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The
G8 Research Group
at the Munk School of Global Affairs at Trinity College in the University of Toronto
presents the

2013 Lough Erne G8 Summit Final Compliance Report

18 June 2013 to 15 May 2014

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Preface

Each year since 1996, the G8 Research Group has produced a compliance report on the progress made by the G8 members in meeting the commitments their leaders issue at each summit. Since 2002, the group has published an interim report to assess progress during the transition from one host to the next, and a final report issued just before the annual summit. These reports, which monitor each G8 member's efforts on a carefully chosen selection of the many commitments announced at the end of each summit, are offered to the general public and to policy makers, academics, civil society, the media and interested citizens around the world in an effort to make the work of the G8 more transparent and accessible, and to provide scientific data to enable the meaningful analysis of this unique and informal institution. Compliance reports are available at the G8 Information Centre at www.g8.utoronto.ca/compliance.

Based at the University of Toronto and founded in 1987, the G8 Research Group strives to be the leading independent source of analysis and information about the G8. It is an international network of scholars, professionals and students. The group oversees the G8 Information Centre, which publishes, at no charge, research on the G8 as well as official documents issued by the G8.

For the 2013 Final Compliance Report, 18 priority commitments were selected from the 214 commitments made at the Lough Erne Summit, hosted by the United Kingdom from 17 to 18 June 2013. This report assesses the results of compliance with those commitments as of 15 May 2014. The G8 Research Group in Toronto has once again worked with a team at the National Research University Higher School of Economics (HSE) in Moscow led by Mark Rakhmangulov, specifically on the reports for Russia.

To make its assessments, the G8 Research Group relies on publicly available information, documentation and media reports. To ensure the accuracy, comprehensiveness and integrity of these reports, we encourage comments and suggestions. Indeed, this is a living document, and the scores can be recalibrated if new material becomes available. All feedback remains anonymous and is not attributed. Responsibility for this report's contents lies exclusively with the authors and analysts of the G8 Research Group.

The work of the G8 Research Group would not be possible without the steadfast dedication of many people around the world. This report is the product of a team of energetic and hard-working analysts led by Enko Koceku, chair of the student G8 Research Group, as well as the co-directors of the Compliance Unit: Laura Correa Ochoa, Guillaume Kishibe and Sarah Danruo Wang. It would also not be possible without the support of Dr. Ella Kokotsis, director of accountability, and Caroline Bracht, senior researcher. We are also indebted to the many people who provide feedback on our draft version, whose comments have been carefully considered in this revised report.

John Kirton
Director, G8 Research Group

Executive Summary

The University of Toronto G8 Research Group Final Compliance Report on the 2013 Lough Erne Summit is based on an analysis of compliance by G8 member states and the European Union with 18 priority commitments made at the Lough Erne Summit. It builds on the 2013 Lough Erne G8 Summit Interim Compliance Report, and covers the period from 18 June 2013 to 15 May 2014. The final scores are summarized in Table A.

Scores are assigned on a scale where +1 indicates full compliance with the stated commitment, 0 is awarded for partial compliance or a work in progress, and -1 is reserved for those countries that fail to comply or that take action that is directly opposite to the stated goal of the commitment.

The Final Compliance Score

The results of the G8 Research Group's assessments indicate that, for the period June 2013 to May 2014, G8 members received an average compliance score of +0.52, up from the interim score of +0.40. As usual, the difference between the interim and final reports reflect the suite of actions taken by G8 members during the full year since the Lough Erne Summit.

Compliance by Member

The United Kingdom is ranked first at +0.83, followed by the United States at +0.72, the European Union at +0.67 and France at +0.61, with all four scoring above the average of +0.56 for all members. Germany received a score of +0.56, Canada and Russia at +0.50, Italy at +0.39, and Japan at +0.33.

The first- and second-place position of the United Kingdom and the United States, which hosted the 2013 Lough Erne and 2012 Camp David summits respectively, is typical of the hosting effect. Both members usually rank among the top three in recent years. The European Union, has also performed well, as it has since 2011, although the announcement of its role as host of the 2014 G7 Brussels Summit was made only on March 25, 2014, and its final score is consistent with its interim score.

The Compliance Gap Between Members

This year, the difference between the highest and lowest G8 compliance scores is 0.50, close to the interim difference of 0.44. This spread is in keeping with the trend since 2010, although 2012 was an outlier at 0.70.

Compliance by Commitment

Compliance was strongest on the macroeconomic policy issue of global imbalances, with the G8 members achieving full compliance, or +1.0. On the other macroeconomic issue of global demand, however, the average score was +0.56, for an average score on macroeconomic issues of +0.78. This performance is consistent with the score of +0.74 in 2011 and +0.89 in 2010.

At +0.89, the health issue of malnutrition also scored well. Three issues shared the third-place score of +0.78: trade deals, corporate transparency and Syria. In fourth place came the African trade and infrastructure, base erosion and profit shifting, the Deauville Partnership, information and communication technologies, and countering terrorism.

At the other end of the scale, G8 members scored only +0.33 on their commitment on green growth, +0.22 on stolen asset recovery and the development issue of country-led reforms, and, in last place, climate finance at -0.11.

Future Research and Reports

The information contained within this report provides G8 members and other stakeholders with an indication of the G8 compliance results since the 2013 Lough Erne Summit. As with previous

compliance reports, it has been produced as an invitation for others to provide additional or more complete information on country compliance. Comments are welcomed and would be considered as part of an analytical reassessment. Please send your feedback to g8@utoronto.ca.

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Table A: 2013 Lough Erne Final Compliance Scores

	Canada	France	Germany	Italy	Japan	Russia	United Kingdom	United States	European Union	Average	
Macroeconomic Policy: Global Demand	0	+1	0	0	+1	+1	+1	+1	0	+0.56	78%
Macroeconomic Policy: Global Imbalances	+1	+1	+1	+1	+1	+1	+1	+1	+1	+1.00	100%
Trade: Trade Deals	+1	0	+1	0	+1	+1	+1	+1	+1	+0.78	89%
Trade: Green Growth	+1	0	0	0	+1	+1	0	0	0	+0.33	67%
Trade: African Trade and Infrastructure	+1	+1	+1	+1	0	-1	+1	+1	+1	+0.67	83%
Finance: Tax Evasion and Profit Shifting	+1	+1	+1	+1	0	+1	+1	0	0	+0.67	83%
Transparency: Corporate Transparency	0	+1	+1	+1	0	+1	+1	+1	+1	+0.78	89%
Transparency: Extractive Industries	+1	-1	0	+1	0	0	+1	+1	+1	+0.44	72%
Crime and Corruption: Anti-Money Laundering	0	+1	0	-1	0	+1	+1	+1	+1	+0.44	72%
Crime and Corruption: Stolen Asset Recovery	0	0	+1	0	+1	0	0	0	0	+0.22	61%
Information and Communications Technology	0	+1	0	+1	+1	+1	+1	0	+1	+0.67	83%
Health: Deepening Impact on Malnutrition	+1	+1	+1	+1	+1	0	+1	+1	+1	+0.89	94%
Climate Change: Climate & Clean Air Coalition	+1	0	+1	0	-1	+1	+1	+1	+1	+0.56	78%
Climate Change: Climate Finance	-1	0	+1	-1	0	-1	0	0	+1	-0.11	44%
Development: Country-Led Reforms	-1	+1	0	0	0	0	+1	+1	0	+0.22	61%
Terrorism: Countering Violent Extremism	+1	+1	0	+1	-1	+1	+1	+1	+1	+0.67	83%
Regional Security: Deauville Partnership	+1	+1	0	+1	0	0	+1	+1	+1	+0.67	83%
Regional Security: Syria	+1	+1	+1	0	+1	+1	+1	+1	0	+0.78	89%
2013 Final Compliance Average	+0.50 75%	+0.61 81%	+0.56 78%	+0.39 69%	+0.33 67%	+0.50 75%	+0.83 92%	+0.72 86%	+0.67 83%	+0.57 78%	78%
2013 Interim Compliance Average	+0.44	+0.44	+0.28	+0.28	+0.17	+0.22	+0.56	+0.61	+0.61	+0.40	
2012 Final Compliance Average	+0.71	+0.65	+0.76	+0.29	+0.65	+0.18	+0.65	+0.88	+0.59	+0.60	
2011 Final Compliance Average	+0.67	+0.50	+0.44	+0.33	+0.56	+0.56	+0.61	+0.61	+0.61	+0.54	
2010 Final Compliance Average	+0.61	+0.44	+0.50	+0.17	+0.28	+0.61	+0.50	+0.56	+0.44	+0.46	

1. Macroeconomic Policy: Global Demand [37]

“We agreed to nurture the global recovery by supporting demand.”

2013 G8 Lough Erne Communiqué

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France			+1
Germany		0	
Italy		0	
Japan			+1
Russia			+1
United Kingdom			+1
United States			+1
European Union		0	
Average Score		+0.56	

Background:

Due to the division of labour between G8 and G20 share of macroeconomic policy issues on the G8 agenda decreased. However, at the Camp David Summit at several separate commitments were made concerning macroeconomic issues: fiscal consolidation which focussed on government reforms to become fiscally responsible,¹ productivity through structural reforms, and investments in infrastructure² and public private partnerships.³

On 17 June 2013, the United Kingdom’s Prime Minister’s Office released a communiqué on the global economy working session.⁴ During this discussion several key points emerged that form the mandate of what the G8 at the Lough Erne Summit describe as nurturing the global recovery: balancing importation and exportation issues through nurturing domestic industry, monetary policy focussed on price stability, restoring medium-term fiscal sustainability through making plans that are flexible enough to account for contingencies, and structural reforms to improve sustainable growth.⁵ In other words, the G8 has committed to support the growth of the global economy through monetary and fiscal policies, which can take the form of a wide variety of policy initiatives.

Commitment Features:

Supporting demand in the economy implies taking stimulative measures in the framework of either monetary or fiscal policy.

¹ 2012 Camp David G8 Summit Final Compliance Report p.7, G8 Research Group 20 May 2012. Access Date: 30 November 2013. <http://www.g8.utoronto.ca/evaluations/2012compliance/index.html>

² 2012 Camp David G8 Summit Final Compliance Report p.26, G8 Research Group 20 May 2012. Access Date: 30 November 2013. <http://www.g8.utoronto.ca/evaluations/2012compliance/index.html>

³ 2012 Camp David G8 Summit Final Compliance Report p.46, G8 Research Group 20 May 2012. Access Date: 30 November 2013. <http://www.g8.utoronto.ca/evaluations/2012compliance/index.html>

⁴ G8 Summit: communiqué on global economy working sessions, Prime Minister’s Office (London) 17 June 2013. Access Date: 30 November 2013. <https://www.gov.uk/government/news/g8-summit-communiqué-on-global-economy-working-session>

⁵ G8 Summit: communiqué on global economy working sessions, Prime Minister’s Office (London) 17 June 2013. Access Date: 30 November 2013. <https://www.gov.uk/government/news/g8-summit-communiqué-on-global-economy-working-session>