The G7 Research Group at the Munk School of Global Affairs at Trinity College in the University of Toronto presents the

2015 Schloss Elmau G7 Summit
Final Compliance Report
9 June 2015 to 6 May 2016

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“We have meanwhile set up a process and there are also independent institutions monitoring which objectives of our G7 meetings we actually achieve. When it comes to these goals we have a compliance rate of about 80%, according to the University of Toronto. Germany, with its 87%, comes off pretty well. That means that next year too, under the Japanese G7 presidency, we are going to check where we stand in comparison to what we have discussed with each other now. So a lot of what we have resolved to do here together is something that we are going to have to work very hard at over the next few months. But I think that it has become apparent that we, as the G7, want to assume responsibility far beyond the prosperity in our own countries. That’s why today’s outreach meetings, that is the meetings with our guests, were also of great importance.”

Chancellor Angela Merkel, Schloss Elmau, 8 June 2015
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“The G7 commits to putting [protection of our climate] at the centre of our growth agenda.”

_G7 Schloss Elmau Summit Declaration_

Assessment

<table>
<thead>
<tr>
<th></th>
<th>Lack of Compliance</th>
<th>Work in Progress</th>
<th>Full Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td></td>
<td>+1</td>
<td></td>
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<tr>
<td>Germany</td>
<td></td>
<td>+1</td>
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<tr>
<td>Italy</td>
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<tr>
<td>Japan</td>
<td></td>
<td>+1</td>
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<tr>
<td>United Kingdom</td>
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<td>European Union</td>
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<td></td>
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<tr>
<td>Average</td>
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Background

Climate change is evolving to become a focal point of G7 governance. At the Deauville Summit in 2011, the G8 committed to undertake robust aggregate and individual mid-term reductions in carbon emissions.\(^{979}\) At the 2012 Camp David Summit, G7 leaders continued this trend by recognizing the need to mitigate worldwide emissions of carbon and other pollutants. In particular leaders committed to implement comprehensive actions to reduce carbon dioxide, greenhouse gas, and other short-lived climate pollutants.\(^{980}\) Emissions reductions efforts have been complemented by commitments to climate financing, as at the 2013 Lough Erne Summit when G7 members committed to “mobilizing jointly USD100 billion” of climate finance by 2020.\(^{981}\)

In 2015, world leaders renewed their emphasis on the need to mitigate climate change. A special paragraph of the G7 Leaders’ Elmau Declaration contains a “future of the planet” preamble, which explicitly characterizes the 21st Conference of the Parties (COP21) at Paris, the United Nations General Assembly and Addis Ababa conference on financing development as key to the post-2015 development agenda and G7 efforts to reach those targets.\(^ {982}\)

Commitment Features

As the commitment calls for “urgent and concrete action” on climate change, including transparency and accountability measures as well as drastic cuts to greenhouse gas emissions, full compliance requires that the centrality of climate change to a member’s growth agenda be demonstrated by concrete action along these lines.

The 2015 G7 declaration contains specific language as to what may constitute action on climate change. Goals include: the adoption of the COP21 protocol that is ambitious, robust, inclusive and reflects evolving national circumstances; his announcement or proposal of 2020 emissions targets; the implementation of

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carbon market-based and regulatory instruments; the mobilization of private sector capital to unlock investment in low-carbon technologies.  

Full compliance should therefore comprise action on a majority of these goals.

**Scoring Guidelines**

<table>
<thead>
<tr>
<th>Score</th>
<th>Description</th>
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<tbody>
<tr>
<td>-1</td>
<td>The member country does not adopt the COP21 protocol or announce 2020 emissions targets AND does not implement carbon market-based regulatory instruments or mobilize significant private and public capital for investment in climate finance projects.</td>
</tr>
<tr>
<td>0</td>
<td>The member country adopts the COP21 protocol or announces 2020 emissions targets OR implements carbon market-based regulatory instruments or mobilizes significant private and public capital for investment in climate finance projects.</td>
</tr>
<tr>
<td>1</td>
<td>The member country adopts the COP21 protocol or announces 2020 emissions targets AND implements carbon market-based regulatory instruments or mobilizes significant private and public capital for investment in climate finance projects.</td>
</tr>
</tbody>
</table>

**Canada: 0**

Canada has partially complied with its commitment to take urgent and concrete action on climate change through employing transparency and accountability measures as well as drastically cutting greenhouse gas emissions.

On 8 December 2015, Canadian Environmental and Climate Change Minister Catherine McKenna endorsed a 1.5°C global temperature increase goal, stating that on “the question for framing the temperature goal, [Canada] support[s] reference to striving for 1.5 [degrees].” McKenna assured the government’s commitment to the official 2°C goal, as established by 21st Conference of the Parties (COP21).

Canada has failed to announce an emissions reduction target specific to the COP21 forum. The Canadian government remains bound to the pre-existing 2020 target of “[17 per cent] below 2005 levels.”

On 27 November 2015, Prime Minister Justin Trudeau announced that “Canada will contribute … $2.65 billion over the next five years” in contribution to the Green Climate Fund. The Green Climate Fund was established by the UN “with a goal of raising [US]$100 billion from both the public and private sector by 2020.”

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Because the Canadian government has yet to announce a new 2020 emissions reduction target and to implement definite carbon pricing in every province or at a federal level, it is given a score of 0.

Analyst: Neel Aery

France: +1

France has fully complied with its commitments for concrete climate action and economic mobilization. As host of 21st Conference of the Parties (COP21) in December 2015, France has inherently adopted COP21 protocol, while also enacting and maintaining measures promoting mobilization of private and public capital investment.

France’s targets are in line with the policy report communicated in 2014 by the Council of the European Union, which helped structure the commitments of member states for the Paris agreement submitted on 6 March 2015.990,991 This mandated all member states under the United Nations Framework Convention on Climate Change (UNFCCC) to communicate their greenhouse gas inventories as well as climate change measures and policies, which France expressed through its National Assembly in October 2014.992

On 12 December 2015 the COP21 Paris agreement was reached within the UNFCCC.993 The agreement highlights France’s commitments to its emission targets for 2030, including a 40 per cent reduction in emissions, in comparison to levels in 1990, and a 30 per cent reduction in fossil fuel consumption relative to 2012.994 The agreement also entails expansion of renewable energy shares to 32 per cent and 40 per cent of both energy consumption and electricity production respectively by 2030. These targets have been set in order to reduce final energy consumption in 2030 by 20 per cent from 2012.

France’s current Intended Nationally Determined Contributions (NDC) include USD1 billion towards the Green Climate Fund by 2018, acting as an instrument for mobilization of private investors and visibly signalling for low-carbon solutions.995 Through the Agence française de développement action plan, France also continues to push 50 per cent of its financial aid per year towards developing countries in the form of climate projects, with the plan continuing through 2016.996

On 12 December 2015, the Paris agreement spotlights the Green Climate Fund as a vital economic aid moving forward post 2020. An understanding was also reached regarding the need for increased scaling of climate finances beyond USD100 billion beginning in 2025.997 The Green Climate Fund’s prevalence within the Paris Agreement, and the expected periodic increases in NDCs by member states cements France’s stance as a stable and growing contributor to climate finance projects, with its NDC to be renewed post-2020.998


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In April 2016, 177 countries including France were signatories to the Paris Agreement, effectively ratifying the document and therefore securing France’s climate measures and its NDC until it is further updated.999 For both its strong target-based emission policies, and consistent focus on climate-oriented private capital investment strategies, France has achieved a score of +1.

Analyst: Narain Yucel

Germany: +1

Germany has fully complied with its commitment to put climate protection at the centre of its growth agenda.

Germany adopted the protocol from the 21st Conference of the Parties (COP21) after hosting negotiations for the climate accord from 19–23 October 2015 in Bonn.1000 When the COP21 measures were officially adopted, German Environment Minister Barbara Hendricks commented on the significance of the global alliance, and the need for decarbonization and strategies to cope with damage caused by climate change.1001

German emission targets for 2020 have been set, striving for a 40 per cent reduction in carbon dioxide emissions since 1990, but despite steady reductions in emissions overall the transport sector is continuing to increase emissions and there is doubt as to whether Germany will meet these targets.1002 The German Ministry of the Environment has taken concrete action to further reduce carbon dioxide emissions, including joining the initiative United Nations Secretary Ban Ki-moon and the World Bank created to phase out routine flaring of gas at oil production sites by 2020.1003

Germany has taken a leadership role in establishing the Carbon Market Platform to facilitate the creation of market-based policies and regulations that limit carbon usage.1004 The Ministry of the Environment took steps to launch this platform in order to fulfill the goals of the Schloss Elmau Leaders’ Declaration.1005

In August 2015, Germany announced a climate partnership with Brazil, committing EUR550 million to finance environmental and clean energy programs for the country.1006

Germany has fully complied with the commitment to put protection of the climate at the centre of its growth agenda. As a result, it has been awarded a score of +1.

Analyst: Sarah Millman

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Italy: 0

Italy has partially complied with the commitment to place climate protection at the centre of its growth agenda.

In June 2015, Italy hosted the Secretary General of the United Nation’s High Level Advisory Group on Sustainable Transport.\(^{1007}\) This advisory group recommends improvements for sustainable transportation.\(^{1008}\)

On 30 November 2015, Italian Prime Minister Matteo Renzi called for a binding deal at the 21st Conference of the Parties (COP21).\(^{1009}\) He also expressed Italy’s hopes that the United States, China and India would contribute their fair share of emission reductions.\(^{1010}\)

During COP21 Italy announced an increase in international climate change finance of USD4 billion from 2015 to 2020.\(^{1011}\) This increase in funds will be allocated to Italian firms to spur investment in low carbon technology.\(^{1012}\)

In December 2015, Minister for Agriculture, Food, and Forestry Policies Maurizio Martina signed the appeal, “Let’s Not Eat Up The Planet Fight Climate Change.”\(^{1013}\) The minister said that it is important to understand how agricultural and food policies impact climate change.\(^{1014}\)

Italy has voiced support for the COP21 principles but has taken no legislative steps to formalize the 2020 emission targets. It has provided financial incentives for private-sector capital to invest in low carbon technologies though it has failed to implement new market regulations to limit carbon emissions. Italy therefore receives a score of 0.

*Analyst: Graydon Kelch*

Japan: +1

Japan has fully complied with its commitment to place climate protection at the centre of its growth agenda.

After the G7 Schloss Elmau Summit in June 2015, Japan submitted its Intended Nationally Determined Contribution (INDC), which saw an emissions reduction target of the equivalent of 18 per cent below 1990 levels by 2030 and demonstrates an active consideration and plan for the post-2020 period.\(^{1015}\) However, the


target was not as aggressive as that of the European Union, for instance, which made a 40 per cent pledge below 1990 levels.\textsuperscript{1016}

On 30 November 2015, at the Leaders’ Event of the 21st Conference of the Parties (COP21), Prime Minister Shinzo Abe revealed Japan’s new contributing policy called “Actions for Cool Earth 2.0,” and stated its two pillars as: “(1) strengthening innovative technologies, which is key to acting against climate change without sacrificing economic growth; and (2) providing support worth [JPY]1.3 trillion to developing countries in 2020.”\textsuperscript{1017} These pillars complement the goals set out at the G7 Schloss Elmau Summit.

In keeping with this policy, on 28 January 2016, Japan, along with the United Nations Development Programme (UNDP) and the Caribbean Community, launched the Japan-Caribbean Climate Change Partnership (J–CCC) — worth USD15 million — to foster policy changes for climate technology promulgation.\textsuperscript{1018} UNDP stated that this step is in “tandem with the recent agreement by world leaders at the Paris Climate Conference to keep global warming below twenty degrees celsius, and further to pursue below 1.5 degrees celsius in order to avoid negative impacts to the Caribbean.”\textsuperscript{1019}

The J–CCC will guide national plans to deal with the negative effects of climate change and diminish the dependency on fossil fuel imports with the goal of bringing in a low-carbon era across a greater portion of the world.\textsuperscript{1020} This is a concrete step towards one of the commitment goals: the mobilization of significant capital for investment in climate finance projects.

In December 2015, Japan also agreed on the Paris agreement with nearly 200 other countries. Prime Minister Abe said that, in regards to combating climate change, Japan will “achieve (the goal) without sacrificing economic growth.”\textsuperscript{1021} Complying with the COP21 proposal is a direct step towards active global action, although the World Resources Institute stated that Japan could provide more information on the use of international market mechanisms in reaching emissions targets, for example defining a limit in applying emissions reductions achieved internationally towards its national target.\textsuperscript{1022}

Japan has adopted the COP21 protocol, announced emissions targets, and will mobilize significant capital for investment in climate finance projects, thus earning a score of +1.

\textit{Analyst: Tina Vulevic}

\textbf{United Kingdom: +1}

The United Kingdom fully complied with its commitment to place climate protection at the centre of its growth agenda.


On 12 December 2015, the United Kingdom adopted the protocol at the 21st Conference of the Parties (COP21), with Prime Minister David Cameron recognizing the significance of the agreement and emphasizing the UK’s continued commitment to cutting emissions.\(^\text{1023}\) The UK has also set an emissions targets of 35 per cent reduction by 2020, resulting in a carbon budget level of 2,544 million metric tons of carbon dioxide equivalent.\(^\text{1024}\)

While the UK has not implemented new carbon market-based regulatory instruments since the Schloss Elmau Summit, the country has stood by its 2008 Climate Change Act, taking concrete steps to meet annual goals and carbon budgets.\(^\text{1025}\) New renewable energy subsidies and a feed-in tariff scheme were introduced in 2015 to continue working towards targets.\(^\text{1026}\)

In September 2015, Cameron committed GBP5.8 billion of the UK’s foreign aid budget to dealing with climate change in developing countries, a move that aligns with the COP21 focus on global assistance and concrete financial policies to mitigate the effects of climate change.\(^\text{1027}\) The mobilization of significant public capital for investment in international climate finance projects satisfies the second feature of the commitment.

Therefore, the UK has been awarded a score of +1.

**United States: +1**

The United States has fully complied with its commitment to place climate protection at the centre of its growth agenda.

In December 2015, the United States agreed to comply with the protocol of the 21st Conference of the Parties (COP21).\(^\text{1028}\) Secretary of State John Kerry confirmed US approval of the plan, saying that each of the countries present had “reached an agreement that, fully implemented, will help us transition to a global clean energy economy and ultimately prevent the worst, most devastating consequences of climate change from ever happening.”\(^\text{1029}\) The recognition and acceptance of the COP21 proposals indicate a step in the right direction towards mitigating climate change.

In January 2016, President Barack Obama’s administration likewise received the go-ahead from the US Court of Appeals for the District of Columbia Circuit to initiate the Clean Power Plan.\(^\text{1030}\) By 2030, the federal plan intends to reduce carbon dioxide emissions at existing power plants country-wide by approximately one third.

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By reducing the legal amount of emissions from new coal-based plants, the plan also seeks to encourage investors and developers to start turning to cleaner sources of energy, such as wind.\textsuperscript{1031}

Although the successful implementation of the plan cannot yet be determined due to its being only recently adopted in August 2015, its approval on a federal level demonstrates a clear commencement of energy reform.\textsuperscript{1032} The extension of the production tax credit, which further emphasizes the need to shift to wind and solar energy through 2019, is also a conscious step made by the Obama administration towards complying with its climate change commitment.\textsuperscript{1033}

In August 2015, USAID announced a USD41 million investment in “off-grid renewable energy projects in India.” The investment is part of a renewable energy deal reached during Obama’s 2015 visit to India.\textsuperscript{1034} Similarly, on 29 March 2016, USAID and the Asian Development Bank agreed to provide USD848 million for the development of solar parks in India.\textsuperscript{1035}

The United States has invested in the development of climate technologies both domestically and abroad. Therefore, the United States is awarded a score of +1.

\textit{Analyst: Tina Vulev\ic}

\textbf{European Union: +1}

The European Union has fully complied with the commitment to climate change by announcing 2020 emission targets and by harnessing private and public capital for investment in climate finance projects.

The European Union has striven to keep the global temperature from rising 2°C above pre-industrialized temperatures. The European Union is working to cut its members emissions, encouraging major polluters to take action against climate change, and bringing climate change forward as an issue.\textsuperscript{1036}

In October 2014 European Union Leaders agreed to update emission and climate targets by 2030. Cuts in greenhouse gas emissions by 40 per cent compared to 1990 levels, as well as minimum 27 per cent shares in renewable energy and a 27 per cent minimum improvement in energy efficiency were promised.\textsuperscript{1037}

The EU has promised to cut at least 20 per cent of greenhouse gas emissions compared to 1990 levels, increase the share of renewable energy to 20 percent and improve in energy efficiency by 20 per cent by 2020.\textsuperscript{1038}

\begin{footnotesize}
\begin{enumerate}
\item Climate Change, European Union (Brussels), January 15th, 2016 Access date: January 26th, 2016 http://europa.eu/pol/clim/index_en.htm
\item Climate Change, European Union (Brussels), January 15th, 2016 Access date: January 26th, 2016 http://europa.eu/pol/clim/index_en.htm
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\end{enumerate}
\end{footnotesize}
The European Union has made action on climate change a priority, and as such has committed to spend 20 per cent of its budget from 2014 to 2020 on actions related to climate change. The commitment of up to EUR180 billion represents the European Unions commitment to climate change.\textsuperscript{1039}

Furthermore, the European Unions LIFE program has committed EUR864 million towards a specific sub-programme dedicated to climate action for 2014 to 2020. The LIFE program is the European Unions environment and climate action funding instrument. This amount is triple the budget that LIFE had from 2007 to 2013.\textsuperscript{1040}

Thus the European Union has been awarded a +1 for not only contributing public capital investment in climate change projects, but also for announcing positive 2020 emission targets.

\textit{Analyst: Thomas Robson}