation of the financial sector development and reform according to the 12th Five-Year Plan, QSTHEORY 20 September 2012. Date of Access: 17 April 2013.

http://www.qstheory.cn/wz/zcjd/201209/t20120920_182686.htm.

⁷⁰⁰ Strengthening the financial resources of the "three rural" tilt, P5W.net 12 March 2013. Date of Access: 17 April 2013. http://www.p5w.net/news/gncj/201303/t20130312_62594.htm.

⁷⁰¹ The central bank to present the 2013 anti-money laundering strategic plan, People.com.cn 13 March 2013. Date of Access: 17 April 2013. <http://finance.people.com.cn/bank/n/2013/0313/c202331-20770295.html>.

France: 0

France has partially complied with the commitment on financial inclusion.

On 19 December 2012, the Bill of Separation and Regulation of Banking was submitted to the Parliament. This Bill inter alia improves access to bank account opening⁷⁰².

This action is consistent with the leadership and diversity principles.

On 11 February 2013, National Committee on Fighting against Fraud (CNLF) approved the National Coordination Plan against public finance fraud. The Plan focuses on creating a Strategic Monitoring Committee responsible for preparing statistics, making impact studies, increasing penalties for biggest frauds, and improving coordination within the EU on this issue.⁷⁰³

This action is consistent with the cooperation, knowledge, proportionality and framework principles.

On 27 February 2013, France finished public consultations on the characteristics of a national register of loans to individuals in the framework of the law on consumption, which will come into force next spring.

This action is consistent with the knowledge and proportionality principles.⁷⁰⁴

During the compliance period France has taken actions consistent with six of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Ekaterina Ivanova

Germany: 0

Germany has partially complied with the commitment on financial inclusion.

On 6 February 2013, German government approved draft bank-separation law and new criminal-law provisions for the financial sector. The bill includes provisions requiring banks to separate risky activities from their deposit-taking activities.⁷⁰⁵

This action is consistent with the protection and proportionality principles.

On 19 December 2012, German government approved the draft Act on Promoting and Regulating Fee-Based Advice on Financial Instruments (Fee-Based Investment Advice Act). The law represents an additional building block in the new regulatory framework for financial markets and strengthens the rights of investors. It provides for investment advice that is

⁷⁰² Bill of Separation and Regulation of Banking, National Assembly 19 December 2012. Date of Access: 7 April 2013. <http://www.assemblee-nationale.fr/14/projets/pl0566.asp>.

⁷⁰³ Adoption of the national plan to combat fraud against the public finances, Le Portail de L'Economie et de Finances 11 February 2013. Date of Access: 7 April 2013. <http://www.economie.gouv.fr/dnlf/approbation-du-plan-national-de-la-dnlf-pour-2013>.

⁷⁰⁴ National Register of Individual Credit, the Portal of the Government 27 February 2013. Date of Access: 7 April 2013. <http://www.gouvernement.fr/gouvernement/en-direct-des-ministeres/registre-national-des-credits-aux-particuliers-les-consultatio>.

⁷⁰⁵ German Government approves draft bank-separation law and new criminal law provisions for the financial sector, German Federal Ministry of Finance 6 February 2013. Date of Access: 15 April 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2013/2013-02-06-german-government-approves-draft-bank-separation-law.html>.

independent and based exclusively on fees. Fee-based investment advisers are not allowed to take commission from the companies or third parties whose products they sell.⁷⁰⁶

This action is consistent with the diversity, protection and framework principles.

On 26 September 2012, Federal Government adopted legislation to avoid risks and prevent abuse in high-frequency trading (High-frequency Trading Act). The High-frequency Trading Act gives special information rights and powers of intervention to stock-exchange supervisors as well as the Federal Financial Supervisory Authority (BaFin), and labels certain trading strategies of high-frequency traders as market manipulation.⁷⁰⁷

This action is consistent with the cooperation and framework principles.

During the compliance period Germany has taken actions consistent with five of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Anton Komarov

India: +1

India has fully complied with its commitment on financial inclusion.

On 22 February 2013, Reserve Bank of India issued new guidelines for the licensing of banks in the private sector. The guidelines include the requirement of new banks to submit an outline of how each would contribute to greater financial inclusion. Moreover, new banks will have to open 25% of their branches in non-banked areas. These changes were made based on data relating to financially excluded areas and populations.⁷⁰⁸

This action is consistent with the leadership and knowledge principles.

On 27 February 2013, Indian Ministry of Finance outlined the steps the Government of India had taken to increase financial inclusion. These include microfinance initiatives, such as the Self Help Group-Bank Linkage Programme that is implemented by commercial, regional, rural and cooperative banks to allow groups of people, particularly women, to save and accumulate a base of capital to use for lending or borrowing purposes. Furthermore, these include the expansion of banking facilities for rural, low-population areas including Ultra Small Branches (USBs). The use of innovative schemes such as branchless banking using business correspondents to reach remote areas was also highlighted. The Ministry also stressed the launch of a Direct Benefit Transfer program in January 2013. It established the automatic transfer of benefits under 26 government schemes directly to the bank accounts of beneficiaries in 43 districts.⁷⁰⁹

This action is consistent with the leadership, diversity and innovation principles.

On 4 March 2013, Deputy Governor of the Reserve Bank of India K. C. Chakrabarty delivered a speech at the India-OECD-World Bank Regional Conference on Financial Education in New Delhi. He emphasized that, “financial education has been identified as a policy priority and a

⁷⁰⁶ German Government regulates fee-based investment advice, creating new model which gives investors greater transparency, German Federal Ministry of Finance 19 December 2012. Date of Access: 15 April 2013.

<http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2012/2012-12-18-PM85.html>.

⁷⁰⁷ Speed limit for high-frequency trading – Federal Government adopts legislation to avoid risks and prevent abuse in high-frequency trading, German Federal Ministry of Finance 26 September 2013. Date of Access: 15 April 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2012/2012-09-26-speed-limit-for-high-frequency-trading.html>.

⁷⁰⁸ Financial Inclusion Must for New Banks, The Economic Times (The India Times) 23 February 2013. Date of Access: 20 March 2013. http://articles.economictimes.indiatimes.com/2013-02-23/news/37257422_1_priority-sector-new-banks-financial-inclusion.

⁷⁰⁹ Government Takes Several Initiatives to Achieve Greater Financial Inclusion, Press Information Bureau, Government of India 27 February 2013. Date of Access: 21 March 2013. <http://pib.nic.in/newsite/erelease.aspx?relid=92600>.

massive effort involving the Government [of India], various financial sector regulators, financial institutions and civil society”. India’s Financial Stability and Development Council, he continued “is mandated, *inter alia*, to focus on the spread of financial inclusion and financial literacy”. This includes financial education for school children to “seamlessly integrate financial literacy material into the existing course curriculum [...]”.⁷¹⁰

This action is consistent with the empowerment principle.

On 4 March 2013, Governor of the Reserve Bank of India D. Subbarao, discussed the policies and regulatory framework that had been implemented to promote financial inclusion, including deregulated bank branch openings, and de-licensed ATMs.⁷¹¹

This action is consistent with the proportionality and framework principles.

During the compliance period India has taken actions consistent with seven of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of +1.

Analyst: Andrey Shelepov

Indonesia: -1

Indonesia has not complied with the commitment on financial inclusion.

On 27 June 2012, Perbanas (Indonesia National Banks Association) chairman Sigit Pramono declared that “financial inclusion is a relatively new concept, yet an important one, because there are approximately more than 120 million people who have no access to banking services.” He also added, that with only half of Indonesians having access to banking services, Perbanas cooperates with partners, such as Indonesian Sharia Banks Association (Asbisindo) and the central bank (Bank Indonesia), to develop a national strategy on financial inclusion.⁷¹²

This action is consistent with the leadership and cooperation principles.

On 9 November 2012, at the International Microfinance Conference in Yogyakarta Indonesian President Susilo Bambang Yudhoyono highlighted the achievements made in the area of financial inclusion since 2007, when the KUR program (Kredit Usaha Rakyat – government-sponsored micro-loans to small businesses) was launched. President Yudhoyono stressed that providing access to financial services for low-income people would help make the world more prosperous and fair.⁷¹³

This action is consistent with the leadership principle.

During the compliance period Indonesia has taken actions consistent with two of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of -1.

Analyst: Valeriya Ganzhela

Italy: -1

⁷¹⁰ Welcome Address by Dr. K. C. Chakrabarty, Deputy Governor, Reserve Bank of India at the India-OECD-World Bank Regional Conference on Financial Education 4 March 2013. Date of Access: 21 March 2013.

http://www.rbi.org.in/scripts/BS_SpeechesView.aspx?id=785.

⁷¹¹ Keynote Address by Dr. D. Subbarao, Governor, Reserve Bank of India at the India-OECD-World Bank Regional Conference on Financial Education 4 March 2013. Date of access: 22 March 2013. http://www.rbi.org.in/scripts/BS_SpeechesView.aspx?id=786.

⁷¹² Banking expo to kick off with focus on financial inclusion, Jakarta Post 27 June 2012. Date of access: 16 March 2013. <http://www.thejakartapost.com/news/2012/06/27/banking-expo-kick-with-focus-financial-inclusion.html>.

⁷¹³ Islamic microfinance options for Indonesia, Microdinero 19 November 2012. Date of access: 07 April 2013. <http://www.microdinero.com/index.php/english/nota/5387/islamic-microfinance-options-for-indonesia>.

During the compliance period no facts of Italy taking any actions consistent with the G20 Principles for Innovative Financial Inclusion have been found. Thus, Italy has been awarded a score of -1.

Analyst: Pavel Prokopyev

Japan: +1

Japan has fully complied with the commitment on financial inclusion.

On 28 August 2012, the Financial Services Agency of Japan published the Annual Supervisory Policy for Financial Instruments Business Operators, etc. for Program Year 2012. The program provides for enhanced supervision in the areas of market intermediary functions, risk management, and customer protection and convenience for users. One of the aims of the program is that “financial institutions enhance their competitiveness, for example by providing financial products and services using innovative ideas based on the principle of ensuring a sense of security and trust through the implementation of measures to thoroughly protect customers”⁷¹⁴.

This action is consistent with the diversity, innovation and protection principles.

On 28 August 2012, the Financial Services Agency of Japan published the Basic Policy for Financial Inspections. The document focused on measures to increase convenience for financial services’ users by “discovering their needs, providing environments where physically disabled and elderly people can confidently use financial services, and developing new products and services”. The Financial Services Agency also pledged to appreciate financial institutions’ initiatives to improve convenience for users⁷¹⁵.

This action is consistent with the leadership, innovation, protection and cooperation principles.

In 2012-2013, Financial Services Agency of Japan prepared as number of analytical reports and information letters containing data on progress in stimulating financial inclusion in such areas as loans for small and medium enterprises, customers protection, and consultations with stakeholders.⁷¹⁶

This action is consistent with the knowledge principle.

On 29 January 2013, Ministry of Economy, Trade and Industry of Japan announced its JPY26.97 billion (approximately USD270 million) support for SMEs aimed at strengthening SMEs and setting up a low-interest loan system of the Japan Finance Corporation for SMEs.

This action is consistent with the leadership principle.

On 8 November 2012, Japanese Financial Research Center announced the establishment of the study group “Financial Education” with the aim to discuss approaches to financial education at different school levels and for the public in general.⁷¹⁷

This action is consistent with the empowerment and knowledge principles.

During the compliance period Japan has taken actions consistent with seven of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of +1.

⁷¹⁴ Annual Supervisory Policy for Financial Instruments Business Operators, etc. for Program Year 2012, Financial Services Agency of Japan 28 August 2012. Date of access: 28 March 2013. www.fsa.go.jp/en/news/2012/20121203-2/01.pdf.

⁷¹⁵ Basic Policy for Financial Inspections in Program Year 2012, Financial Services Agency of Japan. 28 August 2012. Date of access: 28 March 2013. www.fsa.go.jp/en/refer/measures/20121018-1/01.pdf.

⁷¹⁶ Financial Services Agency of Japan. Date of access: 28 March 2013. <http://www.fsa.go.jp/en/index.html>.

⁷¹⁷ Announcement of the "Study Group financial education", Center for Financial Research of Japan 8 November 2012. Date of access: 14 April 2013. www.fsa.go.jp/frtc/kenkyu/20121108.html.

Korea: 0

South Korea has partially complied with the commitment on financial inclusion.

In 2012 and 2013, Korea Council for Investor Education (KCIE) continued providing a wide range of financial literacy programs, in particular aimed at children and teenagers.⁷¹⁸

This action is consistent with the leadership and empowerment principles.

In January 2013, Bank of Korea conducted financial literacy test for 1,068 adults (aged between 18 and 79) in the country based on OCED INFE (International Network on Financial Education) index in order to make further decisions on developing national financial literacy programs.⁷¹⁹

This action is consistent with the empowerment and knowledge principles.

On 18 March 2013, chairman of the Financial Services Commission Shin Je-yoon announced the establishment of the consumer protection institute and financial consumer protection system in Korea.⁷²⁰

This action is consistent with the protection principle.

During the compliance period *South Korea* has taken actions consistent with four of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Anastasiya Zhuravleva

Mexico: -1

Mexico has not complied with the commitment on financial inclusion.

On 3 October 2012, Mexican Secretariat of finance and public credit initiated the Cetesdirecto Children project aimed at facilitating access to financial services for children. A special financial education program was designed along with the project.⁷²¹

This action is consistent with the leadership and empowerment principles.

On 4 October 2012, Mexican Secretariat of public education announced that the government would make decisions on including additional courses on economics and finance in the basic education curricula, with the aim to develop financial literacy among children and youth.⁷²²

This action is consistent with the empowerment principle.

During the compliance period Mexico has taken actions consistent with two of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of -1.

⁷¹⁸ Financial and Investor Education Programs: By Country and Type of Program, IFIE. Date of access: 24 March 2013. <http://www.ifie.org/index.php/resources-clearinghouse/51>.

⁷¹⁹ National financial literacy test, Newscj.com 21 January 2013. Date of access: 6 April 2013. <http://www.newscj.com/news/articleView.html?idxno=168456>.

⁷²⁰ Promoting the establishment of the Consumer Protection Agency, The Financial News 18 March 2013. Date of access: 6 April 2013. http://www.fnnews.com/view?ra=Sent0401m_View&corp=fnnews&arcid=201303180100156330008660&cDateYear=2013&cDateMonth=03&cDateDay=18

⁷²¹ EL GOBIERNO FEDERAL ANUNCIA LA PUESTA EN MARCHA DE LA FUNCIONALIDAD “CETESDIRECTO NIÑOS” DENTRO DEL PROGRAMA CETESDIRECTO, Secretariat of finance and public credit 3 October 2012. Date of access: 6 April 2013. http://www.shcp.gob.mx/SALAPRENSA/doc_comunicados_prensa/2012/octubre/comunicado_062_2012.pdf.

⁷²² COMUNICADO 144.- SEP IMPARTE CONOCIMIENTO FINANCIERO COMO PARTE DE LA FORMACIÓN DE CALIDAD EDUCATIVA: JOSÉ ÁNGEL CÓRDOVA, Secretariat of public education 4 October 2012. Date of access: 6 April 2013. <http://www.sep.gob.mx/es/sep1/C1441012#.UWXLpSt4e9Z>.

Russia: +1

Russia has fully complied with the commitment on financial inclusion.

According to Russian Deputy Finance Minister Sergei Storchak Russian G20 Presidency came up with a system-wide approach on financial inclusion “that combines the increased availability of financial services, better consumer protection and greater financial literacy”.⁷²³

Since 2010, the Russian authorities together with the World Bank have been carrying out the Financial Education and Financial Literacy Project for the Russian Federation. The project priorities include: increasing financial literacy of the population, including in schools and higher education institutions; strengthening the basis for the financial services consumer protection system through enhancing capacity of the Russia's Federal Service for Supervision of Consumer Protection and Welfare; and analysis of the current Russian legislation.⁷²⁴

On 22 March 2013, following the meeting between the Russian Government and the European Commission the two parties signed An Administrative Memorandum of Understanding between Russia's Federal Service for Supervision of Consumer Protection and Welfare and the European Commission's Directorate General for Health & Consumers on the principles, goals and the structure of the dialogue in the area of consumer rights protection, including at the financial services markets.⁷²⁵

On 12 April 2013, Director of the International Financial Relations Department of the Russian Finance Ministry Andrey Bokarev said that in 2013 the Ministry of Finance will select 7 or 8 regions of Russia to participate in the Financial Education and Financial Literacy Project for the Russian Federation. According A. Bokarev, financial literacy education programs for youth and adults will be launched in all Russian regions in 2015.⁷²⁶

On 21 April 2013, the World Bank, International Finance Corporation Russian Ministry of Finance organized the Conference on Women and Finance in Washington D.C. Two new global initiatives were launched at the conference. The first is the Financial Inclusion Support Framework which is a mechanism “to make technical, advisory and capacity building support available for country led financial inclusion actions”. It will be build on the knowledge, evidence, and tools produced with support from the Russia World Bank Trust Fund for Financial Literacy. The second is the Women's Finance Hub aimed at helping to “advance access to finance for women-owned businesses by disseminating research and information on critical issues related to the women's market”, and addressing gaps in data, promoting collaboration in knowledge sharing, and highlighting “innovation and best practices in expanding women's access to finance”.⁷²⁷

During the compliance period Russia has taken actions consistent with at least six G20 Principles for Innovative Financial Inclusion (Leadership, Innovation, Protection, Empowerment, Cooperation, Knowledge). Thus, it has been awarded a score of +1.

Analyst: Mark Rakhmangulov

Saudi Arabia: -1

⁷²³ Conference on improving financial literacy and enhancing effective consumer protection systems was held in Moscow, 14 June 2013. <http://en.g20russia.ru/news/20130614/781440577.html>.

⁷²⁴ The World Bank Supports Russia's Government Efforts to Improve Financial Literacy, Education, and Consumer Protection of Citizens. 7 December 2010. <http://go.worldbank.org/9NDAQ2HT10>.

⁷²⁵ Meeting between the Russian government and the European Commission, 22 March 2013. <http://government.ru/en/news/909>.

⁷²⁶ A. Bokarev's press conference, 12 April 2013. http://www1.minfin.ru/ru/press/speech/index.php?&show_all4=1&id4=19063.

⁷²⁷ Financial Access for Women and All High-level event was held in Washington D.C., 21 April 2013. <http://en.g20russia.ru/news/20130421/781329864.html>.

During the compliance period no facts of Saudi Arabia taking any actions consistent with the G20 Principles for Innovative Financial Inclusion have been found. Thus, Saudi Arabia has been awarded a score of -1.

Analyst: Arina Shadrikova

South Africa: -1

South Africa has not complied with the commitment on financial inclusion.

On 9 September 2012, the Minister of Trade and Industry Rob Davies launched the Incubation Support Programme (ISP) that would be effective from the 16 September 2012 for a period of 10 years up to March 2022. Minister Davies said that the aim of the programme is to encourage private sector partnership with government to support incubators in order to develop small, medium and micro enterprises and nurture these into sustainable businesses that can provide employment and contribute to economic growth.⁷²⁸

This action is consistent with the leadership principle.

On 2 November 2012, South Africa's major retail banks and the Banking Association of South Africa (Basa) signed an agreement with the National Treasury aimed at improving responsible lending and preventing households from becoming caught in a debt spiral.⁷²⁹

This action is consistent with the protection principle.

During the compliance period South Africa has taken actions consistent with two of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of -1.

Analyst: Andrew Skriba

Turkey: -1

Turkey has not complied with the commitment on financial inclusion.

On 13 November 2012, TUSIAD organized a conference Enhancing Financial Literacy and Pension Awareness in Turkey. The conference focused on discussing policies to promote pension awareness, channel pension savings into the real sector, and improve financial literacy of pensioners.⁷³⁰

This action is consistent with the leadership and empowerment principles.

In January 2013, Turkish Minister of Science, Industry and Technology Nihat Ergun announced, that Turkish SMEs would be granted TRY300 million (about USD167million) in 2013. He also mentioned that the Ministry would develop the new supporting mechanisms for SMEs, in particular related to loan interest repayment.⁷³¹

This action is consistent with the leadership principle.

⁷²⁸ Launch of the Incubation Support Programme (ISP), Department of Trade and Industry 14 September 2012. Date of Access: 7 April 2013. <http://www.thedti.gov.za/editmedia.jsp?id=2491>.

⁷²⁹ SA banks to curb irresponsible lending, Brand South Africa country portal 2 November 2012. Date of Access: 7 April 2013. <http://www.southafrica.info/services/consumer/banks-021112.htm#.UWXGIEaZmIV>.

⁷³⁰ TUSIAD Organized a Conference on Financial Literacy and Pension Awareness, TUSIAD 13 October 2012. Date of Access: 8 April 2013. <http://www.tusiad.org/committees/economic-and-financial-affairs-committee/blog/tusiad-organized-a-conference-on-financial-literacy-and-pension-awareness/>.

⁷³¹ Turkish Small Businesses to be Granted 300 Million Liras, PortTurkey.com 28 January 2013. Date of Access: 8 April 2013. <http://www.portturkey.com/money/4463-turkish-small-businesses-to-be-granted-300-million-liras>.

During the compliance period Turkey has taken actions consistent with two of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of -1.

Analyst: Alice Prokhorova

United Kingdom: 0

The UK has partially complied with the commitment on financial inclusion.

In November 2012, the midata project was announced. It aims to provide consumers with better access to electronic personal data held about them by companies and greater control over it. At first, the government is looking for the voluntary help of three major sectors in implementing this initiative: banking (current accounts and credit cards), energy companies and mobile phone companies.⁷³²

This action is consistent with the protection and framework principles.

On 4 December 2012, Financial Policy Committee summarized the results of reforms in the UK financial sector implemented in 2012. In particular, the Financial Services Authority (FSA) took measures to reduce banks' incentives to hold excessive buffers of liquid assets in accordance with the Financial Policy Committee recommendations. Such actions are aimed at enhancing consumer protection.⁷³³

This action is consistent with the protection and cooperation principles.

On 5 December 2012, the Treasury announced that GBP1 billion (approximately USD1.52 billion) would be sent to the business bank, which will address the long-term structural gap in lending to small businesses. Moreover, the government decided to raise funds to help small and medium sized business export abroad. It will allow the UK export credit agency to issue loans overseas for those who want to buy British goods.⁷³⁴

This action is consistent with the leadership principle.

On 19 December 2012, the Financial Services Act, which is aimed at strengthening the financial regulatory structure in the UK, was published. According to the Act, a new prudential regulator (PRA) was established on 1 April 2013 as a part of the Bank of England. PRA is responsible for the supervision of banks, building societies and credit unions, insurers and major investment firms in order to increase the security of the UK financial system.⁷³⁵

This action is consistent with the protection and cooperation principles.

On 21 January 2013, Secretary of State for Business, Innovation and Skills Vince Cable announced measures to set up a new British business bank to finance small and medium firms. The bank should firstly manage GBP3.9 billion (USD5.928 billion) which should be contributed by the government (GBP2.9 billion (about USD4.408 billion) have already been added to the budget of the business bank).⁷³⁶

⁷³² Providing Better Information and Protection for Consumers, Government Services and Information 8 April 2013. Date of Access: 10 April 2013. <https://www.gov.uk/government/policies/providing-better-information-and-protection-for-consumers/supporting-pages/personal-data>.

⁷³³ The Record of the Interim Financial Policy Committee Meeting Held on 21 November 2012. Bank of England 4 December 2012. Date of Access: 10 April 2013. <http://www.bankofengland.co.uk/publications/Documents/records/fpc/pdf/2012/record1212.pdf>.

⁷³⁴ What the Autumn Statement Means for Business, Innovation and Skills., Government Services and Information 5 December 2012. Date of Access: 10 April 2013. <https://www.gov.uk/government/news/autumn-statement-2012--2>.

⁷³⁵ Reforming the Regulatory Framework, Bank of England. Date of Access: 10 April 2013. http://www.bankofengland.co.uk/financialstability/Pages/overseeing_fs/default.aspx.

⁷³⁶ Building the Business Bank, Government Services and Information 21 January 2013. Date of Access: 10 April 2013. <https://www.gov.uk/government/speeches/building-the-business-bank>.

This action is consistent with the leadership principle.

On 6 March 2013, Economic Secretary to the Treasury Sajid Javid and Minister for Employment Relations and Consumer Affairs in the Department for Business, Innovation and Skills Jo Swinson announced a new regulation aimed at strengthening control over consumer credit providers. They also confirmed the government's intention to "move the regulation to the new Financial Conduct Authority since April 2014 thus creating clear lines of government coordination, and provided further details of how the new regime will work". It should provide greater clarity and address the gaps in the UK financial system regulation.⁷³⁷

This action is consistent with the protection, cooperation and proportionality principles.

During the compliance period Britain has taken actions consistent with five of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Dina Karakash

United States: 0

The US has partially complied with the commitment on financial inclusion.

On 2 September 2012, the US Secretary of State Hillary Clinton launched the Equal Futures Partnership to Expand Women's Political and Economic Participation, and, inter alia, stimulate financial inclusion of women.⁷³⁸

This action is consistent with the leadership principle.

On 24 September 2012, US Agency for International Development (USAID), UN Capital Development Fund (UNCDF), Bill & Melinda Gates Foundation, Citi, Ford Foundation, Omidyar Network and Visa launched "The Better Than Cash Alliance" which calls on governments, international institutions and private sector to adopt the use of electronic payments for programs that support people living in poverty and provide resources to those who commit to make the transition.⁷³⁹

This action is consistent with the leadership, innovation, diversity and cooperation principles.

On 14 November 2012, the Consumer Financial Protection Bureau announced the launch of Project Catalyst, an initiative designed to encourage consumer-friendly innovation and entrepreneurship in markets for consumer financial products and services based on studying consumer behavior.⁷⁴⁰

This action is consistent with the diversity, innovation and knowledge principles.

During the compliance period the US has taken actions consistent with five of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of 0.

Analyst: Ekaterina Ivanova

⁷³⁷ Government Takes Action to Tackle Payday Lending Concerns, Government Services and Information 6 March 2013. Date of Access: 10 April 2013. <https://www.gov.uk/government/news/government-takes-action-to-tackle-payday-lending-concerns>.

⁷³⁸ Launching the Equal Futures Partnership to Expand Women's Political and Economic Participation, the White House 2 September 2012. Date of Access: 7 April 2013. <http://www.whitehouse.gov/blog/2012/10/04/launching-equal-futures-partnership-expand-women-s-political-and-economic-participat>.

⁷³⁹ Better than Cash Alliance, USAID 24 September 2012. Date of Access: 7 April 2013. <http://www.usaid.gov/unga/better-than-cash>.

⁷⁴⁰ Consumer Financial Protection Bureau launches Project Catalyst to spur consumer-friendly innovation, Consumer Financial Protection Bureau 14 November 2012. Date of Access: 7 April 2013. <http://www.consumerfinance.gov/pressreleases/consumer-financial-protection-bureau-launches-project-catalyst-to-spur-consumer-friendly-innovation/>.

European Union: +1

The EU has fully complied with the commitment on financial inclusion.

On 3 July 2012, European Commission proposed the package of three measures to improve consumer protection in financial services. The first one is a regulation on key information documents for packaged retail investment products. The proposal foresees that every manufacturer of investment products (e.g. investment fund managers, insurers, banks) will have to produce such a document for each investment product. The second initiative is a revision of the Insurance Mediation Directive (IMD) to upgrade consumer protection in the insurance sector by creating common standards across the sector and ensuring proper advice through improving transparency and establishing a level playing field for insurance sales. The third measure is aimed at boosting protection for those who buy investment funds.⁷⁴¹

This action is consistent with the diversity, innovation and protection principles.

On 12 July 2012, the EU court defined the scope of directive on consumer credit arrangements (2008),⁷⁴² indicating that its members may restrict the bank charges levied by a creditor. In addition, the EU members are to ensure that adequate and effective out-of-court dispute resolution procedures for consumer disputes concerning credit agreements are put in place, using existing bodies where appropriate.⁷⁴³

This action is consistent with the protection principle.

On 3 October 2012, European Commission adopted Single Market II – the set of actions aimed at making digital economy and social entrepreneurship the priority drivers of growth. In particular, the Commission urged to facilitate e-commerce in the EU by making payment services easier to use, more trustworthy and competitive. In the area of social entrepreneurship the Commission proposed measures to improve financial products safety rules and their actual enforcement, ensure widespread access to bank accounts, as well as transparent and comparable account fees and easier bank account switching.⁷⁴⁴

This action is consistent with the leadership, innovation, protection and framework principles.

On 9 January 2013, European Commission adopted an Action Plan to support European entrepreneurs and boost entrepreneurship in Europe. The Entrepreneurship 2020 Action Plan aims to make it easier and more attractive for Europeans to start their own businesses, notably by providing better access to finance, unleashing new business opportunities in the digital age and making easier business transfers.⁷⁴⁵

This action is consistent with the leadership principle.

⁷⁴¹ Commission proposes legislation to improve consumer protection in financial services, European Union 3 July 2012. Date of Access: 7 April 2013. http://europa.eu/rapid/press-release_IP-12-736_en.htm.

⁷⁴² Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC, European Union Law. Date of Access: 7 April 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:133:0066:0092:EN:PDF>.

⁷⁴³ The Court defines the extent of consumer protection granted in the context of credit agreements, European Union 12 July 2012. Date of Access: 24 March 2013. http://europa.eu/rapid/press-release_CJE-12-99_en.htm.

⁷⁴⁴ Single Market Act II: twelve priority actions for new growth, European Union 3 September 2012. Date of Access: 7 April 2013. http://europa.eu/rapid/press-release_IP-12-1054_en.htm?locale=en.

⁷⁴⁵ Entrepreneurship 2020 Action Plan. Brussels, 9.1.2013 COM (2012) 795 final. Pp. 8-10, 13-17, European Union Law 9 January 2013. Date of Access: 7 April 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0795:FIN:en:PDF>.

On 5 February 2013, European Commission adopted two proposals to reinforce the EU's existing rules on anti-money laundering and fund transfers. Both proposals “provide for a more targeted and focused risk-based approach”.⁷⁴⁶

This action is consistent with the proportionality and framework principles.

On 15 March 2013, European Commission launched the Consumer Classroom – a new website for teachers. The Consumer Classroom will cover a wide range of consumer education themes and practical consumer skills, from sustainable consumption to financial literacy.⁷⁴⁷

This action is consistent with the empowerment principle.

During the compliance period the EU has taken actions consistent with seven of the G20 Principles for Innovative Financial Inclusion. Thus, it has been awarded a score of +1.

Analyst: Sergey Rastoltsev

8. Macroeconomic: Emerging Markets Growth

Commitment [#177]:

“Emerging market members will also promote a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment.”

Los Cabos Summit Final Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Argentina		0	
Australia		N/A	
Brazil			+1
Canada		N/A	
China			+1
France		N/A	
Germany		N/A	
India			+1
Indonesia			+1
Italy		N/A	
Japan		N/A	
Korea		N/A	
Mexico			+1
Russia			+1
Saudi Arabia			+1
South Africa			+1
Turkey	-1		
United Kingdom		N/A	
United States		N/A	
European Union		N/A	
Average Score		0.70	

Background:

According to the World Economic Outlook Updated released by the International Monetary Fund (IMF) on 16 July 2012, emerging market economies are presently facing a number of

⁷⁴⁶ Anti-Money Laundering: Stronger rules to respond to new threats, European Union 5 February 2013. Date of Access: 7 April 2013. http://europa.eu/rapid/press-release_IP-13-87_en.htm.

⁷⁴⁷ Consumer policy : new website for teachers. European Union 15 March 2013. Date of Access: 7 April 2013. http://europa.eu/rapid/press-release_MEX-13-0315_en.htm?locale=FR.

setbacks regarding their economic development.⁷⁴⁸ In some emerging market countries, such as Brazil, China, and India, growth momentum has slowed down due to factors such as weaker domestic demand, increases in investor risk aversion, and perceived growth uncertainty.⁷⁴⁹ Although, the forecasts of growth for 2013 are positive⁷⁵⁰, nevertheless developing economies remain vulnerable to negative external pressures.⁷⁵¹

On 26-27 June 2010, at the Toronto Summit, the G20 leaders affirmed the establishment of the Development Working Group (DWG) with the mandate to “elaborate, consistent with the G20’s focus, on measures to promote economic growth and resilience, a development agenda and multi-year action plans to be adopted at the Seoul Summit.”⁷⁵²

Recognising the potential impact of modest global recovery on emerging markets and their increasingly important role to the global economy⁷⁵³, G20 leaders in Los Cabos agreed to intensify their efforts in strengthening growth, financial stability and improving employment through a globally coordinated economic plan, the Los Cabos Growth and Jobs Action Plan⁷⁵⁴. This Plan, extending the Cannes principles, “include[s] policy measures combined with short and medium-term impacts, in order to enhance policy credibility and reflect the different capacities of countries to respond in particular areas.”⁷⁵⁵

Furthermore, on 31 October 2012, the World Bank in cooperation with the Organization for Economic Co-operation and Development (OECD), G24, and other international organizations, drafted and submitted a work program to the G20 Ministers and Governors that they could consider at their meeting in November 2012. The findings of this meeting will be discussed at the St. Petersburg Summit in 2013.⁷⁵⁶ The identified issues—diagnostic in nature—were: (1) Systemic Developments and the Impact on Investor Horizon; (2) Sources of Private Financing; (3) Sources of Risk and the Role for the Public Sector and Public Policy; (4) the Demand for Long-Term Finance.⁷⁵⁷

⁷⁴⁸ World Economic Outlook Update, New Setbacks, Further Policy Action Needed, International Monetary Fund (Washington) 16 July 2012. Date of Access: 2 December 2012.

<http://www.imf.org/external/pubs/ft/weo/2012/update/02/index.htm>.

⁷⁴⁹ World Economic Outlook Update: New Setbacks, Further Policy Action Needed, International Monetary Fund (Washington) 16 July 2012. Date of Access: 2 December 2012.

<http://www.imf.org/external/pubs/ft/weo/2012/update/02/pdf/0712.pdf>.

⁷⁵⁰ Better Policies for Development: Recommendations for Policy Coherence, Organization for Economic Co-operation and Development (Paris) 2011. Date of Access: 3 December 2012.

<http://www.oecd.org/development/pcd/48110465.pdf>.

⁷⁵¹ World Economic Outlook Update, New Setbacks, Further Policy Action Needed, International Monetary Fund (Washington) 16 July 2012. Date of Access: 2 December 2012.

<http://www.imf.org/external/pubs/ft/weo/2012/update/02/index.htm>.

⁷⁵² Promoting Responsible Investment for Sustainable Development and Job Creation, G20 Information Centre (Toronto) June 2012. Date of Access: 4 December 2012.

<http://g20mexico.org/images/stories/docs/canalsherpas/summarep.pdf>.

⁷⁵³ Better Policies for Development, Recommendations for policy Coherence, Organization for Economic Co-operation and Development (Paris) 2011. Date of Access: 3 December 2012.

<http://www.oecd.org/development/pcd/48110465.pdf>.

⁷⁵⁴ The Los Cabos Growth and Jobs Action Plan, G20 Information Centre (Toronto) 19 June 2012. Date of Access: 5 December 2012.

<http://www.g20.utoronto.ca/2012/2012-0619-loscabos-actionplan.html>.

⁷⁵⁵ The Los Cabos Growth and Jobs Action Plan, G20 Information Centre (Toronto) 19 June 2012. Date of Access: 5 December 2012.

<http://www.g20.utoronto.ca/2012/2012-0619-loscabos-actionplan.html>.

⁷⁵⁶ Long Term Investment Financing for Growth and Development, World Bank Group (Washington) 31 October 2012. Date of Access: 5 December 2012. <http://www.g20russia.ru/load/780983973>.

⁷⁵⁷ Long Term Investment Financing for Growth and Development, World Bank Group (Washington) 31 October 2012. Date of Access: 5 December 2012. <http://www.g20russia.ru/load/780983973>.

In addition, the Financial Stability Board (FSB) in coordination with the IMF, and the World Bank, drafted a Report on Potential Unintended Consequences of the Regulatory Reforms on Emerging Market and Developing Economies (EMDEs). On 19 June 2012, the FSB released the Report announcing that in the light of the tightening of regulatory legislation in developed countries, EMDEs are likely to experience an array of unintended consequences.⁷⁵⁸

The primary identified areas of concern for the EMDEs were, among others: (1) the pressure on the capital and liquidity frameworks as defined by the Basel Committee, (2) the spillover and/or extraterritorial effects from regulatory reforms in advanced economies, (3) the perceived home bias in the design or implementation of reforms, (4) the need to reduce reliance on credit ratings and to establish stronger internal credit risk assessment practices as well as regular monitoring of the regulatory reforms, and (5) the sharing of experiences and implementation lessons.⁷⁵⁹

On 18-19 June 2012, at the Los Cabos Summit, the DWG released its Progress Report. The Report recognised the progress that was made in the implementation of previous agreements under the Seoul Multi-Year Action Plan (MYAP), and identified new actions that could support developing countries⁷⁶⁰. The G20 leaders welcomed the significant progress made since the Cannes Summit, in implementing the Multilateral Development Banks (MDBs) Action Plan and the High Level Panel on Infrastructure (HLPI) recommendations.⁷⁶¹

The G20 leaders also endorsed the Summary Report of the Inter-Agency Working Group (IAWG) comprised of the UNCTAD, ILO, UNDP, World Bank, and the OECD on Private Investment and Job Creation with policy recommendations on the stimulation of investments and the improvement of business climate.⁷⁶² In the Report, four main areas of recommendations were identified:

- Improving the business climate and the regulatory framework for foreign and domestic investment;
- Assisting developing countries to attract the most value-adding investments;
- Promoting responsible investments in value-chains; and
- Stimulating investment in local enterprise development including by boosting access to finance for SMEs, promoting entrepreneurship and supporting innovative business solutions.⁷⁶³

Commitment Features:

⁷⁵⁸ Press Release: Study on the Potential Unintended Consequences of Regulatory Reforms on Emerging Market and Developing Economies, Financial Stability Board (Basel) 19 June 2012. Date of Access: 9 December 2012.

http://www.financialstabilityboard.org/press/pr_120619b.pdf.

⁷⁵⁹ Identifying the Effects of Regulatory Reforms on Emerging Market and Developing Economies: A Review of Potential Unintended Consequences, Financial Stability Board (Basel) 19 June 2012. Date of Access: 1 December 2012.

http://www.financialstabilityboard.org/publications/r_120619e.pdf.

⁷⁶⁰ 2012 Progress Report of the Development Working Group, G20 Information Centre (Toronto) 19 June 2012. Date of Access: 5 December 2012.

<http://www.g20.utoronto.ca/2012/2012-0619-dwg.html>.

⁷⁶¹ 2012 Progress Report of the Development Working Group, G20 Information Centre (Toronto) 19 June 2012. Date of Access: 5 December 2012.

<http://www.g20.utoronto.ca/2012/2012-0619-dwg.html>.

⁷⁶² Promoting Responsible Investment for Sustainable Development and Job Creation, G20 Information Centre (Toronto) June 2012. Date of Access: 4 December 2012.

<http://g20mexico.org/images/stories/docs/canalsherpas/summarep.pdf>.

⁷⁶³ Promoting Responsible Investment for Sustainable Development and Job Creation: Final Report to the High-Level Development Working Group on the Work of the Private Investment and Job Creation Pillar, United Nations Conference on Trade and Development (Geneva) June 2012. Date of Access: 4 December 2012.

http://unctad.org/meetings/en/Miscellaneous%20Documents/diae_g20_Mexico_en.pdf.

This commitment applies to the emerging market economies among the G20 members. These members are Argentina, Brazil, China, Indonesia, India, Mexico, Russia, Saudi Arabia, South Africa, and Turkey.

A range of macroeconomic reforms can be categorized as those that promote development. Not all macroeconomic and development policies will be considered for this analysis, however, as some are treated as separate commitments in this report. Policies that are recognized to promote development but will not be considered in this commitment, as analyzed in other chapters of the report, are: exchange rates flexibility, over-the-counter (OTC) derivatives, Systemically Important Financial Institutions (SIFIs), Basel banking regulation framework, social protection floors, and unemployment.

Instead, the report will focus on the policies that follow on the Commitments of the Multi-Year Action Plan on Development (MYAP).⁷⁶⁴ These policies include reforms in the areas of:

- Promoting longer-term prosperity through Inclusive Green Growth (IGG);
- Fostering Financial Inclusion;
- Promoting Knowledge Sharing (KS) activities;

Special attention will be given to reforms directed at enhancing infrastructure investment and improving investment climate, including that of Small and Medium Enterprises (SMEs).

The aforementioned policies will be counted towards compliance as promoting growth and development⁷⁶⁵, granted the member emphasizes they are being undertaken as such.

Since there is a diversity of EMDE financial systems in economic size, level of development, legal, and institutional frameworks there is no “one-size-fits-all” framework. Different countries will apply different measures depending on their priorities and concerns within their specific development context.⁷⁶⁶

Scoring Guidelines:

-1	G20 member does not promote a range of reforms to promote development AND does not declare intent to do so.
0	G20 member is in process of promoting a range of reforms OR declares intent to promote a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment.
+1	G20 member promotes a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment.

Lead Analyst: Eleni Tsaliki

Argentina: 0

⁷⁶⁴ Annex II: Multi-Year Action Plan on Development, G20 Information Center (Toronto) 12 November 2012. Date of Access: 9 December 2012.

<http://www.g20.utoronto.ca/2010/g20seoul-development.html>.

⁷⁶⁵ Promoting Responsible Investment for Sustainable Development and Job Creation, G20 Information Centre (Toronto) June 2012. Date of Access: 4 December 2012.

<http://g20mexico.org/images/stories/docs/canalsherpas/summarep.pdf>.

⁷⁶⁶ Promoting Responsible Investment for Sustainable Development and Job Creation, G20 Information Centre (Toronto) June 2012. Date of Access: 4 December 2012.

<http://g20mexico.org/images/stories/docs/canalsherpas/summarep.pdf>.

Argentina has partially complied with its commitment to promote a range of reforms to promote development. The Argentine government has stated its commitment to promote actions conducive to economic development, but has yet to enact policies towards that goal.

On 8 August 2012, the government of Argentina announced further restrictions on the sale of US dollars. According to Agence France-Presse (AFP), the tightening of restrictions came into effect in the third week of August, and is part of the government's efforts to discourage capital flight and protect foreign exchange reserves needed to repay Argentina's debt.⁷⁶⁷

As of 17 December 2012, according to a press release by the International Monetary Fund's (IMF) Director of External Relations Gerry Rice, the IMF management has filed a report to the Executive Board on Argentina's official economic data.⁷⁶⁸ The report's considerations are expected at the beginning of February 2013⁷⁶⁹; and Argentina may be subject to IMF sanctions depending on the report's findings.⁷⁷⁰ Director Rice explained that Argentina's strict capital control policies have put a restraint on trade and investment, contributing to a slowdown in growth from nine per cent to 2.2 per cent.⁷⁷¹ Key sectors of the economy – real estate and construction – have felt negative effects because of these policies.⁷⁷²

On 13 September 2012, Argentina became the first South American country to become a party to the Multilateral Convention on Mutual Administrative Assistance in Tax Matters.⁷⁷³ The Convention aids developing countries to share in the benefits of a cooperative tax framework, as it facilitates international cooperation and information exchange, leading to an improved operation of national tax laws and tax collection.⁷⁷⁴ The Convention helps the countries combat tax avoidance and evasion via multilateral information sharing.⁷⁷⁵ The Convention entered into force on 1 January 2013, and is expected to enhance Argentina's tax collection system.⁷⁷⁶

⁷⁶⁷ Argentina Imposes More Restrictions on US Dollars, Tengri News (Astana) 8 August 2012. Date of Access: 4 January 2013.

http://en.tengrinews.kz/laws_initiatives/Argentina-imposes-more-restrictions-on-US-dollars--12027/.

⁷⁶⁸ Statement by the IMF Spokesman on Argentina, International Monetary Fund (Washington) 17 December 2012. Date of Access: 2 January 2013.

<http://www.imf.org/external/np/sec/pr/2012/pr12488.htm>.

⁷⁶⁹ Transcript of Managing Director's New Year Press Briefing, International Monetary Fund (Washington) 17 January 2013. Date of Access: 29 January 2013.

<http://www.imf.org/external/np/tr/2013/tr011713.htm>.

⁷⁷⁰ IMF's Christine Lagarde says Argentina faces 'red card', BBC News (London) 24 September 2012. Date of Access: 27 December 2012. <http://www.bbc.co.uk/news/world-latin-america-19709273>.

⁷⁷¹ Argentina Grapples With Credit-Rating Challenges, The Wall Street Journal (New York) 31 October 2012. Date of Access: 27 December 2012.

<http://online.wsj.com/article/SB10001424052970203707604578090781324040470.html>.

⁷⁷² Argentina Imposes More Restrictions on US Dollars, Tengri News (Astana) 8 August 2012. Date of Access: 4 January 2013.

http://en.tengrinews.kz/laws_initiatives/Argentina-imposes-more-restrictions-on-US-dollars--12027/.

⁷⁷³ Convention on Mutual Administrative Assistance in Tax Matters, Organisation for Economic Co-operation and Development (Paris) 5 December 2012. Date of Access: 27 December 2012.

<http://www.oecd.org/tax/exchangeofinformation/conventiononmutualadministrativeassistanceintaxmatters.htm>.

⁷⁷⁴ Convention on Mutual Administrative Assistance in Tax Matters, Organisation for Economic Co-operation and Development (Paris) 5 December 2012. Date of Access: 27 December 2012.

<http://www.oecd.org/tax/exchangeofinformation/conventiononmutualadministrativeassistanceintaxmatters.htm>.

⁷⁷⁵ Convention on Mutual Administrative Assistance in Tax Matters, Organisation for Economic Co-operation and Development (Paris) 5 December 2012. Date of Access: 27 December 2012.

<http://www.oecd.org/tax/exchangeofinformation/conventiononmutualadministrativeassistanceintaxmatters.htm>.

⁷⁷⁶ Argentina becomes the first South American country to become a Party to the Multilateral Convention, Organisation for Economic Co-operation and Development (Paris) 13 September 2012. Date of Access: 27 December 2012.

<http://www.oecd.org/ctp/exchangeofinformation/taxargentinabecomesfirstsouthamericancountrytobecomeapartytothemultilateralconvention.htm>.

On 31 August 2012, the Economic Commission for Latin America and the Caribbean, of which Argentina is a member, ended its summit in El Salvador. Delegates from Argentina welcomed the integrated approach to economic development outlined in the summit document “Structural change for equality: An integrated approach to development,” which lays out a strategy for growth with equality and sustainability for development across Latin America and the Caribbean.⁷⁷⁷

On 29 October 2012, Argentina participated in the first Annual Global Partnership for Financial Inclusion (GPII) Conference and Technical Meeting on Standard-Setting Bodies and Financial Inclusion in Basel.⁷⁷⁸ Participants of the conference discussed the progress and challenges that Global Standard-Setting Bodies (SSBs) face when it comes to financial inclusion.⁷⁷⁹

On 30 October 2012, a Technical Meeting on the same topics took place where the Conference’s participants discussed technical aspects and practical issues.⁷⁸⁰ The goal of the meeting was to inform the GPII Sub-Group on G20 Principles for Innovative Financial Inclusion and Engagement with SSBs under the Russian G20 Presidency.

On 9 January 2013, the government of Argentina introduced a new system of export duties on oil shipments in order to attract investments and boost production.⁷⁸¹ This announcement is part of a series of measures aimed at attracting investments and boosting growth.⁷⁸²

On 15 January 2013, President Cristina Fernandez de Kirchner delivered a keynote speech at the opening ceremony of the sixth annual World Future Energy Summit and the first International Water Summit in Dubai.⁷⁸³ The speech signalled the strengthening ties in the field of renewable energy between South American countries and the Middle East. According to Argentinean ambassador to the United Arab Emirates (UAE) Ruben Eduardo Caro: “The World Future Energy Summit, as part of the Abu Dhabi Sustainability Week, will be a platform that enables

⁷⁷⁷ Structural Change Is the Path, Policy Is the Instrument and Equality Is the Basic Objective, Economic Commission for Latin America and the Caribbean (San Salvador) 28 August 2012. Date Accessed 13 January 2013. <http://www.eclac.cl/cgi-bin/getProd.asp?xml=/prensa/noticias/comunicados/0/47880/P47880.xml&xsl=/prensa/tpl-i/p6f.xsl&base=/ps34/tpl-i/top-bottom.xsl>.

⁷⁷⁸ First Annual GPII Conference and Technical Meeting on Standard-Setting Bodies and Financial Inclusion, Global Partnership for Financial Inclusion (Seoul) 31 October 2012. Date of Access: 15 January 2013. <http://www.gpii.org/featured/first-annual-gpii-conference-and-technical-meeting-standard-setting-bodies-and-financial-inclusion>.

⁷⁷⁹ First Annual GPII Conference and Technical Meeting on Standard-Setting Bodies and Financial Inclusion, Global Partnership for Financial Inclusion (Seoul) 31 October 2012. Date of Access: 15 January 2013. <http://www.gpii.org/featured/first-annual-gpii-conference-and-technical-meeting-standard-setting-bodies-and-financial-inclusion>.

⁷⁸⁰ First Annual GPII Conference and Technical Meeting on Standard-Setting Bodies and Financial Inclusion, Global Partnership for Financial Inclusion (Seoul) 31 October 2012. Date of Access: 15 January 2013. <http://www.gpii.org/featured/first-annual-gpii-conference-and-technical-meeting-standard-setting-bodies-and-financial-inclusion>.

⁷⁸¹ Argentina rapidly changing oil/gas industry levies to attract foreign investment, Merco Press (Montevideo) 9 January 2013. Date of Access: 15 January 2013. <http://en.mercopress.com/2013/01/09/argentina-rapidly-changing-oil-gas-industry-levies-to-attract-foreign-investment>.

⁷⁸² Argentina rapidly changing oil/gas industry levies to attract foreign investment, Merco Press (Montevideo) 9 January 2013. Date of Access: 15 January 2013. <http://en.mercopress.com/2013/01/09/argentina-rapidly-changing-oil-gas-industry-levies-to-attract-foreign-investment>.

⁷⁸³ Argentine President to Address ADSW, Khaleej Times (Dubai) 12 January 2013. Date of Access: 13 February 2013. http://www.khaleejtimes.com/kt-article-display-1.asp?xfile=/data/uaebusiness/2013/January/uaebusiness_January178.xml§ion=uaebusiness.

Argentina to establish a dialogue and work with political and business leaders in order to identify how they can further develop renewable energy and sustainable development solutions.⁷⁸⁴

Argentina has partially complied with its commitment to promote development reforms. On one hand, Argentina has taken steps towards promoting economic growth by signing on to the Convention on Mutual Administrative Assistance in Tax Matters, and by embracing the agenda for inclusive growth. On the other hand, Argentina continues to impose currency controls that have had an adverse effect on its economy. Therefore, it is awarded a score of 0.

Analyst: David Gelles

Brazil: +1

Brazil has fully complied with its commitment to promote a range of reforms to promote development. Brazil has promoted and enacted reforms aimed at improving the investment climate as well as invested in its infrastructure.

On 30 August 2012, Brazil's central bank cut its benchmark interest rate to a record low of 7.5 per cent.⁷⁸⁵ The move follows stimulus measures enacted earlier in August 2012, when President Dilma Rousseff's government announced the first phase of a major economic stimulus package that involves USD60 billion for investment in Brazil's infrastructure over the next 25 years.⁷⁸⁶ The stimulus measures also include tax cuts to promote investment.⁷⁸⁷

On 24 October 2012, President Rousseff announced extended tax cuts for carmakers in the country – an incentive that has helped the national car industry recover as well as boosted foreign investment in Brazil's factories.⁷⁸⁸ Moreover, the Brazilian government plans to hold rounds of concession bids for public airports and ports as well as to lower federal and state taxes – all to attract foreign investment.⁷⁸⁹

On 21 June 2012, Director-General of the United Nations Industrial Development Organization Kandeh K. Yumkella, speaking at the Rio+20 UN Conference on Sustainable Development, praised Brazil's commitment to the Sustainable Energy for All initiative.⁷⁹⁰ Brazil has committed

⁷⁸⁴ Argentine President to Address ADSW, Khaleej Times (Dubai) 12 January 2013. Date of Access: 13 February 2013.

http://www.khaleejtimes.com/kt-article-display-1.asp?xfile=/data/uaebusiness/2013/January/uaebusiness_January178.xml§ion=uaebusiness.

⁷⁸⁵ Brazil Cuts Interest Rates to Fresh Record Low, BBC News (London) 30 August 2012. Date of Access: 28 December 2012.

<http://www.bbc.co.uk/news/business-19422063>.

⁷⁸⁶ Brazil announces \$60bn stimulus package, BBC News (London) 15 August 2012. Date of Access: 29 January 2013.

<http://www.bbc.co.uk/news/business-19274755>.

⁷⁸⁷ Brazil Cuts Interest Rates to Fresh Record Low, BBC News (London) 30 August 2012. Date of Access: 28 December 2012.

<http://www.bbc.co.uk/news/business-19422063>.

⁷⁸⁸ Brazil's Economic Recovery Finally Arrives, Reuters US Edition (New York) 26 October 2012. Date of Access: 28 December 2012.

<http://www.reuters.com/article/2012/10/26/brazil-economy-idUSL1E8LPHLT20121026>.

⁷⁸⁹ Brazil's Economic Recovery Finally Arrives, Reuters US Edition (New York) 26 October 2012. Date of Access: 28 December 2012.

<http://www.reuters.com/article/2012/10/26/brazil-economy-idUSL1E8LPHLT20121026>.

⁷⁹⁰ Director-General Yumkella says Sustainable Energy for All initiative to Benefit Over a Billion People Worldwide, United Nations Industrial Development Organization (Vienna) 21 June 2012. Date of Access: 28 December 2012.

[http://www.unido.org/index.php?id=7881&tx_ttnews\[tt_news\]=1218&cHash=7d2d0e8cfa7cfbea2bea03f3d22667a7](http://www.unido.org/index.php?id=7881&tx_ttnews[tt_news]=1218&cHash=7d2d0e8cfa7cfbea2bea03f3d22667a7)

to invest USD4.3 billion to achieve universal energy access by 2014. The move involves improvements to the power grid as well as further investment in energy infrastructure.⁷⁹¹

On 25 June 2012, the International Monetary Fund (IMF) outlined a path for sustainable development at the Rio+20 Conference.⁷⁹² In response, Brazil's Minister of Finance Mantega welcomed the IMF outline and reiterated Brazil's commitment to inclusive economic growth, stating, "Brazil's growth is indivisible from environmental protection and social inclusion."⁷⁹³

On 13 October 2012, speaking at a meeting of the International Monetary and Financial Committee, Minister Mantega spoke on behalf of Brazil and other emerging market countries of short-term growth measures should promote demand and job creation.⁷⁹⁴ Mantega elaborated that infrastructure and social spending should be increased when possible.⁷⁹⁵ Furthermore, Mantega ensured that Brazil would take all necessary measures to avoid the negative effects of external policies that reduce global growth and demand.⁷⁹⁶

On 24 January 2013, Brazil released a joint statement along with the European Union (EU), following the sixth Brazil-EU Summit.⁷⁹⁷ The two parties discussed the outcome of the United Nations Conference on Sustainable Development (UNCSD) and subsequently released a joint statement.⁷⁹⁸ Brazil stressed the importance of implementing the outcome of Rio+20 and pledged to work on the development of the Sustainable Development Goals (SDGs).⁷⁹⁹ Additionally,

⁷⁹¹ Director-General Yumkella says Sustainable Energy for All initiative to Benefit Over a Billion People Worldwide, United Nations Industrial Development Organization (Vienna) 21 June 2012. Date of Access: 28 December 2012.
[http://www.unido.org/index.php?id=7881&tx_ttnews\[tt_news\]=1218&cHash=7d2d0e8cfa7cfbea2bea03f3d22667a7](http://www.unido.org/index.php?id=7881&tx_ttnews[tt_news]=1218&cHash=7d2d0e8cfa7cfbea2bea03f3d22667a7)

⁷⁹² IMF Sets Path for Sustainable Development, International Monetary Fund (Washington) 25 June 2012. Date of Access: 28 December 2012.
<http://www.imf.org/external/pubs/ft/survey/so/2012/new062512a.htm>.

⁷⁹³ IMF Sets Path for Sustainable Development, International Monetary Fund (Washington) 25 June 2012. Date of Access: 28 December 2012.
<http://www.imf.org/external/pubs/ft/survey/so/2012/new062512a.htm>.

⁷⁹⁴ Statement by Mr. Guido Mantega, Minister of Finance, Brazil, on behalf the Constituency comprising Brazil, Colombia, Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, Trinidad and Tobago, at the International Monetary Financial Committee, International Monetary Fund (Washington) 13 October 2012. Date of Access: 29 December 2012.
<http://www.imf.org/External/AM/2012/imfc/statement/eng/bra.pdf>.

⁷⁹⁵ Statement by Mr. Guido Mantega, Minister of Finance, Brazil, on behalf the Constituency comprising Brazil, Colombia, Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, Trinidad and Tobago, at the International Monetary Financial Committee, International Monetary Fund (Washington) 13 October 2012. Date of Access: 29 December 2012.
<http://www.imf.org/External/AM/2012/imfc/statement/eng/bra.pdf>.

⁷⁹⁶ Statement by Mr. Guido Mantega, Minister of Finance, Brazil, on behalf the Constituency comprising Brazil, Colombia, Dominican Republic, Ecuador, Guyana, Haiti, Panama, Suriname, Trinidad and Tobago, at the International Monetary Financial Committee, International Monetary Fund (Washington) 13 October 2012. Date of Access: 29 December 2012.
<http://www.imf.org/External/AM/2012/imfc/statement/eng/bra.pdf>.

⁷⁹⁷ 6th EU-Brazil Summit Reflects on Rio+20 and Doha, International Institute for Sustainable Development (New York) 24 January 2013. Date of Access: 9 February 2013.
<http://climate-l.iisd.org/news/6th-eu-brazil-summit-reflects-on-rio20-and-doha/>

⁷⁹⁸ 6th EU-Brazil Summit Reflects on Rio+20 and Doha, International Institute for Sustainable Development (New York) 24 January 2013. Date of Access: 9 February 2013.
<http://climate-l.iisd.org/news/6th-eu-brazil-summit-reflects-on-rio20-and-doha/>

⁷⁹⁹ 6th EU-Brazil Summit Reflects on Rio+20 and Doha, International Institute for Sustainable Development (New York) 24 January 2013. Date of Access: 9 February 2013.
<http://climate-l.iisd.org/news/6th-eu-brazil-summit-reflects-on-rio20-and-doha/>

Brazil listed the eradication of poverty and the changing of unsustainable consumption patterns as key to a better development paradigm.⁸⁰⁰

On 26-27 January 2013, Brazil participated in the first European Union–Community of Latin American and Caribbean States (EU-CELAC) Summit, where European, Latin American, and Caribbean government representatives came together to form an “Alliance for Sustainable Development to Promote Investments of Social and Environmental Quality”⁸⁰¹, and adopting an Action Plan for 2013-2015.⁸⁰² Among the key themes and measures identified were: the promotion of green economy, increased and diversified bi-regional investments, improved integration, corporate social responsibility, small and medium enterprises (SMEs), energy and social services, and infrastructure projects.⁸⁰³

On 31 January 2013, the Brazilian government extended tax breaks to foreign property investments in order to boost its real estate market.⁸⁰⁴ Foreign investors are exempt from paying a financial transaction charge on real estate investment trust (REIT). The government expects to create an alternative resource of funding for local constructors, apart from the state development bank BNDES and boost the construction sector as well. For this reason, the government reduced payroll taxes for construction companies, due to weak economic growth.⁸⁰⁵

On 5 February 2013, Finance Minister Guido Mantega and Chief Executive Officer of Investment Bank BTGPactual Andre Esteves, launched in Sao Paulo Brazil’s road show to attract foreign infrastructure investments through 2015.⁸⁰⁶ According to Finance Minister Mantega, “the government hopes these efforts will lead to long-term growth by attracting private investment, which is one of the weakest pillars of Brazil’s economy.”⁸⁰⁷

Thus, Brazil has been awarded a score of +1 for its promotion of policies that encourage development, specifically those that promote infrastructure investment and sustainable economic growth.

*Analyst: David Gelles
Lead Analyst: Eleni Tsaliki*

China: +1

⁸⁰⁰ 6th EU-Brazil Summit Reflects on Rio+20 and Doha, International Institute for Sustainable Development (New York) 24 January 2013. Date of Access: 9 February 2013.

<http://climate-liisd.org/news/6th-eu-brazil-summit-reflects-on-rio20-and-doha/>

⁸⁰¹ EU-CELAC Summit, Europe, Latin America and the Caribbean to Promote Investments of Social and Environmental Quality in both regions, European Union (Brussels) 25 January 2013. Date of Access: 13 February 2013.

http://eeas.europa.eu/la/summits/2013/index_en.htm.

⁸⁰² EU-CELAC Action Plan, Council of the European Union (Brussels) 27 January 2013. Date of Access: 13 February 2013.

http://eeas.europa.eu/la/summits/docs/2013_santiago_summit_eu-celac_action_plan_en.pdf.

⁸⁰³ EU-CELAC Action Plan, Council of the European Union (Brussels) 27 January 2013. Date of Access: 13 February 2013.

http://eeas.europa.eu/la/summits/docs/2013_santiago_summit_eu-celac_action_plan_en.pdf.

⁸⁰⁴ Brazil cuts tax on foreign investments in domestic REITs-gazette, Reuters (London) 31 January 2013. Date of Access: 13 February 2013.

<http://www.reuters.com/article/2013/01/31/brazil-economy-tax-idUSE5N09A00K20130131>.

⁸⁰⁵ Brazil Favors Foreign Property Investors, NuWire Investors (Washington D.C.) 5 February 2013. Date of Access: 13 February 2013.

<http://www.nuwireinvestor.com/articles/brazil-favors-foreign-property-investors-60429.aspx>.

⁸⁰⁶ Brazil Launches Road Show to Shop Infrastructure Projects, Reuters (London) 5 February 2013. Date of Access: 13 February 2013.

<http://www.reuters.com/article/2013/02/05/brazil-infrastructure-idUSL1N0B5DZV20130205>.

⁸⁰⁷ Brazil Launches Road Show to Shop Infrastructure Projects, Reuters (London) 5 February 2013. Date of Access: 13 February 2013.

<http://www.reuters.com/article/2013/02/05/brazil-infrastructure-idUSL1N0B5DZV20130205>.

China has fully complied with its commitment to promote a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment.

On 17 September 2012, the State Council of China in conjunction with the People's Bank of China (PBC) released its 12th Five-Year Plan for Financial Sector Development and Reform.⁸⁰⁸ Key policy objectives included: (1) financial sector restructuring, (2) allowing the market to play a bigger role in resource allocation, (3) market-based interest rate reform, (4) multi-layer capital reform, and (5) improvement of the Renminbi, or Chinese Yuan, rate exchange regime. The guiding principles for the Plan are aimed at “comprehensively promoting financial reform, opening-up and development, enhancing comprehensive strengths, international competitiveness and risk prevention capacity of the Chinese financial industry, enabling the financial sector better serve the real economy, improving the macro financial management and regulatory system”.⁸⁰⁹ Government sectors at all levels are expected to develop and implement measures to fulfill the policy objectives, with an emphasis on supporting “the real economy” and inclusive growth.⁸¹⁰

On 14 December 2012, China's State Administration of Foreign Exchange removed the USD1 billion ceiling on investments in local capital markets by “institutional investors such as sovereign wealth funds, central banks and monetary authorities”.⁸¹¹ The lifting of the quota is intended to attract more overseas investors.

On 1 July 2012, the People's Bank of China released the China Financial Stability Report 2012.⁸¹² The Report speaks of the importance of continuing macroeconomic reforms to promote sustainable development and healthy financial conditions for governments, corporations, and households.

In December 2012, at the Central Economic Work Conference, the Chinese government recognized the expansion of domestic demand as one of its strategic development goals for 2013.⁸¹³

On 18 December 2012, the head of China's National Development and Reform Commission (NDRC) Zhang Ping announced that China would increase efforts to spur economic growth by targeting emerging industries through policies and pilot programs.⁸¹⁴ Development plans include increasing investment for biotechnology and satellite navigation, as well as research and development in the medical industry. Zhang Ping said that China “will strive to reduce its

⁸⁰⁸ The PBC Released the 12th Five-Year Plan for the Financial Industry, The People's Bank of China (Beijing) 17 July 2012. Date of Access: 02 January 2012.

http://www.pbc.gov.cn/publish/english/955/2012/20120926145631142409624/20120926145631142409624_.html.

⁸⁰⁹ The PBC Released the 12th Five-Year Plan for the Financial Industry, The People's Bank of China (Beijing) 17 July 2012. Date of Access: 02 January 2012.

http://www.pbc.gov.cn/publish/english/955/2012/20120926145631142409624/20120926145631142409624_.html.

⁸¹⁰ China unveils financial reform plan for 12th Five-Year Plan period, Xinhua News Agency (Beijing) 24 September 2012. Date of Access: 02 January 2012.

http://news.xinhuanet.com/english/china/2012-09/24/c_131869302.htm.

⁸¹¹ New Chinese policy may favor big foreign investors, Pensions and Investments (New York) 24 December 2012. Date of Access: 15 January 2013.

<http://www.pionline.com/article/20121224/PRINTSUB/312249992/new-chinese-policy-may-favor-big-foreign-investors>.

⁸¹² The PBC Released the Financial Stability Report 2012, The People's Bank of China (Beijing) 1 July 2012. Date of Access: 02 January 2013.

http://www.pbc.gov.cn/publish/english/955/2012/20120712091753592198079/20120712091753592198079_.html.

⁸¹³ Goals for 2013 set at the economic work conference, SinaEnglish (Beijing) 16 December 2012. Date of Access: 15 January 2013.

<http://english.sina.com/china/p/2012/1216/538321.html>.

⁸¹⁴ China targets emerging sectors for quality growth, Xinhua News Agency (Beijing) 19 December 2012. Date of Access: 02 January 2013.

http://news.xinhuanet.com/english/china/2012-12/19/c_124114491.htm.

industrial overcapacity, boost the tertiary industry, step up the exploitation of new and renewable resources and improve infrastructure in rural and urban areas".⁸¹⁵ Between September and December 2012, the NDRC approved over 300 new infrastructure and energy related projects meant to boost economic growth.⁸¹⁶

On 23 August 2012, the PBC began a pilot project to offer agriculture-linked central bank loans to spur investment in the real economy.⁸¹⁷

China's 12th Five-Year plan for 2011-2015 has emphasized green and low-carbon development, integrating the fight against climate change into its economic restructuring and overall growth.⁸¹⁸ In December 2012, Vice Premier Li Keqiang announced that China would invest over RMB3.4 trillion into environmental protection, and expand domestic markets by focusing on the application and research of solar technology.⁸¹⁹

On 5 November 2012, the Chinese government participated in the Forum on Green Economy and Inclusive Development for Bamboo and Rattan in Beijing and signed onto the declaration agreeing to build capacity, share technical knowledge, and promote industries that foster green growth and sustainable development with other emerging economies.⁸²⁰

On 16 October 2012, Governor Zhou Xiaochuan of the PBC signed a Memorandum of Understanding (MOU) with the Inter-American Development Bank (IDB) to establish a China co-financing fund to increase collaboration and cooperation.⁸²¹ On a visit to several Latin American countries in June 2012, Premier of the State Council of China Wen Jiabao emphasized the need for concrete measures to boost trade and cooperation, proposing a trade increase of USD400 billion with Economic Commission for Latin America and the Caribbean (ECLAC) countries over the next five years.⁸²²

On 24 October 2012, Director General of the European Commission Directorate-General Enterprise and Industry Daniel Calleja and Administrator of Standardization Administration of China (SAC) launched the Europe-China Standards Information Platform (CESIP) in Beijing for

⁸¹⁵ China targets emerging sectors for quality growth, Xinhua News Agency (Beijing) 19 December 2012. Date of Access: 02 January 2013.

http://news.xinhuanet.com/english/china/2012-12/19/c_124114491.htm.

⁸¹⁶ Beijing steps up approval rate for infrastructure projects, Want China Times (Taipei) 27 December 2012. Date of Access: 15 January 2013.

<http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20121227000046&cid=1102>.

⁸¹⁷ Highlights of China's Monetary Policy in the Third Quarter of 2012, The People's Bank of China (Beijing) 9 November 2012. Date of Access: 2 January 2013.

http://www.pbc.gov.cn/publish/english/955/2012/20121113141006634513925/20121113141006634513925_.html.

⁸¹⁸ Commentary: China self-motivated to combat climate change, Xinhua News Agency (Beijing) 27 November 2012. Date of Access: 2 January 2013.

http://news.xinhuanet.com/english/china/2012-11/27/c_132003022.htm.

⁸¹⁹ China invests big in ecological progress, Xinhua News Agency (Beijing) 19 December 2012. Date of Access: 29 December 2012.

http://news.xinhuanet.com/english/china/2012-12/19/c_132051457.htm.

⁸²⁰ Beijing Declaration by International Network for Bamboo and Rattan, Xinhua News Agency (Beijing) 7 November 2012. Date of Access: 29 December 2012.

http://news.xinhuanet.com/english/world/2012-11/07/c_123926997.htm.

⁸²¹ Signing of Memorandum of Understanding between the PBC and IDB Concerning Exploration of Opportunities to Establish a China Co-financing Fund, The People's Bank of China (Beijing) 16 October 2012. Date of Access: 14 January 2013.

http://www.pbc.gov.cn/publish/english/955/2012/20121019160024470888790/20121019160024470888790_.html.

⁸²² 2012 marks new stage in China-LatAm ties, Xinhua News Agency (Beijing) 20 December 2012. Date of Access: 29 December 2012.

http://news.xinhuanet.com/english/china/2012-12/20/c_132052543.htm.

the strengthening of small and medium enterprises (SMEs) and trade between Europe and China.⁸²³ CESIP, which is a one-stop shop, will make market information more accessible and time efficient.⁸²⁴

On 16 January 2013, the State Council announced the approval of a Medium-and Long-Term (2012-2030) Plan on Infrastructure Construction for China's Major Science and Technology Projects.⁸²⁵ The aim of the Plan is to increase investment as well as the efficiency of major infrastructure projects. The focus of the Plan is to promote China's capacity building in innovation, achieving scientific and technological breakthroughs, and accelerating the pace of infrastructure projects in various sectors such as energy, life, Earth systems and environments, materials, particle and nuclear physics, space and astronomy and engineering technology.⁸²⁶

China was awarded a score of +1 for its compliance to the commitment to adopt macroeconomic policies to promote a range of reforms to promote development, including fostering Inclusive Green Growth, promoting knowledge sharing activities, sustainable development, and infrastructure investment.

Analyst: Katie Clancy

India: +1

India has fully complied with its commitment to promote a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment.

On 20 December 2012, India's Ministry of Finance announced that the government would undertake major measures to promote growth in the country's economy.⁸²⁷ Measures taken will include: "better access to finance for manufacturing sector, fast tracking of large investment projects in the areas of power, petroleum and gas, roads, coal, [and] strengthening of [the] financial and banking sector".⁸²⁸ Other high growth measures include: "enhancing the level of investment for agriculture sector including irrigation projects, promoting Micro, Small & Medium Enterprises sector by way of higher allocation of funds, enhancing investment in the infrastructure sector focusing on Public Private Partnerships, [and the] introduction of a new National Manufacturing Policy".⁸²⁹

On 30 October 2012, the Reserve Bank of India (RBI) cut the cash reserve ratio (CRR) from 4.5 per cent to 4.25 per cent, designed to inject INR175 billion of liquidity into the banking system

⁸²³ News China – Europe: information and standards and market requirements, European Commission (Brussels) 24 October 2012. Date of Access: 30 January 2013.

http://ec.europa.eu/enterprise/newsroom/cf/itemdetail.cfm?item_id=6271&lang=en.

⁸²⁴ China – Europe: information and standards and market requirements, European Commission (Brussels) 18 December 2012. Date of Access: 30 January 2013. http://ec.europa.eu/enterprise/magazine/articles/industrial-policy/article_11052_en.htm.

⁸²⁵ China Approves Science Infrastructure Plan, China Daily (Beijing) 16 January 2013. Date of Access: 13 February 2013.

http://www.chinadaily.com.cn/china/2013-01/16/content_16127710.htm.

⁸²⁶ China Approves Science Infrastructure Plan, China Daily (Beijing) 16 January 2013. Date of Access: 13 February 2013.

http://www.chinadaily.com.cn/china/2013-01/16/content_16127710.htm.

⁸²⁷ Government takes Several Measures for Growth Revival, Press Information Bureau of Government of India (Mumbai) 20 December 2012. Date of Access: 30 December 2012.

<http://pib.nic.in/newsite/PrintRelease.aspx?relid=91083>.

⁸²⁸ Government takes Several Measures for Growth Revival, Press Information Bureau of Government of India (Mumbai) 20 December 2012. Date of Access: 30 December 2012.

<http://pib.nic.in/newsite/PrintRelease.aspx?relid=91083>.

⁸²⁹ Government takes Several Measures for Growth Revival, Press Information Bureau of Government of India (Mumbai) 20 December 2012. Date of Access: 30 December 2012.

<http://pib.nic.in/newsite/PrintRelease.aspx?relid=91083>.

and ease the growth-inflation dynamic in the economy.⁸³⁰ Such policy initiatives seek to manage inflation and revitalize economic activity for sustained growth.

On 29 September 2012, the Reserve Bank of India (RBI) proposed the creation of a National Investment Board (NIB), to be headed by the prime minister, pending cabinet approval.⁸³¹ The NIB would work to clear major infrastructure investment, avoid delays in production, and provide a clearer and less uncertain investment environment.

On 14 September 2012 and 4 October 2012, the RBI called for further Foreign Direct Investment (FDI) liberalization.⁸³² The FDI liberalizations of 14 September call for increased liberalization and FDI inflows in the retail sector, including aviation, broadcasting, and brand retail. The 4 October measure calls for a 26 per cent foreign investment ceiling in the pension sector, designed to allow for longer-term growth in India.⁸³³ As a follow up to the FDI liberalizations, in January 2013, Finance Minister Palaniappan Chidambaram met foreign investors in Asia and Europe. The focus of those meetings was mainly in infrastructure as it is the main priority of the Indian government. Trips to the United States and Canada are to follow.⁸³⁴

In a move to create greater financial inclusion in credit delivery, the RBI announced new guidelines on priority sector lending on 30 October 2012.⁸³⁵ One initiative included re-categorizing agricultural loans of up to INR20 million for eligible partnerships and cooperatives as direct finance to agriculture. In December 2012, external commercial borrowing was allowed for developers and builders of low cost affordable housing projects.⁸³⁶

On 24 December 2012, Minister of State for Planning and Parliamentary Affairs Rajeev Shukla stated that the goal of the “12th [Five-Year Economic] Plan, as proposed in the draft, is to achieve “faster, sustainable and more inclusive growth”.⁸³⁷ On 27 December 2012, the draft plan of the 12th Five-Year Plan was given to the National Development Council (NDC) for final approval.⁸³⁸

⁸³⁰ Second Quarter Review of Monetary Policy 2012-13 Press Statement by Dr. D. Subbarao, Reserve Bank of India (Mumbai) 30 October 2012. Date of Access: 30 December 2012.

http://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=27483.

⁸³¹ Macroeconomic and Monetary Developments Second Quarter Review 2012-13, Reserve Bank of India (Mumbai) 29 October 2012. Date of Access: 30 December 2012.

<http://rbidocs.rbi.org.in/rdocs/Publications/PDFs/0MD2910C88C124.pdf>.

⁸³² Macroeconomic and Monetary Developments Second Quarter Review 2012-13, Reserve Bank of India (Mumbai) 29 October 2012. Date of Access: 30 December 2012.

<http://rbidocs.rbi.org.in/rdocs/Publications/PDFs/0MD2910C88C124.pdf>.

⁸³³ Macroeconomic and Monetary Developments Second Quarter Review 2012-13, Reserve Bank of India (Mumbai) 29 October 2012. Date of Access: 30 December 2012.

<http://rbidocs.rbi.org.in/rdocs/Publications/PDFs/0MD2910C88C124.pdf>.

⁸³⁴ India Plans Roadshows to Attract Foreign Investment, The Wall Street Journal (New York) 11 January 2013. Date of Access: 13 February 2013.

<http://online.wsj.com/article/SB10001424127887324081704578235072606220586.html>.

⁸³⁵ Second Quarter Review of Monetary Policy 2012-13 Press Statement by Dr. D. Subbarao, Reserve Bank of India (Mumbai) 30 October 2012. Date of Access: 31 December 2012.

http://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=27483.

⁸³⁶ Monetary and Credit Information Review, Reserve Bank of India (Mumbai) 31 December 2012. Date of Access: 31 December 2012.

<http://www.rbi.org.in/scripts/PublicationsView.aspx?id=14758>.

⁸³⁷ Combining reforms with inclusive growth is our key focus, The Hindu Business Line (New Delhi) 24 December 2012. Date of Access: 30 December 2012.

<http://www.thehindubusinessline.com/industry-and-economy/combining-reforms-with-inclusive-growth-is-our-key-focus/article4235689.ece>.

⁸³⁸ Draft 12th Plan document to be placed before NDC on Dec 27, The Economic Times (Mumbai) 20 December 2012. Date of Access: 30 December 2012.

On 8 October 2012, Deputy Governor of the RBI Dr. K. C. Chakrabarty reiterated the government's commitment to strengthen the environment for India's Micro, Small and Medium Enterprise (MSME) sector.⁸³⁹ On 1 August 2012, the RBI issued a directive to banks to provide additional financial literacy and consultative support, in addition to creating supportive policies for loans and reducing administrative barriers for business owners.⁸⁴⁰

On 7 December 2012, Dr. Chakrabarty shared six steps to create growth in the Indian Economy: "(1) to preserve demographic dividends by investing in human capital; (2) to improve productivity and efficiency; (3) to revive infrastructure investments and harness natural resources better; (4) to improve governance at every level; (5) to enforce accountability [...]; and (6) to make finance more responsive to real sector and promote inclusive growth."⁸⁴¹ Dr. Chakrabarty emphasized the importance of the RBI in helping to achieve such growth.

On 5 February 2013, Finance Minister Palaniappan Chidambaram announced cuts on budget spending in order to reduce the fiscal deficit and attract more foreign direct investments (FDI) by increasing investors' confidence.⁸⁴² For that reason, on 14 January 2013, the finance minister announced the delay of the enforcement of General Anti-Avoidance Rules (GAAR) to 2016 as there are concerns that the national tax system might becoming more hostile.⁸⁴³ After the recommendations of the Foreign Investment Promotion Board (FIPB) on 11 January 2013, the central government approved 14 FDI projects.⁸⁴⁴

On 31 January 2013, India hosted the 13th Delhi Sustainable Development Summit (DSDS) with a focus on "the Global Challenge of Resource-Efficient Growth and Development". In his inaugural speech, Prime Minister Manmohan Singh stated India's commitment to sustainable development and the protection of the fragile ecosystems and praising the work done by The Energy and Resources Institute (TERI) towards resource efficiency.⁸⁴⁵

http://articles.economicstimes.indiatimes.com/2012-12-20/news/35933978_1_draft-12th-plan-document-ndc-chief-ministers-and-cabinet.

⁸³⁹ Address by Dr. K. C. Chakrabarty, Deputy Governor, Reserve Bank of India at the Interactive Session organized by the Bombay Chamber of Commerce and Industry (Mumbai) 8 October 2012. Date of Access: 30 December 2012. http://rbi.org.in/scripts/BS_SpeechesView.aspx?Id=739.

⁸⁴⁰ **Micro and Small Enterprises Sector – The imperative of Financial Literacy and consultancy support**, Reserve Bank of India (Mumbai) 1 August 2012. Date of Access: 15 January 2013. <http://www.rbi.org.in/scripts/NotificationUser.aspx?Id=7488&Mode=0>.

⁸⁴¹ Address delivered by Dr. K. C. Chakrabarty, Deputy Governor, Reserve Bank of India at the interaction with members of Delhi Chapter of the Young Presidents Organization (New Delhi) 7 December 2012. Date of Access: 30 December 2012. http://rbi.org.in/scripts/BS_SpeechesView.aspx?Id=759.

⁸⁴² India Budget Cuts Designed to Spur Foreign Investment, India Briefing (New Delhi) 5 February 2013. Date of Access: 13 February 2013. <http://www.india-briefing.com/news/india-budget-cuts-designed-to-spur-foreign-investment-5843.html/>.

⁸⁴³ India Delays Tax-Avoidance Clampdown to Spur Investment Inflows, Bloomberg (New York) 14 January 2013. Date of Access: 13 February 2013. <http://www.bloomberg.com/news/2013-01-14/india-delays-tax-avoidance-clampdown-to-spur-investment-inflows.html>.

⁸⁴⁴ Rs.1,311 Cr Worth FDI Proposals Cleared, The Hindu (New Delhi) 11 January 2013. Date of Access: 13 February 2013. <http://www.thehindu.com/business/Economy/rs1311-cr-worth-fdi-proposals-cleared/article4298401.ece>.

⁸⁴⁵ Hon'ble Prime Minister Dr. Manmohan Singh Inaugurates TERI's Delhi Sustainable Development Summit (DSDS) 2013 on 'Global Challenge of Resource-Efficient Growth and Development', Reuters (London) 31 January 2013. Date of Access: 13 February 2013. <http://www.reuters.com/article/2013/02/01/idUSnPrekKVM3a+11c+PRN20130201>.

India received a score of +1 for implementing policy reforms that encourage growth, inclusive development, infrastructure investment, and for its focus on measures to create a more equitable investment environment for small and medium enterprises and larger businesses.

Analyst: Katie Clancy

Indonesia: +1

Indonesia has fully complied with its commitment to promote a range of reforms that spur development by improving the investment climate and enhancing infrastructure investment. Indonesia has both continued with reforms initiated prior to the Los Cabos Summit and commenced a new round of reforms directed towards sustainable economic development.

On 1 January 2013, Bank Indonesia (BI) put into effect a new productive loan target for banks.⁸⁴⁶ The target is set so that 20 per cent of a bank's loan portfolio must be comprised of credits to micro, small, and medium enterprises.⁸⁴⁷ The policy design seeks to increase credit activity to the Small- and Medium Enterprise (SME) sector.⁸⁴⁸

On 7 August 2012, the Government of Indonesia released a regulation concerning land acquisition. The new regulation is designed with a goal of stimulating infrastructure development.⁸⁴⁹ In an effort to speed up land acquisition for development projects, the regulation specifies the upper limit for the completion of acquisitions as a maximum of 583 days.⁸⁵⁰

On 27 December 2012, Government of Indonesia announced it would finance state projects in 2013 with rupiah-denominated sukuk Islamic bonds in an attempt to accelerate infrastructure development. Investment in infrastructure has lagged, as domestic banks are reluctant to finance long-term infrastructure projects due to their low internal rate of return (IRR) and high risks.⁸⁵¹ According to the 2013 state budget financial note, the Finance Ministry plans to borrow up to IDR1 trillion (USD103.5 million).⁸⁵² Director of Islamic Financing Policy at the Finance Ministry Debt Management Office Dahlan Siamat believes that Islamic-based bonds may be the solution to the reluctance of Indonesian banks to finance infrastructure-related projects.⁸⁵³ Since

⁸⁴⁶ SME Credits Opportunities for Banking, Indonesia Finance Today (Jakarta) 2 January 2013. Date of Access: 4 January 2013.

<http://en.indonesiainancetoday.com/read/27988/SME-Credits-Opportunities-for-Banking->

⁸⁴⁷ SME Credits Opportunities for Banking, Indonesia Finance Today (Jakarta) 2 January 2013. Date of Access: 4 January 2013.

<http://en.indonesiainancetoday.com/read/27988/SME-Credits-Opportunities-for-Banking->

⁸⁴⁸ SME Credits Opportunities for Banking, Indonesia Finance Today (Jakarta) 2 January 2013. Date of Access: 4 January 2013.

<http://en.indonesiainancetoday.com/read/27988/SME-Credits-Opportunities-for-Banking->

⁸⁴⁹ Editorial: Making the Most of Land Acquisition Law, The Jakarta Globe (Jakarta) 10 August 2012. Date of Access: 29 December 2012.

<http://www.thejakartaglobe.com/editorials/editorial-making-the-most-of-land-acquisition-law/537050>.

⁸⁵⁰ Presidential Regulation Implements the Land Acquisition Law, The Legal 500 (Indonesia) August 2012. Date of Access: 29 December 2012.

<http://www.legal500.com/c/indonesia/developments/21374>.

⁸⁵¹ Govt to use sukuk for infrastructure projects, The Jakarta Post (Jakarta) 27 December 2012. Date of Access: 4 January 2012.

<http://www2.thejakartapost.com/news/2012/12/27/govt-use-sukuk-infrastructure-projects.html>.

⁸⁵² Govt to use sukuk for infrastructure projects, The Jakarta Post (Jakarta) 27 December 2012. Date of Access: 4 January 2012.

<http://www2.thejakartapost.com/news/2012/12/27/govt-use-sukuk-infrastructure-projects.html>.

⁸⁵³ Govt to use sukuk for infrastructure projects, The Jakarta Post (Jakarta) 27 December 2012. Date of Access: 4 January 2012.

<http://www2.thejakartapost.com/news/2012/12/27/govt-use-sukuk-infrastructure-projects.html>.

sukuk adhere to Islamic investing principles, the infrastructure projects can serve as collateral against the bonds.⁸⁵⁴

On 17 December 2012, Finance Minister Agus Martowardojo announced in an interview that his Ministry is “preparing to provide incentives for investment in sectors that [...] currently need [it the] most such as basic metal processing or smelters, renewable energy and refineries”.⁸⁵⁵ These incentives will be in the form of tax holidays—similar to those issued by the government in August of 2011.⁸⁵⁶

On 23 November 2012, the government reported it is considering several innovative measures to solve the financing and logistical bottleneck issues surrounding infrastructure development.⁸⁵⁷ Deputy Head of Infrastructure and Regional Development at the Office of the Coordinating Economic Minister Wahyu Utomo said “to support infrastructure development, we are considering developing a new institution, which has yet to be named. This institution will be responsible for preparing project proposals that are sufficiently viable to be offered to private investors”.⁸⁵⁸ According to Wahyu Utomo, the government is “considering issuing infrastructure bonds to obtain financing to enhance project preparations”.⁸⁵⁹

On 19 November 2012, Indonesia participated in the Association of Southeast Asian Nations (ASEAN) Plus Three Summit where Indonesia indicated a desire to cooperate and share experience with South Korea in the spheres of infrastructure, small and medium enterprises (SMEs), information and communication technology (ICT), and green technology.⁸⁶⁰ Leaders at the Summit agreed to expand cooperation in the ASEAN-China Free Trade Agreement to “further increase the efficiency, cooperation, and competitiveness of [...] SMEs.”⁸⁶¹

On 3 October 2012, Indonesia participated in a workshop jointly organized by the United Nations Environment Programme (UNEP), International Monetary Fund (IMF), and German Agency for International Cooperation (GIZ).⁸⁶² At the workshop, Indonesia’s representative Laksmi Dhewanthi delivered a presentation on the topic of fiscal policy for an inclusive green

⁸⁵⁴ Govt to use sukuk for infrastructure projects, The Jakarta Post (Jakarta) 27 December 2012. Date of Access: 4 January 2013.

<http://www2.thejakartapost.com/news/2012/12/27/govt-use-sukuk-infrastructure-projects.html>.

⁸⁵⁵ Discourse: Investment to play bigger role in 2013 economy: Finance Minister, The Jakarta Post (Jakarta) 17 December 2012. Date of Access: 3 January 2013.

<http://www2.thejakartapost.com/news/2012/12/17/investment-play-bigger-role-2013-economy-finance-minister.html>.

⁸⁵⁶ Unilever, Petrokimia receive tax holidays, The Jakarta Post (Jakarta) 28 December 2012. Date of Access: 3 January 2013.

<http://www2.thejakartapost.com/news/2012/12/28/unilever-petrokimia-receive-tax-holidays.html>.

⁸⁵⁷ Infrastructure on red alert, players call for solutions, The Jakarta Post (Jakarta) 23 November 2012. Date of Access: 3 January 2013.

<http://www.thejakartapost.com/news/2012/11/23/infrastructure-red-alert-players-call-solutions.html>.

⁸⁵⁸ Infrastructure on red alert, players call for solutions, The Jakarta Post (Jakarta) 23 November 2012. Date of Access: 3 January 2013.

<http://www.thejakartapost.com/news/2012/11/23/infrastructure-red-alert-players-call-solutions.html>.

⁸⁵⁹ Infrastructure on red alert, players call for solutions, The Jakarta Post (Jakarta) 23 November 2012. Date of Access: 3 January 2013.

<http://www.thejakartapost.com/news/2012/11/23/infrastructure-red-alert-players-call-solutions.html>.

⁸⁶⁰ ASEAN leaders meet with lame-duck guests, The Jakarta Post (Phnom Penh) 20 November 2012. Date of Access: 29 December 2012.

<http://www.thejakartapost.com/news/2012/11/20/asean-leaders-meet-with-lame-duck-guests.html>.

⁸⁶¹ ASEAN leaders meet with lame-duck guests, The Jakarta Post (Phnom Penh) 20 November 2012. Date of Access: 29 December 2012.

<http://www.thejakartapost.com/news/2012/11/20/asean-leaders-meet-with-lame-duck-guests.html>.

⁸⁶² UNEP-IMF-GIZ Workshop Fiscal Policies Towards an Inclusive Green Economy, United Nations Environment Programme (Nairobi) October 2012. Date of Access: 30 January 2013.

<http://www.unep.org/greeneconomy/WorkshopsConferences/FiscalPolicies/tabid/105008/language/en-US/Default.aspx>.

economy in Indonesia.⁸⁶³ The presentation included a generalized fiscal policy direction for 2013 based on sustainable economic growth through fiscal restructuring (state revenue optimization, improving the quality of government spending, controlling the budget deficit, and reducing the debt ratio to GDP), as well as a set of characteristics the green economy in Indonesia is expected to exhibit. These included: low carbon emissions, less hazardous waste production, sustainable use of biological diversity, and maintenance of the environment's natural carrying capacity.⁸⁶⁴ A more specific fiscal policy focus outlined incentives for biofuels and geothermal, a reduction in the fossil fuel subsidy, government guarantees for green infrastructure, enlistment of international climate finance, and the optimization of domestic finance. At present, the government has not yet taken action to eliminate the fossil fuel subsidy⁸⁶⁵, and there is no evidence of policy reform that matches those presented at the workshop.

In December 2012, the government of Indonesia in close collaboration with the World Bank prepared a new Country Partnership Strategy (CPS). The strategy is in alignment with the government's development objects as outlined in Indonesia's Master Plan for accelerated growth.⁸⁶⁶ According to the World Bank Group, the new CPS with Indonesia "focuses on engagement areas identified by the government as priorities ... where the Bank Group can be most helpful in helping produce development results".⁸⁶⁷

On 7 January 2013, Government of Indonesia unveiled the scheduling of 146 projects worth USD57 billion as a part of the government's economic master plan MP3EI.⁸⁶⁸ The schedule consists of 82 infrastructure and 64 private sector projects aiming at faster economic growth.

Further evidence of the government's effort to foster growth and development is the additional financing earmarked for Indonesia-led reform programs approved by the World Bank. On 20 November 2012, the World Bank announced three new development policy loans (DPLs). According to the World Bank, the Indonesian government requested for these policy loans aiming at reforms that will "improve public financial management, advance the connectivity agenda, as well as strengthen the financial sector and accelerate investment".⁸⁶⁹ According to the World Bank's Country Director for Indonesia Stefan Koeberle, "these DPLs will contribute to the strengthening of Indonesia's central Government institutions and systems, to make them more effective and accountable. This in turn will help improve national connectivity, enhance the

⁸⁶³ Fiscal Policy towards an Inclusive Green in Indonesia, United Nations Environment Programme (Nairobi) 4 October 2012. Date of Access: 30 January 2013.

http://www.unep.org/greeneconomy/Portals/88/documents/research_products/Fiscal%20Policies/Brief_Presentation_Indonesia_UNEP_IMF_GIZ_Workshop%202012.pdf.

⁸⁶⁴ Fiscal Policy towards an Inclusive Green in Indonesia, United Nations Environment Programme (Nairobi) 4 October 2012. Date of Access: 30 January 2013.

http://www.unep.org/greeneconomy/Portals/88/documents/research_products/Fiscal%20Policies/Brief_Presentation_Indonesia_UNEP_IMF_GIZ_Workshop%202012.pdf.

⁸⁶⁵ Renewable energy seems unlikely in near future: Minister, The Jakarta Post (Jakarta) 6 November 2012. Date of Access: 28 December 2012.

<http://www.thejakartapost.com/news/2012/11/06/renewable-energy-seems-unlikely-near-future-minister.html>.

⁸⁶⁶ Masterplan Acceleration and Expansion of Indonesia Economic Development 2011-2025, Ministry for Economic Affairs (Jakarta) May 2011. Date of Access: 15 January 2013.

[http://www.depkeu.go.id/ind/others/bakohumas/bakohumaskemenko/PDFCompleteToPrint\(24Mei\).pdf](http://www.depkeu.go.id/ind/others/bakohumas/bakohumaskemenko/PDFCompleteToPrint(24Mei).pdf).

⁸⁶⁷ Latest Country Partnership Strategy for Indonesia Focuses on Growth with Equity, World Bank (Washington) 11 December 2012. Date of Access: 28 December 2012.

<http://www.worldbank.org/en/news/2012/12/11/latest-country-partnership-strategy-indonesia-focuses-growth-equity>.

⁸⁶⁸ Now Fulfill Those Infrastructure Plans, Jakarta Globe (Jakarta) 7 January 2013 Date of Access: 15 January 2013.

<http://www.thejakartaglobe.com/editorials/editorial-now-fulfill-those-infrastructure-plans/564844>.

⁸⁶⁹ World Bank Approves New Financing for Priority Reforms in Indonesia, World Bank (Washington) 20 November 2012. Date of Access: 29 December 2012.

<http://www.worldbank.org/en/news/2012/11/20/world-bank-approves-new-financing-priority-reforms-indonesia>.

quality of government spending and improve financial system stability and investment climate”.⁸⁷⁰

On 19 November 2012, Indonesia was granted a USD300 million loan by the Asian Development Bank (ADB) to facilitate infrastructure development and connect the country’s less-developed rural areas to urban growth centers.⁸⁷¹ This program seeks to promote private sector participation, create a more conducive business climate, and enhance new technology and innovation.⁸⁷² In addition, the ADB plans to provide Indonesia with a grant worth USD1 million towards technical assistance in order to strengthen the capacity of government agencies.⁸⁷³

On 14 December 2012, President of Indonesia Susilo Bambang Yudhoyono signed a government regulation that has provided PT Sarana Multi Infrastruktur (SMI), an infrastructure financing company, an additional Rp2 trillion aimed at accelerating infrastructure development across the country.⁸⁷⁴

On 1 February 2013, Vice Minister of Finance Mahendra Siregar stated that Government of Indonesia will focus on addressing problems in infrastructure⁸⁷⁵ as “infrastructure is required to stimulate increasing economic growth.”⁸⁷⁶

On 5 February 2013, the Ministry of Finance announced that a new Public Private Partnership (PPP) Unit is to be established immediately.⁸⁷⁷ The Unit will support and facilitate infrastructure projects as a means to ensure Indonesia’s continued economic development.⁸⁷⁸ It will operate under its supervision.⁸⁷⁹

In November 2013, the Indonesia International Infrastructure Conference and Exhibition will take place in support of the government’s USD414 billion Master Plan for the Acceleration and

⁸⁷⁰ World Bank Approves New Financing for Priority Reforms in Indonesia, World Bank (Washington) 20 November 2012. Date of Access: 29 December 2012.

<http://www.worldbank.org/en/news/2012/11/20/world-bank-approves-new-financing-priority-reforms-indonesia>.

⁸⁷¹ ADB to provide \$300m for rural infrastructure, The Jakarta Post (Jakarta) 19 November 2012. Date of Access: 3 January 2013.

<http://www.thejakartapost.com/news/2012/11/19/adb-provide-300m-rural-infrastructure.html>.

⁸⁷² ADB to provide \$300m for rural infrastructure, The Jakarta Post (Jakarta) 19 November 2012. Date of Access: 3 January 2013.

<http://www.thejakartapost.com/news/2012/11/19/adb-provide-300m-rural-infrastructure.html>.

⁸⁷³ ADB to provide \$300m for rural infrastructure, The Jakarta Post (Jakarta) 19 November 2012. Date of Access: 3 January 2013.

<http://www.thejakartapost.com/news/2012/11/19/adb-provide-300m-rural-infrastructure.html>.

⁸⁷⁴ Accelerating Infrastructure Development, Government to Allocate IDR2 Trillion for PT SMI, Republic of Indonesia Ministry of Finance, Fiscal News (Jakarta) 9 January 2013. Date of Access: 7 February 2013.

http://www.depkeu.go.id/Eng/Read/?type=ixNews&id=25593&thn=2013&name=en_09012013_1.htm.

⁸⁷⁵ Improving Infrastructure, Governance as the Main Point, Republic of Indonesia Ministry of Finance, Fiscal News (Jakarta) 1 February 2013. Date of Access: 7 February 2013.

http://www.depkeu.go.id/Eng/Read/?type=ixNews&id=25809&thn=2013&name=en_01022013_4.htm.

⁸⁷⁶ Improving Infrastructure, Governance as the Main Point, Republic of Indonesia Ministry of Finance, Fiscal News (Jakarta) 1 February 2013. Date of Access: 7 February 2013.

http://www.depkeu.go.id/Eng/Read/?type=ixNews&id=25809&thn=2013&name=en_01022013_4.htm.

⁸⁷⁷ PPP Unit under MoF to be Established Immediately, Republic of Indonesia Ministry of Finance, Fiscal News (Jakarta) 5 February 2013. Date of Access: 7 February 2013.

http://www.depkeu.go.id/Eng/Read/?type=ixNews&id=25826&thn=2013&name=en_050213_02.htm.

⁸⁷⁸ PPP Unit under MoF to be Established Immediately, Republic of Indonesia Ministry of Finance, Fiscal News (Jakarta) 5 February 2013. Date of Access: 7 February 2013.

http://www.depkeu.go.id/Eng/Read/?type=ixNews&id=25826&thn=2013&name=en_050213_02.htm.

⁸⁷⁹ PPP Unit under MoF to be Established Immediately, Republic of Indonesia Ministry of Finance, Fiscal News (Jakarta) 5 February 2013. Date of Access: 7 February 2013.

http://www.depkeu.go.id/Eng/Read/?type=ixNews&id=25826&thn=2013&name=en_050213_02.htm.

Expansion of Indonesia's Economic Development (MP3EI).⁸⁸⁰ The event is expected to foster dialogue with private investors that will accelerate the country's growth, as according to the deputy for public-private partnerships at the National Development Planning Agency (Bappenas), Bastari Panji: "infrastructure remains the biggest constraint on Indonesia's economic progress".⁸⁸¹

Indonesia has fully complied with its commitment to promote development and growth through by improving the investment climate and enhancing infrastructure investment. Thus, Indonesia is awarded a score of +1.

Analyst: Jennifer Prenger

Mexico: +1

Mexico has fully complied with its commitment to promote a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment.

On 1 December 2012, Mexico's President Enrique Peña Nieto took office after making numerous campaign promises to enact policy reforms and boost economic growth.⁸⁸² President Nieto's commitments included opening up the energy sector to foreign investment and "reforms to foster private competition".⁸⁸³ In September 2012, former President Calderon's last reforms in office included a "labor reform to flexibilize labor markets" and "[The Law on Government Accounting], a public transparency initiative to improve information and monitoring of governments".⁸⁸⁴

On 19 July 2012, Minister of Economy Bruno Ferrari Garcia de Alba, in his speech at the 73th National Congress of the Confederation of Custom Brokers of the Mexican, spoke of Mexico's recently adopted measures to boost the economy and continuing commitment to promotion of external growth and programs that support the investment climate such as "the federal government's strategy to further trade facilitation with the introduction of the Foreign Affairs' One-Stop Window, export control regimes, entry into force the Trans-Pacific Partnership, and, not least, a frontal attack on customs undervaluation".⁸⁸⁵

On 20 July 2012, Minister Ferrari spoke of the government's plans to "ensure certainty and security for investment, adding partners and strengthening ties with countries and businesses that consolidate Mexico as one of the best productive investment destinations".⁸⁸⁶ Minister Ferrari

⁸⁸⁰ Infrastructure Event Aims To Attract Global Investors, The Jakarta Globe (Jakarta) 16 January 2013. Date of Access: 12 February 2013.

<http://www.thejakartaglobe.com/business/infrastructure-event-aims-to-attract-global-investors/565883>.

⁸⁸¹ Infrastructure Event Aims To Attract Global Investors, The Jakarta Globe (Jakarta) 16 January 2013. Date of Access: 12 February 2013.

<http://www.thejakartaglobe.com/business/infrastructure-event-aims-to-attract-global-investors/565883>.

⁸⁸² Investor Update: Can Mexico Push Through Economic Reforms and Boost Growth?, Forbes (New York) 18 December 2012. Date of Access: 30 December 2012.

<http://www.forbes.com/sites/nathanielparishflannery/2012/12/18/investor-update-can-mexico-push-through-economic-reforms-and-boost-growth/>.

⁸⁸³ Mexico: IMF Country Report, International Monetary Fund (Washington) November 2012. Date of Access: 30 December 2012.

<http://www.imf.org/external/pubs/ft/scr/2012/cr12316.pdf>.

⁸⁸⁴ Mexico: IMF Country Report, International Monetary Fund (Washington) November 2012. Date of Access: 30 December 2012.

<http://www.imf.org/external/pubs/ft/scr/2012/cr12316.pdf>.

⁸⁸⁵ Mexico Is Becoming Major Exporting Power, Ministry of Economy (Mexico City) 19 July 2012. Date of Access: 2 January 2012.

<http://www.economia.gob.mx/news-and-events/press-room/headlines/8317-boletin160-12-en>.

⁸⁸⁶ Increase in Foreign Investment, Result of Economic Discipline and Solidity, Ministry of Economy (Mexico City) 20 July 2012. Date of Access: 30 December 2012.

<http://www.economia.gob.mx/en/8302-bol-comunicado-de-prensa-no-15912-en>.

estimated that by August 2012, planned Foreign Direct Investment (FDI) would amount to almost USD6.5 billion, largely in the activity in the auto sector.⁸⁸⁷

On 29 October 2012, Mexico participated in the First Annual Global Partnership for Financial Inclusion (GPI) Conference on “Standard-Setting Bodies and Financial Inclusion: Promoting Financial Inclusion through Proportionate Standards and Guidance”.⁸⁸⁸ Mexican Executive Vice-President Miguel Angel Garza presented Mexico’s financial inclusion strategy and the measures taken so far to expand access to financial services in areas such as banking agents, mobile payments, flexible risk-based account opening procedures, and new intermediaries.⁸⁸⁹

On 5 and 22 November 2012, Mexico acquired a full legal framework in relation to the implementation of infrastructure projects under the Public-Private Partnership (PPP) framework through publishing in the Federal Official Gazette the new Regulations and Guidelines to the Public-Private Partnership Law (“PPP Regulations”).⁸⁹⁰ Project developers and financial institutions welcomed the new legislation, which is hoped to create legal safety keys for future investments under the PPP framework.⁸⁹¹

On 9 January 2013, Mexico and the Economic Commission for Latin America and the Caribbean (ECLAC) signed a Memorandum of Understanding (MOU) for the promotion of sustainable development in the region. The MoU brought attention to the economic importance of: (1) achieving lower carbon emissions, (2) sustainable management of forestry, biodiversity, and water resources, (3) limiting environmental impact on seas and coasts, and (4) transfer of technology.⁸⁹²

Mexico has implemented a set of policy reforms to promote development with a focus of investment environment and green growth. Thus, Mexico is awarded a score of +1.

*Analyst: Katie Clancy
Lead Analyst: Eleni Tsaliki*

Russia: +1

Russia has complied with its commitment on emerging market growth.

Russia has taken measures on conducting a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment.

⁸⁸⁷ Mexico: 2012 ARTICLE IV CONSULTATION, International Monetary Fund (Washington) November 2012. Date of Access: 30 December 2012.

<http://www.imf.org/external/pubs/ft/scr/2012/cr12317.pdf>.

⁸⁸⁸ 1st Annual GPI Conference on Standard-Setting Bodies and Financial Inclusion, Global Partnership for Financial Inclusion (Basel) 29 October 2012. Date of Access: 15 January 2013.

<http://www.gpi.org/news-and-events/events-and-meetings/1st-annual-gpi-conference-standard-setting-bodies-and-financial-inclusion>.

⁸⁸⁹ Presentation by Executive Vice-President, Miguel Angel Garza C. at the 1st Annual GPI Conference on Standard-Setting Bodies and Financial Inclusion, Global Partnership for Financial Inclusion (Basel) 29 October 2012. Date of Access: 15 January 2013.

<http://www.gpi.org/sites/default/files/events/Session%2020GPI%20SSBs%20Conference%20Plenary%20Mexico%20presentation.pdf>.

⁸⁹⁰ Mexico has a full legal framework for implementing public-private partnerships -PPP-, Lexology, Association of Corporate Counsel (London) 15 December 2012. Date of Access: 15 January 2013.

<http://www.lexology.com/library/detail.aspx?g=ed31e534-e1de-48e2-ba59-5b1ed430c1de>.

⁸⁹¹ Mexico has a full legal framework for implementing public-private partnerships -PPP-, Lexology, Association of Corporate Counsel (London) 15 December 2012. Date of Access: 15 January 2013.

<http://www.lexology.com/library/detail.aspx?g=ed31e534-e1de-48e2-ba59-5b1ed430c1de>.

⁸⁹² ECLAC, Mexico ink sustainable development accord, English News (Mexico City) 10 January 2013. Date of Access: 15 January 2013.

http://news.xinhuanet.com/english/world/2013-01/10/c_132092453.htm.

On 1 November 2012, the Russian Central Bank Board of Directors approved the Guidelines for the Single State Monetary Policy in 2013 and for 2014 and 2015. According to the Guidelines “the Bank of Russia will continue gradually increasing the exchange rate flexibility in the next three years and intends to abolish operational benchmarks for the level of the exchange rate in its exchange rate policy and to switch to a floating exchange rate by 2015”.⁸⁹³

On 4 October 2012, Russian Prime Minister instructed the Ministry of Transport, the Government of the Moscow Region and the Moscow Government to prepare a list of priorities for building motor roads in the Moscow Region. Prime Minister mentioned that there would be an opportunity to provide up to RUB30 billion (about USD1 billion) of additional financing for this project in 2013-2015. Additionally, up to RUB15 billion (USD500 million) will be available for the construction of crossovers in 2012.⁸⁹⁴

On 8 November 2012, the Russian Government approved basic parameters of an investment program for the state company Russian Railways for the period of 2013-2015. The three-year budget provides for over RUB1 trillion (approximately USD33 billion) allocations. They will be mainly used to improve the railway transport infrastructure.⁸⁹⁵

On 7 December 2012, Russian President participated in the ground-breaking ceremony for the South Stream gas pipeline. He noted that the gas pipeline projected capacity is 63 billion cubic meters. To ensure it can deliver this amount, Russia will expand its transportation capacity and invest in the construction of 10 new pumping stations.⁸⁹⁶

On 28 December 2012, the Russian Government endorsed the State Program «Development of the Transport System». The program is designed to «launch over 2,500 kilometers of new rail tracks, build and renovate 14,000 kilometers of federal and regional motorways, increase the capacity of ports by 356 million tones, bring up to code nearly 100 airport runways, and replace a significant portion of the rolling stock» by 2020.⁸⁹⁷ Total program financing will amount to RUB12.5 trillion (USD0.4 trillion), RUB7.3 trillion (about USD0.25 trillion) of which are budget funds.⁸⁹⁸

On 31 January 2013, Russian President issued a list of instructions to the Russian Government and several federal and regional bodies on improving investment climate in the regions of Russia. Russian Government will develop a system of granting for Russian regions, which are successful in attracting investments; draft proposals on reducing redundant powers of federal bodies, affecting business climate; amend the legislation to create a system of state support of industrial parks.⁸⁹⁹

⁸⁹³ Guidelines for the Single State Monetary Policy in 2013 and for 2014 and 2015, Bank of Russia 1 November 2012. http://www.cbr.ru/eng/today/publications_reports/on_13-eng.pdf.

⁸⁹⁴ List of Prime Minister Dmitry Medvedev’s Instructions following a Working Meeting on Road Infrastructure Development in the Moscow Region on October 4, 2012, Official Website of the Government of the Russian Federation 9 October 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/22358/>

⁸⁹⁵ Government meeting, Official Website of the Government of the Russian Federation 8 November 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/21416/>

⁸⁹⁶ South Stream will ensure reliable Russian gas supplies to main consumers in Europe, President of Russia 7 December 2012. Date of Access: 28 January 2013. <http://eng.kremlin.ru/news/4723>

⁸⁹⁷ Government meeting, Official Website of the Government of the Russian Federation 23 November 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/21576/>

⁸⁹⁸ State Program of the Russian Federation «Development of the Transport System» is approved by the Russian Government Executive Order No. 2600-r of 28 December 2012, Ministry of Transport of the Russian Federation 11 January 2013. Date of Access: 28 January 2013. http://www.mintrans.ru/documents/detail.php?ELEMENT_ID=19443

⁸⁹⁹ List of Instructions after the State Council Meeting, President of Russia 31 January 2013. <http://kremlin.ru/assignments/17512>.

During the monitoring period the Russian Government continued to implement the National Business Initiative, which “is expected to systematically improve the investment climate”. The initiative is implemented according to the roadmaps, “which deal with various spheres of government regulation” and “stipulate concrete results”.⁹⁰⁰ The Government adopted the following roadmaps: improving customs administration,⁹⁰¹ support to foreign markets access and export support⁹⁰² on 29 June 2012, increasing availability of energy infrastructure⁹⁰³ on 30 June 2012 and on improving investment climate in the construction industry on 16 August 2012.⁹⁰⁴

Russia has taken measures on conducting a range of reforms to promote development, including improving the investment climate and enhancing infrastructure investment. Thus Russia has been awarded a score of +1.

Analyst: Mark Rakhmangulov

Saudi Arabia: +1

Saudi Arabia has fully complied with its commitment to promote a range of reforms for the promotion of development. Saudi Arabia has increased its investment in infrastructure as well as allocated funds for development projects.

On 29 December 2012, Saudi Arabia announced its budget for the year 2013. The country’s new budget commits USD500 billion to infrastructure and other development projects aimed at promoting sustained growth and stability.⁹⁰⁵ Saudi Arabia’s King Abdullah has pledged USD500 billion for infrastructure, public services, and social projects as a way to tackle unemployment, increase growth, and ensure the inclusiveness of Saudi Arabia’s economic development.⁹⁰⁶ Additionally, the Ministry of Finance of Saudi Arabia has stated that the budget will focus on investment programs that enhance long-term sustainable growth for all citizens.⁹⁰⁷ Saudi Arabia’s budget strives to diversify the economy away from oil by providing new measures for economic stability.⁹⁰⁸ The commitment to economic growth outlined in the budget has created a favourable outlook among investors. Finally, the budget increases spending on infrastructure by 16 per cent.⁹⁰⁹

⁹⁰⁰ Dmitry Medvedev takes part in the round table discussion, National Business Initiative: Initial Results, Next Steps, Russian Government 15 February 2013. <http://www.government.ru/eng/docs/22826/>.

⁹⁰¹ Roadmap on Improving Customs Administration, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/tamozhnya/>.

⁹⁰² Roadmap on Supporting Access to Foreign Markets, and Export Support, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/export/>.

⁹⁰³ Roadmap on Improving Access to Energy Infrastructure, Agency for Strategic Initiatives (Moscow) June 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/energetica/>.

⁹⁰⁴ Roadmap on Improving the Business Climate in the Construction Industry, Agency for Strategic Initiatives (Moscow) August 2012. Date of Access: 18 April 2013. <http://asi.ru/initiatives/npi/stroitelstvo/>.

⁹⁰⁵ Saudi Arabia Boosts Spending Goal by Fifth in Record Budget, Bloomberg (New York) 29 December 2012. Date of Access: 31 December 2012.

<http://www.bloomberg.com/news/2012-12-29/saudi-arabia-boosts-2013-spending-in-record-budget-state-tv.html>.

⁹⁰⁶ Saudi Arabia Boosts Spending Goal by Fifth in Record Budget, Bloomberg (New York) 29 December 2012. Date of Access: 31 December 2012.

<http://www.bloomberg.com/news/2012-12-29/saudi-arabia-boosts-2013-spending-in-record-budget-state-tv.html>.

⁹⁰⁷ Saudi Arabia Boosts Spending Goal by Fifth in Record Budget, Bloomberg (New York) 29 December 2012. Date of Access: 31 December 2012.

<http://www.bloomberg.com/news/2012-12-29/saudi-arabia-boosts-2013-spending-in-record-budget-state-tv.html>.

⁹⁰⁸ Saudi Arabia Boosts Spending Goal by Fifth in Record Budget, Bloomberg (New York) 29 December 2012. Date of Access: 31 December 2012.

<http://www.bloomberg.com/news/2012-12-29/saudi-arabia-boosts-2013-spending-in-record-budget-state-tv.html>.

⁹⁰⁹ Saudi Arabia Boosts Spending Goal by Fifth in Record Budget, Bloomberg (New York) 29 December 2012. Date of Access: 31 December 2012.

<http://www.bloomberg.com/news/2012-12-29/saudi-arabia-boosts-2013-spending-in-record-budget-state-tv.html>.

In August 2012, the government of Saudi Arabia revealed its plans for new public transportation and construction projects. The projects will be spanning over the period of the next five years and are meant to boost growth and address social needs.⁹¹⁰ The future projects include a USD16.5 billion plan to modernise public transport in Mecca⁹¹¹ as well as a USD9.3 billion project for a metro system in Jeddah.⁹¹² Hani Mohammed Aburas, the mayor of Jeddah, referred the transport project as “crucial”.⁹¹³ These extensive public infrastructure projects have generated a lot of interest among investors as well as a note of caution from the International Monetary Fund (IMF) warning against excessive spending.⁹¹⁴

Saudi Arabia’s Minister of Finance Ibrahim Al Assaf responded to the IMF’s warning by ensuring that the funding for the projects will come from secure investments and not be borrowed from the country’s reserves or compromise the economy’s ability to absorb fiscal shocks.⁹¹⁵ Minister Al Assaf expressed confidence that Saudi Arabia will continue to grow at a sustained pace.

In November 2012, at the 18th session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) in Doha, Saudi Arabia – together with Bahrain, Qatar, and the United Arab Emirates – pledged to bring forward climate-smart economic diversification plans.⁹¹⁶ Saudi Arabia has projected USD109 billion investments in solar energy for the creation of permanent sources of clean energy.⁹¹⁷

On 7 February 2013, Saudi Arabia signed four agreements with Jordan for development projects worth of USD299 million, including infrastructure projects and funding of technical community colleges and university infrastructure funding in different sectors such as health, education, water, and transportation.⁹¹⁸

Saudi Arabia has been awarded a score of +1 for enacting policies that promote economic development through green growth and improve the investment climate.

Analyst: David Gelles

South Africa: +1

⁹¹⁰ Saudi Arabia: Inflation Risk Downplayed, Oxford Business Group (London) 13 November 2012. Date of Access: 31 December 2012.

http://www.oxfordbusinessgroup.com/economic_updates/saudi-arabia-inflation-risk-downplayed.

⁹¹¹ Saudi Arabia: Inflation Risk Downplayed, Oxford Business Group (London) 13 November 2012. Date of Access: 31 December 2012.

http://www.oxfordbusinessgroup.com/economic_updates/saudi-arabia-inflation-risk-downplayed.

⁹¹² Saudi Arabia: Inflation Risk Downplayed, Oxford Business Group (London) 13 November 2012. Date of Access: 31 December 2012.

http://www.oxfordbusinessgroup.com/economic_updates/saudi-arabia-inflation-risk-downplayed.

⁹¹³ Saudi Arabia: Inflation Risk Downplayed, Oxford Business Group (London) 13 November 2012. Date of Access: 31 December 2012.

http://www.oxfordbusinessgroup.com/economic_updates/saudi-arabia-inflation-risk-downplayed.

⁹¹⁴ Saudi Arabia: Inflation Risk Downplayed, Oxford Business Group (London) 13 November 2012. Date of Access: 31 December 2012.

http://www.oxfordbusinessgroup.com/economic_updates/saudi-arabia-inflation-risk-downplayed.

⁹¹⁵ Saudi Arabia: Inflation Risk Downplayed, Oxford Business Group (London) 13 November 2012. Date of Access: 31 December 2012.

http://www.oxfordbusinessgroup.com/economic_updates/saudi-arabia-inflation-risk-downplayed.

⁹¹⁶ *Green energy can lead to stability and development*, *Gulf News (Jeddah)* 26 December 2012. Date of Access: 15 January 2013.

<http://gulfnews.com/business/opinion/green-energy-can-lead-to-stability-and-development-1.1123896>.

⁹¹⁷ *Green energy can lead to stability and development*, *Gulf News (Jeddah)* 26 December 2012. Date of Access: 15 January 2013.

<http://gulfnews.com/business/opinion/green-energy-can-lead-to-stability-and-development-1.1123896>.

⁹¹⁸ Jordan, S. Arabia Sign \$299.4m Deals to Finance Development Projects, *The Jordan Times (Amman)* 7 February 2013. Date of Access: 13 February 2013.

<http://jordantimes.com/jordan-s-arabia-sign-2994m-deals-to-finance-development-projects>.

South Africa has fully complied with its commitment to promote a range of reforms that spur development, including improving the investment climate and enhancing infrastructure investment. The government of South Africa has been working to foster trade relations, strengthen regional cooperation, and encourage infrastructure development, thus enhancing the country's business and investment climate.

South Africa has formulated a new National Development Plan (2030) entitled "Our future – make it work".⁹¹⁹ On 15 August 2012, a final draft of the plan was handed over to President Jacob Zuma⁹²⁰; and in September 2012, the Cabinet endorsed the plan's objectives and key targets.⁹²¹ One of the six pillars of the plan is "bringing about faster economic growth, higher investment and greater labour absorption".⁹²² According to the Plan, South Africa must establish a solid base of business and social infrastructure, grow an inclusive economy, professionalize the public service, boost private investment, and ensure environmental sustainability.⁹²³

In February 2012, South Africa introduced a National Infrastructure Plan comprised of 18 Strategic Integrated Projects (SIPs) that cover social and economic infrastructure across all nine provinces of the country.⁹²⁴ On 19 October 2012, ministers and potential investors met to sign a Memorandum of Understanding (MOU) to move the infrastructure rollout plan forward.⁹²⁵ At the meeting, President Zuma acknowledged infrastructure development to be "a catalyst to sustainable economic development".⁹²⁶ In this light, the government announced that it would contribute ZAR844 billion for the infrastructure projects over the next three years.⁹²⁷ According to Minister of Economic Development Ebrahim Patel, the government is committed to being the driving force behind the programme but the private sector will also have to play its role.⁹²⁸

⁹¹⁹ National Development Plan 2030, South African Government Information (Pretoria) 15 August 2012. Date of Access: 3 January 2013.

<http://www.info.gov.za/issues/national-development-plan/index.html>.

⁹²⁰ President Zuma receives plan for better future, South African Government News Agency (Cape Town) 15 August 2012. Date of Access: 3 January 2013.

<http://www.sanews.gov.za/news/12/12081514351002>.

⁹²¹ National Development Plan endorsed by Cabinet, South African Government News Agency (Pretoria) 7 September 2012. Date of Access: 3 January 2013.

<http://www.sanews.gov.za/news/12/12090711551001>.

⁹²² National Development Plan endorsed by Cabinet, South African Government News Agency (Pretoria) 7 September 2012. Date of Access: 3 January 2013.

<http://www.sanews.gov.za/news/12/12090711551001>.

⁹²³ National Development Plan 2030: Our future – make it work, South African Government Information (Pretoria) 15 August 2012. Date of Access: 3 January 2013.

<http://www.info.gov.za/view/DynamicAction?pageid=623&myID=348761>.

⁹²⁴ National Infrastructure Plan, South African Government Information (Pretoria) 13 December 2012. Date of Access: 3 January 2013.

<http://www.info.gov.za/issues/national-infrastructure-plan/index.html>.

⁹²⁵ Investors, govt meet to discuss infrastructure, South African Government News Agency (Johannesburg) 19 October 2012. Date of Access: 3 January 2013.

<http://www.sanews.gov.za/news/12/12101912251002>.

⁹²⁶ Investors, govt meet to discuss infrastructure, South African Government News Agency (Johannesburg) 19 October 2012. Date of Access: 3 January 2013.

<http://www.sanews.gov.za/news/12/12101912251002>.

⁹²⁷ Govt to be main driver in build programme, South African Government News Agency (Pretoria) 19 October 2012. Date of Access: 4 January 2013.

<http://www.sanews.gov.za/news/12/12102209251001>.

⁹²⁸ Govt to be main driver in build programme, South African Government News Agency (Pretoria) 19 October 2012. Date of Access: 4 January 2013.

<http://www.sanews.gov.za/news/12/12102209251001>.

On 6 December 2012, the Cabinet announced a new Infrastructure Development Bill.⁹²⁹ The Bill assists to coordinate and fast-track South Africa Strategic Infrastructure Projects and guarantees the future of the Presidential Infrastructure Coordinating Commission (PICC).⁹³⁰ The PICC is responsible for “supporting, integrating, and coordinating South Africa’s long-term infrastructure build”.⁹³¹

In December 2012, the African National Congress (ANC) at its 53rd National Conference elaborated on its commitments, progress and challenges regarding issues of development. Resolutions were made in relation to, among other issues, infrastructure, industrial policies, small and medium enterprises (SMEs) and cooperatives, the developmental state, macroeconomic policies, land reform and rural development, institutional development, and state capacity.⁹³²

On 15 September 2012, Minister of Trade and Industry Rob Davies announced the Incubation Support Programme (ISP).⁹³³ Through the Programme, public-private partnerships (PPPs) are encouraged to form a support system for incubators that help to develop small, medium, and micro enterprises (SMMEs) into sustainable businesses and thus contribute to economic development. According to Minister Davies, this program promotes a more inclusive economic participation across the country as well as provides the necessary infrastructure and business development services required by new businesses.⁹³⁴

On 30 August 2012, Deputy Minister of Trade and Industry Elizabeth Thabethe concluded a technical mission to India where Deputy Minister Thabethe learned about the government of India’s progress on the development of the country’s SMMEs. During the visit, Indian institutions presented solutions tailored for South African SMMEs regarding key challenges such as technology, market development, and access to finance.⁹³⁵

In August 2012, the Industrial Development Corporation (IDC) of South Africa and the Export-Import Bank of the United States signed a USD2 billion Declaration of Intent to advance South Africa’s green energy initiatives, specifically the Integrated Resource Plan and the South

⁹²⁹ Cabinet approves Infrastructure Development Bill, Engineering News Online (Johannesburg) 6 December 2012. Date of Access: 4 January 2013.

<http://www.engineeringnews.co.za/article/cabinet-approves-infrastructure-development-bill-2012-12-06>.

⁹³⁰ Cabinet approves Infrastructure Development Bill, Engineering News Online (Johannesburg) 6 December 2012. Date of Access: 4 January 2013.

<http://www.engineeringnews.co.za/article/cabinet-approves-infrastructure-development-bill-2012-12-06>.

⁹³¹ Cabinet approves Infrastructure Development Bill, Engineering News Online (Johannesburg) 6 December 2012. Date of Access: 4 January 2013.

<http://www.engineeringnews.co.za/article/cabinet-approves-infrastructure-development-bill-2012-12-06>.

⁹³² ANC Conference Resolution: On Economic Transformation, PoliticsWeb (Pretoria) 4 February 2013. Date of Access: 12 February 2013.

<http://www.politicsweb.co.za/politicsweb/view/politicsweb/en/page71654?oid=355019&sn=Detail&pid=71654>.

⁹³³ Davies to launch programme to develop small business, South African Government News Agency (Pretoria) 14 September 2012. Date of Access: 28 December 2012.

<http://www.sanews.gov.za/news/12/12091409351001>.

⁹³⁴ Davies to launch programme to develop small business, South African Government News Agency (Pretoria) 14 September 2012. Date of Access: 28 December 2012.

<http://www.sanews.gov.za/news/12/12091409351001>.

⁹³⁵ Technical mission to India to help SMMEs, South African Government News Agency (Pretoria) 20 August 2012. Date of Access: 29 December 2012.

<http://www.sanews.gov.za/news/12/12082010151002>.

African Renewable Initiative.⁹³⁶ The IDC is a national development finance institution established to support industrial development and economic growth.⁹³⁷

South Africa has taken over as co-chair of the Forum on China-Africa Cooperation (FOCAC) for the next six years. At the Fifth Ministerial Conference of FOCAC in July 2012, the Beijing Action Plan (2013-2015) was released and all participating countries, including South Africa, pledged to fully implement the initiatives outlined in the plan.⁹³⁸ The Action Plan prioritizes infrastructure development, encourages and supports mutual investment. It also encourages the signees to explore new ways to expand investment cooperation, and make progress on bilateral agreements that promote and protect investment and foster an enabling investment environment.⁹³⁹

South Africa has taken a series of actions to promote development reforms, including those directed at improving the investment climate and enhancing infrastructure investment. Thus, South Africa is awarded a score of +1.

*Analyst: Jennifer Prenger
Lead Analyst: Eleni Tsaliki*

Turkey: -1

Turkey has failed to comply with its commitment to promote a range of reforms that spur development. The government of Turkey has relied on previously implemented reforms and passed legislations and taken no action to improve the investment climate and to foster infrastructure investment.

On 19 June 2012, the Cabinet approved a new incentive package aimed at increasing domestic production of import-dependent products and incentivising investors to increase high-value-added investments.⁹⁴⁰

On 1 July 2012, the new Turkish Commercial Code (TCC) and the Turkish Code of Obligations (TCO) took effect.⁹⁴¹ These two regulations are part of an ambitious infrastructure and energy strategy, the Turkish government initiated a few years ago with the purpose of creating a more investor-friendly environment.⁹⁴² The major changes that come along with the new Codes, are among others; (1) acquisition of treasury stock of up to ten percent of a company's share capital; (2) conditional capital increase of third parties; (3) lifting the prohibition on transfer of "capital in kind shares"; (4) simplification of the merger and demerger procedures; and (5) increased shareholders' minority rights.⁹⁴³

⁹³⁶ SA, US sign energy deal, South African Government News Agency (Pretoria) 8 August 2012. Date of Access: 28 December 2012. <http://www.sanews.gov.za/news/12/12080809551002>.

⁹³⁷ SA, US sign energy deal, South African Government News Agency (Pretoria) 8 August 2012. Date of Access: 28 December 2012. <http://www.sanews.gov.za/news/12/12080809551002>.

⁹³⁸ China, Africa pledge to implement Beijing Action Plan, South African Government News Agency (Pretoria) 22 July 2012. Date of Access: 29 December 2012. <http://www.sanews.gov.za/news/12/12072210351001>.

⁹³⁹ China, Africa pledge to implement Beijing Action Plan, South African Government News Agency (Pretoria) 22 July 2012. Date of Access: 29 December 2012. <http://www.sanews.gov.za/news/12/12072210351001>.

⁹⁴⁰ The Legislation on New Investment Incentives Program Has Been Published, Ministry of Economy (Ankara) 20 June 2012. Date of Access: 30 January 2013. <http://www.economy.gov.tr/index.cfm?sayfa=gundem&kat=CF702B04-D8D3-8566-45209E35C619A72C&icerik=8AFE23DF-9D97-F5AA-11B77B3520696F17>.

⁹⁴¹ Development and opportunities in the Turkish market, Lexology (London) 7 December 2012. Date of Access: 5 January 2012. <http://www.lexology.com/library/detail.aspx?g=15e7ccb0-e2bf-404d-90e2-9349aa24a43f>.

⁹⁴² Development and opportunities in the Turkish market, Lexology (London) 7 December 2012. Date of Access: 5 January 2012. <http://www.lexology.com/library/detail.aspx?g=15e7ccb0-e2bf-404d-90e2-9349aa24a43f>.

⁹⁴³ Development and opportunities in the Turkish market, Lexology (London) 7 December 2012. Date of Access: 5 January 2012. <http://www.lexology.com/library/detail.aspx?g=15e7ccb0-e2bf-404d-90e2-9349aa24a43f>.

In December 2012, the Secretariat of the Coordination Council for the Improvement of Investment Environment in Turkey (YOIKK) provided training to 26 experts from 19 countries, members of the Islamic Development Bank (IsDB), on its reforms to boost the investment climate and economic development.⁹⁴⁴ According to Turkey's Ministry of Economy, this training "would contribute to the development of investment climate in the 19 countries".⁹⁴⁵

On 4 February 2013, Turkey's Prime Minister Recep Tayyip Erdogan spoke of the possibility of cancelation of the country's second largest privatisation for a series of roads and bridges over the Bosphorus, citing dissatisfaction with the size of the winning bid.⁹⁴⁶ Earlier in the year, on 12 January 2013, Prime Minister Erdogan also confirmed Turkey's intent to proceed with the previously formulated plan of a canal around the city of Ankara.⁹⁴⁷

Turkey has taken no steps to encourage development through cultivating a more conducive investment climate and enlarging infrastructure investment. For these reasons, Turkey is awarded a score of -1.

Analyst: Jennifer Prenger

⁹⁴⁴ Islamic Countries Follow Turkey for Investments, The Journal of Turkish Weekly (Ankara) 25 December 2012. Date of Access: 30 January 2013.

<http://www.turkishweekly.net/news/146008/islamic-countries-follow-turkey-for-investments.html>.

⁹⁴⁵ Islamic Countries Follow Turkey for Investments, The Journal of Turkish Weekly (Ankara) 25 December 2012. Date of Access: 30 January 2013.

<http://www.turkishweekly.net/news/146008/islamic-countries-follow-turkey-for-investments.html>.

⁹⁴⁶ Turkish PM casts doubt on roads deal, Financial Times (Istanbul) 4 February 2013. Date of Access: 14 February 2013.

<http://www.ft.com/cms/s/0/3295c34e-6ee2-11e2-8189-00144feab49a.html#axzz2Kshh2ckM>.

⁹⁴⁷ Government Clears Deck for 'Crazy' Road Project, Hurriyet Daily News (Istanbul) 14 January 2013. Date of Access: 12 February 2013. <http://www.hurriyetdailynews.com/government-clears-deck-for-crazy-road-project.aspx?pageID=238&nID=38996&NewsCatID=345>.