



G8 Research Group

G8 Summit Analysis Part I: Issue Objectives Reports

**A review of the G8's objectives in selected issue areas at the
2007 Heiligendamm Summit**

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About the Issue Objectives Reports

The **first part** of the **G8 Summit Analysis** consists of twelve **Issue Objectives Reports**. These reports provide analytical assessments of the key issue areas that will likely emerge at the Heiligendamm Summit. The reports are designed to help determine what the G8 must realistically achieve in order to make progress in each issue area.

Selected analysts of the G8 Research Group are first required to ascertain what the most important developments are with respect to their issue areas, as well as detail what objectives/priorities should be addressed by G8 Heads of State and Government at the summit and why. In determining what the G8's objectives are, analysts are required to understand the G8's historical approach to the issue area and what it must realistically do to tackle the issues at hand. Analysts are then required to address what the likelihood is of the leaders achieving success on the objectives they have chosen to address and why. Included in these reports are also predictions of what specific issues will be addressed, given recent political and economic developments.

For the **second part** of the G8 Summit Analysis, analysts follow national press conferences, media releases issued by officials, individual statements made by the G8 leaders, as well as summit communiqués and plans of action to determine whether the G8 has achieved its objectives. Assessments of the G8's performance at the summit in terms of its objectives will be compiled in a follow-up document (*See: G8 Summit Analysis Part II: Issue Assessment Reports*). The final report will be produced and released at the end of the summit. These Assessment Reports help to determine whether the summit is a success (i.e. whether the G8 makes headway on key issues).

Responsibility for the contents of these reports lies exclusively with the authors.

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Climate Change

Climate change will be at the top of the agenda at the upcoming Heiligendamm Summit. The German Presidency will continue the dialogue on climate change, picking up where the 2005 Gleneagles Summit left off, when the G8 created the Gleneagles Plan of Action on Climate Change.¹

Recently, there has been a significant push for talks to establish a post-Kyoto climate change framework, as the Kyoto Protocol, which is a landmark agreement that accompanies the United Nations Framework Convention on Climate Change (UNFCCC), is slated to expire in 2012.² Several conferences in the past year have been organized to allow countries to negotiate a follow-up agreement to the Kyoto Protocol. These include: the annual UN Climate Change Conference, a meeting of those countries which are parties to the UNFCCC and members of the Kyoto Protocol, which took place in Nairobi, Kenya in November 2006; the Intergovernmental Panel on Climate Change (IPCC) Conference in January 2007 in Paris, France; as well as the Washington Conference of the G8+5³ in February and the 26th Session of the Subsidiary Bodies of the Kyoto Protocol in May 2007, in Bonn, Germany.

The publication of the third section of the Intergovernmental Panel on Climate Change's Fourth Assessment Report in February 2007,⁴ also increased the pressure on governments to make climate change a priority. Yet with differing ideas on how to tackle climate change, the establishment of an agreement that is acceptable to all members of the G8 and to the rest of the world, remains a difficult task.

In order to make headway on climate change, G8 members will need to use the upcoming summit to discuss where they collectively stand on several key issues, namely, how a post-Kyoto agreement should be negotiated and in what form such an agreement should take. Importantly, the G8 must recognize the need for multilateral participation in producing a follow-up climate change framework. Relevant to these discussions are the issues of energy efficiency and security, as well as sustainable development. The G8 will need to address these issues as well.

Objective 1: Post-2012 Agreement

The 2007 G8 Summit in Heiligendamm will most likely be dominated by discussions on how to proceed with formulating a follow-up agreement on climate change to replace the Kyoto Protocol.⁵

Germany and the European Union

As President of the EU, Germany has lobbied to introduce stricter and more ambitious targets for the reduction of greenhouse gas emissions, and has attempted to encourage the US and the +5 members, notably China and India, to take proactive steps in reducing their emissions.⁶

¹ Official Website of the British Presidency of the G8, The Plan of Action: Climate Change, Clean Energy and Sustainable Development, (Gleneagles), . Date of Access: 22 May 2007. http://www.fco.gov.uk/Files/kfile/PostG8_Glneagles_CCChangePlanofAction.pdf.

² The 1997 Kyoto Protocol is pivotal in any discussion of climate change. Developed countries that are members of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) have annual greenhouse gas (GHG) emissions reductions targets outlined in Annex I of the Protocol. These so-called Annex I countries, including all G8 members, must reduce GHG emissions to about 5% below their 1990 emissions levels by 2012. Website of the UNFCCC, The Kyoto Protocol, (Bonn). Date of Access: 16 May 2007. http://unfccc.int/kyoto_protocol/items/2830.php.

³ The G8+5 or 'Outreach 5' are China, India, Brazil, Mexico, and South Africa.

⁴ Report titled: Climate Change 2007: the Physical Science Basis, Intergovernmental Panel on Climate Change, 5 February 2007. Date of Access: 16 May 2007. <http://www.ipcc.ch/SPM2feb07.pdf>.

⁵ Focuses of the German G8 Presidency, Bundesregierung, (Berlin) 18 October 2006. Date of Access: 15 May 2007. www.bundesregierung.de/nn_6538/Content/EN/Artikel/2006/10/2006-10-18-schwerpunkte-deutsche-g8-pr_C3_A4sidentschaft_en.html.

⁶ EU climate meeting foreshadows German G8 push, Reuters News, (Brussels) 7 March 2007. Date of Access: 1 June 2007. http://today.reuters.com/news/articlenews.aspx?type=scienceNews&storyid=2007-03-08T023919Z_01_L04365785_RTRUKOC_0_US-ENERGY-EU1.xml&src=rss.

The EU and its Member States on 9 March 2007 approved a plan to reduce their own GHG emissions by 30% by 2020 and between 60% and 80% by 2050.⁷ That same plan endorsed a global cap that would limit the rise in global temperatures to 2 degrees Celsius.⁸ The EU has taken this step in part to gain leverage in discussions on an international climate regime. In referring to the EU GHG reductions plan Merkel noted: "Europe can be a role model ... [that the] United States, China, India and the big emerging countries must follow."⁹ European Commission President José Manuel Barroso said as late as 24 May 2007: "The summit at Heiligendamm is an important stepping stone on the way to a global response to climate change" and highlighted that the EU had "put [its] cards on the table; with an invitation to the other industrialised countries to jointly cut emissions by 30% by 2020."¹⁰ He emphasized that this target would be crucial if the world is to ensure that global temperatures do not exceed pre-industrial levels by more than 2 degrees Celsius.¹¹

The United States

Though there is general consensus on the scientific evidence of climate change, discussions on the subject stand to be impeded by a reluctant US, which is seeking general, non-binding emissions reduction "goals." Documents leaked by Greenpeace reveal that in both April and May 2007, the US proposed revisions to the German draft agreement on climate change, striking out clauses that: called for resolute action in combating greenhouse gas emissions, accepted the findings of the IPCC;¹² named the UN the appropriate forum for discussion of climate change issues; called for the creation of a global carbon market;¹³ and established a 2 degree Celsius temperature rise as the ceiling to which G8 members would allow temperatures to rise over the course of the next century. The US position on emissions trading and caps stands to hinder any productive discussion on the issue at the summit.¹⁴

The Washington Declaration reached at the February G8+5 meeting of environment ministers, showed a general consensus on the need to replace the Kyoto Protocol, following its termination, with a successor plan by a target date of 2009.¹⁵ The non-binding nature of the declaration however, undermines the substance of the agreement, which vaguely outlines the tentative reaction of the US to definitive limits on greenhouse gas emissions. Chancellor Merkel and British Prime Minister Tony Blair hope to pressure the US into action by endorsing the EU's exemplary record on climate policy.¹⁶

⁷ Europe sets ambitious limits on greenhouse gases and challenges others to match it, New York Times, (New York) 10 March 2007. Date of Access: 5 June 2007.

<http://global.factiva.com.myaccess.library.utoronto.ca/ha/default.aspx>.

⁸ EU action against climate change: Leading global action to 2020 and beyond, (Brussels) 2007. Date of Access: 4 June 2007. http://ec.europa.eu/environment/climat/pdf/eu_action_against_climate_change.pdf.

⁹ EU climate meeting foreshadows German G8 push, Reuters News, (London) 7 March 2007.

¹⁰ Address by José Manuel Durao Barroso, The EU: ending the doubts on energy and climate change, Europa: Gateway to the European Union, (Brussels) 24 May 2007. Date of Access: 4 June 2007.

<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/07/332&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹¹ Address by José Manuel Durao Barroso, The EU: ending the doubts on energy and climate change, Europa: Gateway to the European Union, (Brussels) 24 May 2007. Date of Access: 4 June 2007.

<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/07/332&format=HTML&aged=0&language=EN&guiLanguage=en>.

¹² US seeks G8 climate text changes, BBC News International, 14 May 2007. Date of Access: 16 May 2007. <http://news.bbc.co.uk/2/hi/science/nature/6651295.stm>.

¹³ US seeks G8 climate text changes, BBC News International, 14 May 2007. Date of Access: 16 May 2007. <http://news.bbc.co.uk/2/hi/science/nature/6651295.stm>.

¹⁴ Reuters News, "Top Scientists urge quick G8 climate change action," 16 May 2007. Date of Access: 26 May 2007. <http://www.reuters.com/article/scienceNews/idUSL1648294320070516?pageNumber=2>.

¹⁵ Warming towards a new Kyoto, The Herald, 17 February 2007. Date of Access: 16 May 2007. <http://www.theherald.co.uk/news/news/display.var.1200494.0.0.php>.

¹⁶ EU climate meeting foreshadows German G8 push, Reuters News, 7 March 2007. Date of Access: 16 May 2007.

On 31 May 2007, the US seemed to offer a way out of the climate change deadlock by proposing the creation of a process for negotiating a parallel agreement outside of the UNFCCC. President Bush proposed forthcoming talks between the 15 largest emitters of greenhouse gases in order to produce a “new framework on greenhouse gases when the Kyoto Protocol expires in 2012, [which would] set a long-term global goal on reducing emissions... within 18 months.”¹⁷ This reversal in US policy on addressing climate change has caused considerable debate leading up to the summit, with Britain’s Tony Blair, Canada’s Stephen Harper and Japan’s Shinzo Abe warming to the plan, which runs counter to Merkel’s ambitious objectives at the summit.¹⁸ Bush’s plan has been criticized for undermining the G8 as well as the multilateral talks on the Kyoto Protocol that are scheduled to follow in December 2007 at the UNFCCC conference in Bali, Indonesia.

Other players

Discussions on setting GHG emissions caps and reduction targets while still promoting and ensuring economic prosperity will also emerge when including the +5 group members in the post-Kyoto agreement debate. The transfer and development of clean energy technologies as well as alternative energy sources will be addressed in terms of including developing countries productively in the post-Kyoto dialogue. Japan is poised to contribute positively to discussions on the transfer of energy efficient technologies and will support investment in environmentally friendly projects in developing countries.¹⁹

Alliances could emerge in dialogues on climate change. Canada stands to play an intermediary role in incorporating the US into constructive dialogue on a post-Kyoto agreement, with Canadian Environment Minister John Baird asserting the Canadian government’s interest in effectively encouraging China, India and the US to reduce their emissions levels.²⁰ In light of the difficulties encountered by Canada in reaching its own Kyoto targets,²¹ it will promote intensity-based emissions targets²² in accordance with the American plan over the objectives set by the German Presidency, as some preliminary reports have speculated.²³

The G8’s main objective & what ‘success in meeting this objective at the summit’ entails

In order to make headway on climate change, G8 members will need to use the upcoming summit to discuss where they collectively stand on several key issues, namely, how a post-Kyoto agreement should be negotiated and in what form such an agreement should take.

In order for the G8 to be successful at Heiligendamm in procuring a post-2012 agreement, they will have to first manage to reverse the deadlock which has traditionally plagued climate talks at G8 summits. Given the anticipated discord surrounding negotiations on emissions levels, to achieve success on this objective, the G8 will at a minimum, have come to a cooperative agreement on how to proceed with negotiations within a multilateral framework, and set a timeline for how they will contribute to establishing a post-Kyoto agreement. The inclusion of a timetable and at least the

¹⁷ Europe furious at US climate call, Financial Times, (London), 1 June 2007. Date of Access: 1 June 2007. <http://www.ft.com/cms/s/http://www.ft.com/cms/s/32856c56-0f84-11dc-a66f-000b5df10621.html>.

¹⁸ Europe furious at US climate call, Financial Times, (London), 1 June 2007. Access: 1 June 2007. Date of Access: 1 June 2007. <http://www.ft.com/cms/s/http://www.ft.com/cms/s/32856c56-0f84-11dc-a66f-000b5df10621.html>.

¹⁹ Profiting from Pollution: the G8 and Climate Change, The Transnational Institute, 26 May 2007. Date of Access: 27 May 2007. http://www.tni.org/detail_page.phtml?act_id=16879.

²⁰ Canada’s Position on G8 Climate Declaration Remains Mystery, CNews, (Ottawa) 27 May 2007. Date of Access: 27 May 2007. <http://cnews.canoe.ca/CNEWS/Canada/2007/05/27/4212751-cp.html>.

²¹ Environmentalists Claim US preparing to Reject Climate Change Deal, CNews, (London) 26 May 2007. Date of Access: 27 May 2007. <http://cnews.canoe.ca/CNEWS/World/2007/05/26/4210526-cp.html>.

²² Canada can be leader in climate change battle: Harper, CBC News, (Toronto) 4 June 2007. Date of Access: 4 June 2007. <http://www.cbc.ca/world/story/2007/06/04/harper-germany.html>.

²³ Canada’s Position on G8 Climate Declaration Remains Mystery, CNews, (Ottawa) 27 May 2007. Date of Access: 27 May 2007. <http://cnews.canoe.ca/CNEWS/Canada/2007/05/27/4212751-cp.html>. Europe furious at US climate call, Financial Times, (London), 1 June 2007. Access: 1 June 2007. Date of Access: 1 June 2007. <http://www.ft.com/cms/s/http://www.ft.com/cms/s/32856c56-0f84-11dc-a66f-000b5df10621.html>.

+5 members are essential when negotiating an international agreement that sets emissions targets.

The summit will be a significant success if the G8 is able to set definitive emissions targets that are acceptable to all members of the G8, and can potentially be incorporated into a new climate change regime.

Failure at the summit would be characterized by a general, non-specific, non-binding reiteration of the need to address the issue or a statement in indicating that the G8 will not engage in any new efforts to combat climate change.

Chances of success

The refusal of the American delegation to accept the proposed German objectives on a post-Kyoto agreement and the declaration of the US on 31 May 2007 outlining a new plan for addressing climate change post-2012 have pegged the US against the German Presidency and its EU allies, which prefer a UNFCCC-based climate change agreement with a binding, enforceable and differentiated system including carbon trading to be in place by 2009.²⁴ This tension will dominate climate talks prescribed by the German agenda and will likely result in stalemate. The G8 leaders will almost certainly issue a general statement reiterating their shared commitment to addressing the effects of climate change. However the chances of reaching an agreement on how to proceed with consolidating a post-Kyoto settlement, or ambitious emissions reductions are slim, especially with the recently announced American plan of adopting more 'feasible' emissions levels that 'would not hinder economic growth.' It is possible that debate of climate issues will be deferred to the UNFCCC meeting this coming December in Bali, Indonesia or even until the Japanese-hosted summit set for 2008, where a report on the Gleneagles Dialogue on Climate Change, Clean Energy and Sustainable Development will be presented.²⁵

Objective 2: Energy Efficiency

Energy efficiency in terms of sustainable development is likely to be a topic of discussion at Heiligendamm, where the German Presidency hopes to produce concrete commitments on the issue. In an effort to reduce the effects of global climate change, Germany hopes to encourage significant reductions in greenhouse gas emissions by promoting sustainable buildings, innovative transportation systems and technologies, alternative fuel sources, and clean fossil fuels.²⁶ The dual G8-EU German Presidency is also likely to seek a global energy efficiency standards agreement, around which it hopes a consensus can be formed at Heiligendamm.²⁷

By cooperating with the International Energy Agency (IEA) through the Gleneagles Plan of Action²⁸ and following in the spirit of the Washington Conference of February 2007 the G8 will continue to reiterate its support for innovation in the energy sector as well as for improvements in the practice and use of enhanced technology. At the Evian Summit in 2003, the G8 established energy efficiency as a key area of action, and reiterated its support at Sea Island in 2004 for initiatives such as the Reduce, Reuse, Recycle program. The issue was again addressed in the 2005

²⁴ President Barroso calls for G8 progress on climate change and trade and highlights African development, Europa: Gateway to the European Union, (Brussels) 4 June 2007. Date of Access: 4 June 2007. <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/757&format=HTML&aged=0&language=EN&guiLanguage=en>.

²⁵ US-Japan Joint Statement on Energy Security, Clean Development and Climate Change, The White House, (Washington) 27 April 2007. Date of Access: 26 May 2007. <http://www.whitehouse.gov/news/releases/2007/04/20070427.html>.

²⁶ Climate Change Key Issue for this Year's G8 Summit, The Environment News Service, 1 February 2007. Date of Access: 27 May 2007. <http://www.ens-newswire.com/ens/feb2007/2007-02-21-03.asp>.

²⁷ EU to aim for energy-savings agreement at G8, Euractiv, (Brussels), 1 June 2007. Date of Access: 4 June 2007. <http://www.euractiv.com/en/energy/eu-aim-energy-savings-agreement-g8/article-164033>.

²⁸ Website of the Presidency of the European Union, Press Release – EU/G8 Conference on Energy Efficiency – Shaping Tomorrow's World, 20 April 2007. Date of Access: 16 May 2007. http://www.eu2007.de/en/News/Press_Releases/April/0420BMBVBSnergie.html.

*Gleneagles Plan of Action: Climate Change, Clean Energy and Sustainable Development.*²⁹ Yet despite its recurrence on the agenda and the enthusiasm following the Gleneagles Summit, in reality, the G8 has made limited headway on issues of energy efficiency.

The German/EU plan for an international energy efficiency agreement is ambitious, but chances for success are poor. On 24 May 2007, at a conference of the French Institute for International Relations, European Commission President José Manuel Barroso publicly outlined the EU's energy security agenda for the Heiligendamm Summit. "On energy, I want the G8 Summit Declaration to endorse the EU's proposal for an international agreement on energy efficiency," he noted. The international agreement on energy efficiency was recently floated by EU Energy Commissioner Andris Piebalgs at a meeting of the International Energy Agency (IEA) on 15 May 2007. Elements of such a plan could include, according to Piebalgs, "regulatory cooperation; information exchange on energy saving strategies; methods of measurement; and research cooperation on energy efficient technologies."³⁰ Piebalgs also suggested that "G8 Gleneagles Dialogue could function as a governing board for the agreement and the IEA, which is already supporting the Gleneagles Plan of Action."³¹ Unfortunately, this agreement has been met with considerable skepticism by the US, which has publicly opposed the EU proposal because "a standard applicable in one country does not fit another."³² This ambitious international regulatory framework is instead likely to only result in commitments to implement national energy efficiency goals, similar to agreements at Gleneagles and at St. Petersburg.

In a similar fashion to the St. Petersburg Summit, the G8 will likely endorse cooperation with international organizations, such as the Renewable Energy and Energy Efficiency Program, and the Renewable Energy Policy Network for the 21st Century on issues of renewable energy and energy efficiency. Japan and the US agreed in April 2007 to "promote the commercialization of advanced clean energy technologies" through multilateral partnerships like the Asia-Pacific Partnership on Clean Development and Climate and the IEA.³³ Both countries will likely keep with this momentum at the summit, with special attention on Japan and its calls for technology transfers to developing countries.³⁴ The G8 will also promote the principles of the Gleneagles Plan of Action by encouraging the development of clean technologies, with special attention given to methods of improving the efficiency of fossil fuelled power generation facilities, and to continued research in alternative energy sources.

In order to bring both the US and developing countries on board with any climate change agreement at Heiligendamm, the G8 will need to produce a plan that supports access to affordable clean technologies. G8 success in this area will mean a specific commitment to cooperate with developing nations by facilitating their access to lower-emissions technology, while supporting and continuing existing initiatives such as the Gleneagles Dialogue.

The pattern of G8 summitry on this issue—that is the recurring absence of definitive commitments—stands to be repeated in Heiligendamm. It can be expected that the G8 will agree to continue addressing energy efficiency by doing further research on the issue, and working with established institutions and organizations.

²⁹ G8 Research Group, "Gleneagles Plan of Action: Climate Change, Clean Energy and Sustainable Development," (Toronto) 8 July 2005. Date of Access: 27 May 2007. <http://www.g7.utoronto.ca/summit/2005gleneagles/climatechangeplan.html>.

³⁰ IEA Ministerial meeting: Andris Piebalgs calls for an International Agreement on Energy Efficiency, (Brussels) 15 May 2007. Date of Access: 25 May 2007. <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/671&type=HTML>.

³¹ IEA Ministerial meeting: Andris Piebalgs calls for an International Agreement on Energy Efficiency, (Brussels) 15 May 2007. Date of Access: 25 May 2007. <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/671&type=HTML>.

³² Bush calls on 15 countries to set global emissions goal by 08, Ireland On-Line, (Dublin) 31 May 2007. Date of Access: 31 May 2007. <http://breakingnews.iol.ie/news/story.asp?j=221137556&p=zzyy38z6z>.

³³ US-Japan Joint Statement on Energy Security, Clean Development and Climate Change, The White House, (Washington) 27 April 2007. Date of Access: 26 May 2007. <http://www.whitehouse.gov/news/releases/2007/04/20070427.html>.

³⁴ Profiting from Pollution: the G8 and climate change, The Transnational Institute, 26 May 2007. Date of Access: 27 May 2007. http://www.tni.org/detail_page.phtml?act_id=16879.

Objective 3: Security of Energy Supply

The 2006 Russian Presidency of the G8 chose Global Energy Security as one of the three pillars of its St. Petersburg Summit agenda, and energy security in terms of security of supply will likely receive some attention at Heiligendamm. The continued volatility of the global price of oil and gas will affect discussions on the efficient use of natural energy resources.³⁵ In light of the intermittent cut-off of Russian oil supplies through various pipelines serving the European continent,³⁶ as well as ongoing instability in the Middle East, the G8 will surely delegate attention to sustainable and reliable access to oil sources. This is certainly a key issue for the EU, which reiterated a concern for energy supply issues during the US-EU summit on 1 May 2007. There, Merkel, Barroso and Bush reiterated their desire for energy markets to be more transparent. General measures suggested to facilitate this goal included "effective access to markets, possibilities for capital investments at all stages of the energy-supply chain, and the establishment of competitive markets."³⁷ The G8 communiqué on this issue is likely to support these goals.

Tensions run high on issues of guaranteed access to energy resources, especially when considering the Russian Federation and Western Europe over the cutoff of oil to Belarus in January 2007.³⁸ These events may compel Russia to defend its national policies, however the wealth of the Russian Federation in oil and energy resources may also prompt the Russians to lead the discussion on improving relations and guaranteeing stable access to energy resources.

The final communiqué of the 2006 St. Petersburg Summit produced commitments calling for the improved access of developing countries to energy sources.³⁹ Yet, this increased consumption resulting from facilitated access to energy resources is counter-intuitive to climate change commitments calling for reductions in greenhouse gas emissions. Bilateral discussions between the US and the EU and the US and Brazil⁴⁰ have resulted in agreements to promote clean coal technology, carbon capture policies and various commitments promoting research in clean fuel technologies.⁴¹ Following initiatives such as these, security of supply issues will likely be discussed in the context of sustainable development (in Africa) and sustainable environmental practices, and could result in commitments calling for the responsible and manageable distribution of energy resources and technologies to the developing world. Because of the challenges facing the G8 in defining energy security, there stands to be little consensus on the issue at the summit. Due to their dependence on imported energy products, Europe and Japan will press for transparency in energy markets, while Russia will likely voice its legitimacy as a reliable source of energy.

In order to alleviate problems related to the security of supply, the G8 will need to reach an agreement on the dependable distribution of and access to energy supplies. It will also need to produce definitive plans for the development of alternative energy sources and for greater transparency in world energy markets.

By: Alexandra Lapin

³⁵ Germany sets Agenda for next year's G-8, Associated Press Newswires, 18 October 2006. Date of Access: 16 May 2007.

³⁶ Belarus and Russia spar over crude oil Cutoff, The International Herald Tribune, (Moscow), 8 January 2007. Date of Access: 16 May 2007. <http://www.iht.com/articles/2007/01/08/business/belarus.php>.

³⁷ USA, EU favour transparency of world energy markets, 1 May 2007, ITAR-TASS World Service

³⁸ Belarus and Russia spar over crude oil Cutoff, The International Herald Tribune, (Moscow) 8 January 2007. Date of Access: 16 May 2007. <http://www.iht.com/articles/2007/01/08/business/belarus.php>.

³⁹ Final Communiqué St. Petersburg, G8 Research Group, (Toronto) 17 July 2007. Date of Access: 26 May 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

⁴⁰ Biomass & News: United States and Brazil Strengthen their Biofuel Partnership, B2B Renewable Energies, 9 March 2007. Date of Access: 27 May 2007. <http://www.b2brenenergy.com/index.php?name=News&file=article&sid=1549>.

⁴¹ 2007 US-EU Summit Statement: Energy Security, Efficiency and Climate Change, The White House, (Washington) 30 April 2007. Date of Access: 27 May 2007. <http://www.whitehouse.gov/news/releases/2007/04/20070430-8.html>.

Balanced Growth and Global Stability

Maintaining balanced growth and global stability are ostensibly the most fundamental principles of the G8. The emergence of the G6 was the result of an attempt to engage major industrialized democracies in collective political and economic action in response to the 1973 oil crisis and the global recession that ensued. Ideas of growth and stability are thus deeply embedded in the historical make-up of the G8.

The notion of balanced growth first emerged as a salient commitment by the G8 at the Paris Summit in 1989, in which concerns were raised regarding the threats of inflation and global imbalances. This commitment continued to lead the G8 agenda through the subsequent Houston, London, Munich and Tokyo Summits.

In the late 1990s, financial crises in Asia, Russia and Latin America loomed large in the international economic arena. At the Köln Summit in 1999, the G8 leaders tendered a commitment to "promote global financial stability through national action and enhanced international cooperation."⁴² This commitment centred on strengthening the international financial architecture by reforming international financial institutions and arrangements, enhancing transparency and promoting best practices, strengthening financial regulation in industrialized countries, strengthening macroeconomic policies and financial systems in emerging markets, improving crisis prevention and management, involving the private sector, and promoting social policies to protect the poor and most vulnerable.⁴³

Balanced growth and global financial stability did not figure prominently in the St. Petersburg agenda, although a commitment on trade was forwarded at the Summit, which called for a "concerted effort to conclude the negotiations of the WTO's Doha Development Agenda and to fulfill the development objective of the Round."⁴⁴ This commitment was reiterated at the G8 Finance Ministers' meeting in Potsdam on 19 May 2007, where the pre-summit statement included a clause reiterating the responsibility of all participants to "ensure a successful outcome of the Doha Development Round. It is necessary to achieve an ambitious balanced and comprehensive deal that delivers economic benefits for all members, enhances global growth and contributes to poverty reduction."⁴⁵

Despite their absence at St. Petersburg, however, global imbalances and international financial transparency will receive central focus at the G8 Summit in Heiligendamm. Rising energy prices have resulted in mounting international pressure to address global imbalances, as articulated in the pre-summit statement released by the G8 Finance Ministers prior to their meeting in Potsdam. The statement acknowledges that "high and volatile energy prices remain a concern and we will remain vigilant. We will continue to pursue sound policies to foster sustained and balanced growth and support the orderly adjustment of global imbalances."⁴⁶ Attention to global imbalances is further heightened by concerns about currency exchange rates – including the rising Euro, the weakening U.S. dollar and the inflexible Chinese yuan. The issue is given added importance in light of the Chinese stock market crash of 27 February 2007 and the repercussions to the global economy. Finally, the recent salience of hedge funds in global financial markets has led to increased calls for transparency of financial markets. The G8 Finance Ministers pre-Summit statement acknowledges that "the assessment of potential systemic and operational risks associated with these activities has become more complex and challenging. Given the strong growth of the hedge fund industry

⁴² G7 Statement, G8 Summit Köln 1999, (Köln), 18 June 1999. Date of Access: 15 May 2007. http://www.g7.utoronto.ca/summit/1999koln/g7statement_june18.htm.

⁴³ G7 Statement, G8 Summit Köln 1999, (Köln), 18 June 1999. Date of Access: 15 May 2007. http://www.g7.utoronto.ca/summit/1999koln/g7statement_june18.htm.

⁴⁴ G8 Statement on Trade, G8 Summit St. Petersburg 2006, (St. Petersburg), 16 July 2006. Date of Access: 14 May 2007. <http://www.g8.utoronto.ca/summit/2006stpetersburg/trade.html>.

⁴⁵ Pre-Summit Statement by G8 Finance Ministers, G8 Finance Ministers, (Essen), 19 May 2007. Date of Access: 15 May 2007. <http://www.g8.utoronto.ca/finance/fm070519.htm>.

⁴⁶ Pre-Summit Statement by G8 Finance Ministers, G8 Finance Ministers, (Essen), 19 May 2007. Date of Access: 15 May 2007. <http://www.g8.utoronto.ca/finance/fm070519.htm>.

and the increasing complexity of the instruments they trade, we reaffirmed the need to be vigilant.”⁴⁷

Objective 1: Reducing Global Imbalances

In light of the U.S. balance of payments deficit and large currency reserves in Asia, reducing global imbalances ranks high on the G8 agenda. On 24 January 2007, Chancellor Merkel, in her keynote speech at the Davos World Economic Forum, stated that “We want to continue the G8’s joint efforts to reduce the strong global imbalances, for example in exchange rates or oil supplies.”⁴⁸ On 27 July 2006, the Financial Times reported that Chancellor Merkel will focus the summit’s attention on global economic matters, such as global imbalances.⁴⁹ This is supported by statements such as that by German Sherpa Bernd Pfaffenbach, who stated on 30 March 2007 that “One of the core topics to be discussed is global imbalances, so one has to look that each of the heads of state and government is in conformity with the analysis and is willing to fulfill the tasks that will be defined and agreed at the upcoming summit... If they, for example, declare themselves in favour of open markets and free investment flows, I have the clear feeling that this will create more trust and confidence in the markets.”⁵⁰

The Heiligendamm Summit will very likely reaffirm the commitment of the G8 to open markets and competition as mechanisms for continued growth, and the adjustment of global imbalances will ostensibly be tabled as a long-term commitment. Among the most pertinent topics likely to be discussed with regards to the adjustment of global imbalances are Asian foreign currency reserves, great flexibility of the Chinese yuan, the American twin deficit, and the need for further structural reforms in Europe and Japan.⁵¹

The summit declarations at Heiligendamm will likely underscore the progress made to date in addressing global imbalances, including the reduction of the federal budget deficit by the U.S. as well as the strengthened domestic demand in Europe, an improved financial sector in Japan, and increased imports and investment growth in Russia, all of which will be attributed to structural reforms.⁵² The declarations will call for continued efforts on the part the U.S. to balance its federal budget by 2012 and for Europe to continue its structural reforms as outlined in the Lisbon strategy.⁵³

Among the most pertinent topics on the agenda for reducing the global imbalance will involve support for shifting countries “with large and persistent account surpluses, particularly China, to move towards a more flexible and market-based exchange rate system along with continued reforms to rebalance growth more towards domestic demand, thus enhancing its sustainability.”⁵⁴

⁴⁷ Pre-Summit Statement by G8 Finance Ministers, G8 Finance Ministers, (Essen), 19 May 2007. Date of Access: 15 May 2007. <http://www.g8.utoronto.ca/finance/fm070519.htm>.

⁴⁸ Opening Address by Angela Merkel, Chancellor of the Federal Republic of Germany, at the World Economic Forum on 24 January 2007 in Davos (transcript), translation, World Economic Forum, (Davos), 24 January 2007. Date of Access: 2 May 2007. http://www.weforum.org/pdf/AM_2007/merkel.pdf.

⁴⁹ Germany plans to shake up G8 agenda, Financial Times, (London), 27 July 2006. Date of Access: 2 May 2007. www.g7.utoronto.ca/evaluations/2007heilgendamm/2007agenda.html.

⁵⁰ German G8 Summit agenda to seek balanced growth, Reuters News, (London), 30 March 2007. Date of Access: 1 May 2007. www.g7.utoronto.ca/evaluations/2007heilgendamm/2007agenda.html.

⁵¹ Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit, University of Toronto G8 Research Group, (Toronto), 16 May 2007. Date of Access: 14 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007agenda.html>.

⁵² Growth and Responsibility in the World Economy – Draft Summit Declarations, G8 Summit 2007 Heiligendamm, (Berlin), February 2007. Date of Access: 1 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007-leaked-doc.pdf>.

⁵³ Growth and Responsibility in the World Economy – Draft Summit Declarations, G8 Summit 2007 Heiligendamm, (Berlin), February 2007. Date of Access: 1 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007-leaked-doc.pdf>.

⁵⁴ Growth and Responsibility in the World Economy – Draft Summit Declarations, G8 Summit 2007 Heiligendamm, (Berlin), February 2007. Date of Access: 1 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007-leaked-doc.pdf>.

The G8 is also likely to continue encouraging oil-producing countries to invest in economic and employment diversification.⁵⁵

There will be significant agreement on the issues of global imbalances set forth on the Heiligendamm Summit agenda and the prospective statement declarations outlined herein are likely to be accepted by the G8 leaders. Potential stymies to consensus might include objections to further integrating China into a market-based exchange rate system for fear of triggering an economic downturn in the Chinese economy similar to that experienced on 27 February 2007, which was in part the result of fears about accelerating inflation. Furthermore, there may be resistance to applying political pressure to oil-producing countries at a time when the energy market is so volatile. Finally, Europe may be disinclined to continue its structural reforms because of the low value of the Japanese yen, which is resulting in higher exports in Japan ostensibly at Europe's expense. Both Germany and Japan, however, are dismissive of the possibility that the yen might assume a central part of the G8 agenda.⁵⁶

Success on this objective at Heiligendamm will be determined by the ability of the G8 to develop a declaration on reducing global imbalances to which China and other countries with significant account surpluses will be amenable to adopting.

Objective 2: Financial Stability and Transparency of Financial Markets

On 11 May 2007, German chancellery minister Thomas de Maiziere was cited as saying that Berlin has put hedge funds on the Heiligendamm Summit agenda in order to maintain financial stability.⁵⁷ This followed Chancellor Merkel's remarks at the Davos World Economic Forum on 24 January 2007, where she stated her intention to "minimize the international capital market's systemic risks while increasing their transparency." She further states, "Let me make it very clear that I see much room for improvement, especially regarding hedge funds."⁵⁸

Hedge funds are estimated to have doubled in the past five years, with an approximately 9,400 operated worldwide at the end of 2006. The funds now manage an estimated USD1.4 trillion, an amount which has tripled since the end of 2001.⁵⁹ The debate over the regulation of hedge funds became a political issue in Germany after a hedge fund forced Deutsche Boerse CEO Werner Seifert to step down in 2005 in a dispute over the German stock exchange's attempt to take over the London Stock Exchange.⁶⁰

On 15 March 2007, German Finance Minister Peer Steinbrueck insisted that the addition of hedge funds to the Heiligendamm Summit agenda was not an attempt to establish an international organization aimed at the regulation of hedge funds, but rather to create financial transparency so as to prevent potential financial crises, protect investors and maintain market integrity.⁶¹

⁵⁵ Growth and Responsibility in the World Economy – Draft Summit Declarations, G8 Summit 2007 Heiligendamm, (Berlin), February 2007. Date of Access: 1 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

⁵⁶ Berlin, Tokyo play down idea of G7 action on yen, Reuters, (London), 25 January 2007. Date of Access: 17 May 2007. <http://www.reuters.com/article/bondsNews/idUSL2557134120070125>.

⁵⁷ Africa, climate, investment on Germany's agenda for G8 summit, Agence France Presse, (Paris), 11 May 2007. Date of Access: 17 May 2007. http://news.yahoo.com/s/afp/20070511/wl_afp/g8africaaidgermany.

⁵⁸ Opening Address by Angela Merkel, Chancellor of the Federal Republic of Germany, at the World Economic Forum on 24 January 2007 in Davos (transcript), translation, World Economic Forum, (Davos), 24 January 2007. Date of Access: 2 May 2007. http://www.weforum.org/pdf/AM_2007/merkel.pdf.

⁵⁹ Germany talks down chances of hedge funds accord at G8 finance meeting, Associated Press, (Washington DC), 18 May 2007. Date of Access: 19 May 2007. <http://www.canada.com/topics/news/world/story.html?id=59866da5-2325-41c9-b59c-1f3f593eed29&k=14546>.

⁶⁰ Germany talks down chances of hedge funds accord at G8 finance meeting, Associated Press, (Washington DC), 18 May 2007. Date of Access: 19 May 2007. <http://www.canada.com/topics/news/world/story.html?id=59866da5-2325-41c9-b59c-1f3f593eed29&k=14546>.

⁶¹ Germany pressing ahead on hedge funds but plan by summer could be elusive, Associated Press Newswires, (Washington DC), 15 March 2007. Date of Access: 16 May 2007. <http://www.g7.utoronto.ca/evaluations/2007heiligendamm/2007agenda.html>.

It is unlikely, however, that a consensus will be reached at Heiligendamm with respect to hedge funds aside, perhaps, from an ambiguous statement calling for greater transparency from the hedge fund industry.⁶² Germany faces stiff opposition in this matter from the U.K. and the U.S., where the majority of hedge funds are based. As a result, Chancellor Merkel has reportedly dropped a proposal to establish a global database of hedge fund holdings from the summit agenda.⁶³ However, Britain reportedly plans to propose an international monitoring system which would detect any threat to the financial system from hedge funds.⁶⁴

Given the opposition of the U.S. and the U.K. and the relative indifference of Japan, France, Canada and Russia, it is unlikely that the G8 will be able to reach a consensus at Heiligendamm which requires the hedge fund industry to voluntarily submit to a code of behaviour promoting financial transparency as a means of maintaining global financial stability.

The hedge fund objectives of the German Presidency can be considered successful at Heiligendamm if the G8 is able to reach a consensus around the governance or regulation of hedge funds.

Also under the auspices of enhancing global financial stability, the G8 will commit to encouraging the development of local bond markets in emerging market economies and developing countries. An action plan to this effect was released by the G8 Finance Ministers following their meeting in Potsdam on 19 May 2007. The plan was premised on the notion that "modern and efficient domestic market structures make important contributions to financial intermediation, financial stability and sustained economic growth. Deep and well functioning local currency bond markets in Emerging Market Economies (EME) as well as in developing countries are key in this respect."⁶⁵ The plan includes provisions for strengthening market infrastructure and public debt management, broadening and diversifying the investor base, developing derivative and swap markets, broadening the database on EME bond markets, promoting regional initiatives.⁶⁶ The plan also calls on the IMF and World Bank to play key roles in the provision of technical assistance and policy advice, the creation of indicators of bond market development and the establishment of best practices.⁶⁷ At Heiligendamm, the G8 will ostensibly reiterate the commitments made by the finance ministers at Potsdam, and will likely emphasize the contributions the G8 Action Plan for Developing Local Bond Markets in Emerging Market Economies and Developing Countries will offer for Africa, given the priorities of the German Presidency.

The initiative of the German Presidency with respect to establishing local bond markets can be considered a success if the G8 releases a statement at Heiligendamm which not only supports such bond markets, but also provides the means necessary to see their successful development. This may possibly include such measures as an investment minimum guarantee plan financed by the G8 member states that protects investors from insolvent banking or investment institutions.

By: Cliff Vanderlinden

⁶² Hedge funds survey reveals lower gearing, Financial Times, (London), 1 May 2007. Date of Access: 17 May 2007. <http://www.ft.com/cms/s/0a163ede-f937-11db-9b6b-000b5df10621.html>.

⁶³ Hedge funds survey reveals lower gearing, Financial Times, (London), 1 May 2007. Date of Access: 17 May 2007. <http://www.ft.com/cms/s/0a163ede-f937-11db-9b6b-000b5df10621.html>.

⁶⁴ Hedge funds survey reveals lower gearing, Financial Times, (London), 1 May 2007. Date of Access: 17 May 2007. <http://www.ft.com/cms/s/0a163ede-f937-11db-9b6b-000b5df10621.html>.

⁶⁵ G8 Action Plan for Developing Local Bond Markets in Emerging Market Economies and Developing Countries. G8 2007 Finance Ministers Meeting, (Potsdam), 19 May 2007. Date of Access: 29 May 2007. www.g8.utoronto.ca/finance/g8finance-bond.pdf.

⁶⁶ G8 Action Plan for Developing Local Bond Markets in Emerging Market Economies and Developing Countries. G8 2007 Finance Ministers Meeting, (Potsdam), 19 May 2007. Date of Access: 29 May 2007. www.g8.utoronto.ca/finance/g8finance-bond.pdf.

⁶⁷ G8 Action Plan for Developing Local Bond Markets in Emerging Market Economies and Developing Countries. G8 2007 Finance Ministers Meeting, (Potsdam), 19 May 2007. Date of Access: 29 May 2007. www.g8.utoronto.ca/finance/g8finance-bond.pdf.

Innovation and Sustainability

At the 2005 Gleneagles Summit, the G8 made a commitment to promote innovation through the protection of Intellectual Property Rights (IPR) – a commitment which was reaffirmed at the St. Petersburg Summit in 2006, notably with efforts to stop the trade of counterfeit goods.⁶⁸ Efforts to enhance the protection of IPR and prevention of trademark piracy are expected to assume an even more prominent position on the agenda at the upcoming summit in Heiligendamm, Germany.⁶⁹ The issue will also intersect the German G8 Presidency's sustainable growth theme; protection and support for innovation in the sustainable technologies sectors underlies a portion of the summit's climate change priorities, and fostering innovation is seen as a critical part of economic growth strategies for developing countries.

Objective 1: Intellectual Property Rights (IPR)

The institution of a more stringent international legal framework for IPR protection has come to the forefront of contemporary economic and political relations. It is estimated that roughly EUR120 billion annually is lost due to the sale of copycat products, a financial loss that hits developed economies hardest.⁷⁰ German Chancellor Angela Merkel has also focused heavily on strengthening international frameworks for the protection of intellectual property rights by emphasizing its importance in several communiqués and ensuring its prominence on the upcoming G8 Summit agenda.⁷¹ On 27 January 2007 at the Davos World Economic forum, Chancellor Merkel stated, "we want to support innovation as the key to growth and prosperity, and markedly advance the effective worldwide protection of intellectual property."⁷²

Intellectual property rights have also proven an imperative and recurrent issue for several of the G8 nations, for example the United States (US).⁷³ Further, the European Union (EU) recently adopted a Directive for the harmonization of domestic consequences for IPR infringement, signaling global trends towards the tightening of intellectual property law.⁷⁴ Japan is also heavily in favour of more stringent IPR agreements in order to protect the integrity of domestic technological innovations.⁷⁵

In the recently leaked draft declaration, the G8 "strongly" reaffirms its "commitment to combat piracy and counterfeiting...in the interest of consumers in all countries at all levels of

⁶⁸ Worldwide international measures against product piracy, The German Federal Government, (Berlin), 2007. Date of Access: 15 May 2007. http://www.bmj.de/enid/G8_Presidency_2__7/Worldwide_international_measures_against_product_piracy_1bh.html.

⁶⁹ Focuses of the German G8 presidency, G8 Summit 2007, Heiligendamm, The German Federal Government, (Berlin), 18 October 2006. Date of Access: 15 May 2007 <http://www.g-8.de/Webs/G8/EN/G8Summit/Agenda/agenda.html>.

⁷⁰ Joining forces to combat product piracy, G8 Summit 2007, Heiligendamm, The German Federal Government, (Berlin), 12 April 2007. Date of Access: 15 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-12-produktpiraterie-g8__en.html.

⁷¹ Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit. Laura Sunderland, G8 Research Group (Toronto) 24 May 2007. Date of Access: 25 May 2007. www.g8.utoronto.ca.

⁷² Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit. Laura Sunderland, G8 Research Group (Toronto) 24 May 2007. Date of Access: 25 May 2007. www.g8.utoronto.ca.

⁷³ USTR Toughens IP Stance on China, Russia, Thailand; Praises EY, Brazil. Intellectual Property Watch, 30 April 2007. Date of Access: 23 May 2007 <http://www.ipwatch.org/weblog/index.php?p=602&res=1280&print=0>.

⁷⁴ Enforcement of Intellectual Property Rights. EurActiv, InfoSociety Policy Sections (Brussels) 16 May 2007. Date of Access: 23 May 2007. <http://www.euractiv.com/en/infosociety/enforcement-intellectual-property-rights/article-117513>.

⁷⁵ Japan and India Sign MoU on Intellectual Property Rights, Discontents, (Tokyo), 25 May 2007. Date of Access: 5 June 2007. <http://discontents.wordpress.com/2007/05/25/japan-and-india-sign-mou-on-intellectual-property-rights>.

development.”⁷⁶ In support of this goal, the document offers the G8 nations’ support for pre-existing mechanisms for international IPR regulation, including the World Intellectual Property Organization (WIPO), the World Trade Organization (WTO), and the World Customs Organization (WCO)⁷⁷ and the encouragement of cooperative actions amongst G8 nations with regards to the criminal prosecution of IPR infringement.⁷⁸ The most pressing objective within the G8’s draft declarations will be the creation of a strong dialogue between the developed nations and Newly Industrialized Countries (NICs) to identify problem areas and strengthen the IPR legal frameworks within those NICs.⁷⁹

It is unknown how much this draft documentation reflects pre-negotiated consensus by G8 members, or if it instead reflects a German-guided starting position. Germany has previously announced that a number of these initiatives would form the core of its efforts towards intellectual property rights, including both “improved co-operation in the field of criminal prosecution” and a promise to create a “structured dialogue with important emerging countries” about technological cooperation to “build up and extend functioning institutions for enforcement of [IPR] law.”⁸⁰ Given criticisms by the US, and to a degree Germany, about the IPR policies of Canada and Russia, it is unclear whether any concrete commitments to strengthen domestic IPR policies are also on the table.

Despite differences in domestic IPR regimes there seems to be a sufficient consensus or at least tacit support for IPR as a G8 agenda item. The G8 will likely agree to a framework that formalizes cooperation in the areas of criminal prosecution of IPR crime. It is also likely to recognize and commit to a wide range of international institutions already created to deal with IPR issues, possibly strengthening collaborative partnerships within these.

A key G8 focus in IPR relates to the proposed structured dialogue with emerging countries. At the G8 Business Summit in Berlin on 4 April 2007, key G8 industry leaders met for the first time to discuss economic development in the context of globalization and international challenges.⁸¹ At the April meeting, Chancellor Merkel drew attention to the challenges that globalization poses to intellectual property.⁸² In recognition of a need for international synchronicity on intellectual property regulations, Merkel stated her intention to hold meetings with the governments of emerging economies in order to work towards an international policy framework on this matter.⁸³ Brazil, China, India, Mexico, and South Africa, the G8’s Outreach 5 (O5), will thus be heavily

⁷⁶ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency (Berlin) February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligidamm/2007-leaked-doc.pdf>.

⁷⁷ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency (Berlin) February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligidamm/2007-leaked-doc.pdf>.

⁷⁸ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency (Berlin) February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligidamm/2007-leaked-doc.pdf>.

⁷⁹ Canada on U.S. blacklist over intellectual piracy, CBC News (Ottawa) 14 February 2007. Date of Access: 15 May 2007. <http://www.cbc.ca/arts/story/2007/02/14/copyright-pressure.html>.

⁸⁰ Worldwide international measures against product piracy, The German Federal Government, (Berlin), 2007. Date of Access: 15 May 2007. http://www.bmj.de/enid/G8_Presidency_2__7/Worldwide_international_measures_against_product_piracy_1bh.html.

⁸¹ Globalization: Grasping opportunities and minimizing risks, G8 Summit 2007, Heiligendamm, The German Federal Government (Berlin) 24 April 2007. Date of Access: 15 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-25-merkel-g8-business-summit__en.html.

⁸² Globalization: Grasping opportunities and minimizing risks, G8 Summit 2007, Heiligendamm, The German Federal Government (Berlin) 24 April 2007. Date of Access: 15 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-25-merkel-g8-business-summit__en.html.

⁸³ Globalization: Grasping opportunities and minimizing risks, G8 Summit 2007, Heiligendamm, The German Federal Government (Berlin) 24 April 2007. Date of Access: 15 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-25-merkel-g8-business-summit__en.html.

included in the attempted formulation of a transnational policy framework for the implementation of intellectual property rights.⁸⁴

Negotiations with O5 nations will prove a challenge, as China has recently led developing economies such as Brazil, India, and South Africa in calling for greater equity in international IPR regimes.⁸⁵ Further, with the growth of China's economy and its current position as world leader in the production and export of pirated goods any truly successful framework for action requires a strong backing by the Chinese government.⁸⁶ Though China is a signatory to the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), China's implementation of TRIPS' minimum regulatory requirements has not prevented a burgeoning domestic production of counterfeit goods.⁸⁷ Further, China has proven largely unreceptive to demands of the US for the implementation of more stringent IPR regulations. Reaching a successful agreement with the O5 will therefore require the satisfaction of China's demands for trade equity which is unlikely to be achieved at the Heiligendamm Summit.

Given the contemporary political environment, success at the G8 Summit will therefore consist of a commitment among G8 nations towards criminal prosecution measures for IPR infringement. A successful outcome will also consist of a re-affirmation of commitments to existing IPR regulatory frameworks, such as TRIPS and WIPO. Importantly, in order to make headway on the issue of international IPR, the procurement of a structured dialogue with O5 nations will be necessary. Given the attention lent to the issue by Germany and the presence of considerable political will amongst G8 nations, reaching a consensus at the Heiligendamm Summit is likely.

Objective 2: Prevention of Piracy

On 12 April 2007 the German G8 Presidency called for increased action by states and industry on the international growth of intellectual property piracy.⁸⁸ Chancellor Merkel proposed a dialogue with developing market economies, which includes the establishment of electronic information systems aimed at the identification of pirated materials.⁸⁹ Chancellor Merkel also proposed customs and border controls as part of a policy framework aimed at decreasing both the supply of and demand for counterfeit and pirated goods.⁹⁰ Germany has also formed an alliance between government and industry concerning innovation protection policies and anti-piracy measures, which it hopes to forward as a model for other developed nations.⁹¹ On 11 April 2007 German Sherpa

⁸⁴ Joining forces to combat product piracy, G8 Summit 2007, Heiligendamm, The German Federal Government, (Berlin), 12 April 2007. Date of Access: 15 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-12-produktpiraterie-g8__en.html.

⁸⁵ China Leads Developing Country Push for Balance in IP and Standards, Intellectual Property Watch, (Beijing), 24 April 2007. Date of Access: 5 June 2007. <http://www.ip-watch.org/weblog/index.php?p=599&res=1280>.

⁸⁶ USTR Toughens IP Stance on China, Russia, Thailand; Praises EY, Brazil. Intellectual Property Watch, 30 April 2007. Date of Access: 23 May 2007 <http://www.ipwatch.org/weblog/index.php?p=602&res=1280&print=0>.

⁸⁷ Protecting Your Intellectual Property Rights (IPR) in China, A practical guide for U.S. Companies, U.S. Department of Commerce, International Trade Administration, (Washington), January 2003. Date of Access: 23 May 2007. <http://www.mac.doc.gov/China/Docs/BusinessGuides/IntellectualPropertyRights.htm>.

⁸⁸ Joining forces to combat product piracy, G8 Summit 2007, Heiligendamm, The German Federal Government, (Berlin), 12 April 2007. Date of Access: 15 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-12-produktpiraterie-g8__en.html.

⁸⁹ Joining forces to combat product piracy, G8 Summit 2007, Heiligendamm, The German Federal Government, (Berlin), 12 April 2007. Date of Access: 15 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-12-produktpiraterie-g8__en.html.

⁹⁰ G8 to address piracy and Customs, Managing Intellectual Property Weekly News. 1 May 2007. Date of Access 15 May 2007 <http://www.managingip.com/?Page=9&PUBID=198&ISS=23789&SID=684501>.

⁹¹ 2007 G8 Summit: "Messe Frankfurt Against Copying" initiative offers inspiration for working paper of German government, Messe Frankfurt (Frankfurt) 24 April 2007. Date of Access: 15 May 2007. http://www.messefrankfurt.com/corporate/en/pressecenter_news.html?guid=mf_ddsp147_11045&language=en&show_date_detail=yes.

Bernd Pfaffenbach confirmed that the German Presidency has set the objective of reaching a joint position against product and brand piracy at Heiligendamm.⁹²

The leaked draft declaration posits the adoption of concrete measures to combat piracy through three objectives, the first of which is to encourage the identification of areas for concrete action by the OECD.⁹³ Further, objectives include the endorsement of a new Framework for Technical Assistance for capacity building of regulatory bodies in developing nations.⁹⁴ Finally, the draft declaration mentions the coordination of national customs administrations and the implementation of a new international customs information system for the tracking of pirated items. These complement previous initiatives promised by the German government, notably the formation of best practices and the development of an international IPR customs information system. Further, promises have been made to create a complementary commitment to use the structured IPR dialogue to tackle international piracy initiatives as well.⁹⁵

Recent bilateral disagreements relating to IPR regarding G8 countries importantly include the US, one of the strongest advocates of anti-piracy legislation, who has criticized efforts by both Canada and Russia on the regulation of piracy through the development of domestic legal infrastructure.⁹⁶ The US has also particularly criticized the O5 nation of China for its lax policies on piracy prevention aggravating political tensions between the two nations.⁹⁷

There exists sufficient agreement on the topic of anti-piracy laws to suggest a verbal consensus at the upcoming summit. Thus, the G8 will need to use the summit to commit to coordinating national customs regimes in order to keep track of pirated items. A successful outcome will include commitments by each nation to a structured dialogue with O5 nations, most importantly China on piracy prevention and restriction. Merkel's heavy focus on cooperation amongst developed nations and NIC's as reflected in the draft declaration suggests that the G8 will pursue the collaborative means necessary to begin stronger relations in this respect which may serve to catalyze more constructive dialogue between the two groups of nations.

Objective 3: Support for Sustainability

Climate change has emerged throughout 2006 and 2007 as a top political priority—internationally and domestically—for all G8 member states. At the 24 April 2007 G8 Business Leaders' meeting, Chancellor Merkel drew further attention to the need for innovation and technology to mitigate climate change and economic growth.⁹⁸ The coupling of innovation and sustainable growth was also high on the agenda of the G8-UNESCO world forum held in Italy between 10 May and 12 May 2007.⁹⁹ At the 15-16 March 2007 G8 Development Minister's meeting, the need to support

⁹² Innovation and Trademark Protection, Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit, G8 Research Group, (Toronto), 30 April 2007. Date of Access: 15 May 2007. <http://www.g7.utoronto.ca/evaluations/2007heiligendamm/2007agenda.html>.

⁹³ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency, (Berlin), February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

⁹⁴ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency (Berlin) February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

⁹⁵ Worldwide international measures against product piracy, The German Federal Government, (Berlin), 2007. Date of Access: 15 May 2007.

http://www.bmj.de/enid/G8_Presidency_2__7/Worldwide_international_measures_against_product_piracy_1bh.html.

⁹⁶ Canada on U.S. blacklist over intellectual piracy, CBC News (Ottawa) 14 February 2007. Date of Access: 15 May 2007. <http://www.cbc.ca/arts/story/2007/02/14/copyright-pressure.html>.

⁹⁷ Canada on U.S. blacklist over intellectual piracy, CBC News (Ottawa) 14 February 2007. Date of Access: 15 May 2007. <http://www.cbc.ca/arts/story/2007/02/14/copyright-pressure.html>.

⁹⁸ Globalization: Grasping opportunities and minimizing risks, G8 Summit 2007, Heiligendamm, The German Federal Government (Berlin) 24 April 2007. Date of Access: 15 May 2007. <http://www.managingip.com/?Page=9&PUBID=198&ISS=23789&SID=684501>.

⁹⁹ G8-UNESCO World Forum on 'Education, Research and Innovation: New Partnership for Sustainable Development', G8-UNESCO World Forum 2007 (Trieste) 10 May 2007. Date of Access: 15 May 2007 <http://g8forum.ictp.it/>.

innovation towards climate change alleviation and the achievement of sustainable growth was also affirmed.¹⁰⁰

The German Presidency has set goals for the G8 to become world leaders within the environmental innovation sector.¹⁰¹ While the US has strongly contested the proposed Climate Change agenda of the German and European G8 members, it has agreed to a focus on supporting sustainable technology and innovation as a means of combating the climate crisis.¹⁰² At the 4 June 2007 Canada-EU Summit Prime Minister Stephen Harper also pledged his commitment to the fostering of sustainable technologies development.¹⁰³

Emerging instruments for the promotion of innovation at the Heiligendamm Summit are likely to keep with Merkel's collaborative framework for G8 nation dialogue with NIC's, whilst promoting market-based research initiatives.¹⁰⁴ Further, the G8 will likely support the development of a 10-year Research Agenda by the OECD with the expectation that initiatives towards the sustainable use of water and land will occupy a portion of the agenda.¹⁰⁵ Due to the high profile nature of climate change in the current international arena, a successful agreement on mechanisms to promote innovation for sustainable development will need to take the form of commitments towards financial support for the OECD's Research Agenda and its implementation, and a policy dialogue with NIC's through the OECD framework.¹⁰⁶ Success in this respect is likely given the high profile nature of sustainable development as an international issue and the already high levels of support from the majority of G8 nations, especially Germany and the US.

By: Courtney Hood

¹⁰⁰ G8 Environmental Ministers – Chair's Conclusions, G8 Canada, Government of Canada. 16 March 2007. Date of Access: 15 May 2007 http://www.g8.gc.ca/chairs_summary_final_2-Development%20ministers-en.asp.

¹⁰¹ International Environmental Policy, Federal Ministry of the Environment, Nature Conservation and Nuclear Safety, (Berlin), December 2006. Date of Access: 15 May 2007. http://www.bmu.de/english/international_environmental_policy/g8_presidency_2007/doc/38335.php.

¹⁰² G8 Divided on Climate Change, Dispatch, (Cape Town), n.d. Date of Access: 5 June 2007. <http://www.dispatch.co.za/2007/05/31/Foreign/ag8.html>.

¹⁰³ 2007 EU-Canada Summit Statement, Office of the Prime Minister, (Ottawa), 4 June 2007. Date of Access: 5 June 2007. <http://www.pm.gc.ca/eng/media.asp?id=1683>.

¹⁰⁴ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency (Berlin) February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

¹⁰⁵ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency (Berlin) February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

¹⁰⁶ Growth and Responsibility in the World Economy: DRAFT Summit Declarations- February 2007, G8 Presidency (Berlin) February 2007. Date of Access: 23 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

Freedom of Investment and Social Responsibility

Commitments espousing the reduction of protectionist measures are a staple of G8 summits. At the London Summit in 1977, the G7 acknowledged the “need to maintain [a] political commitment to an open and nondiscriminatory world trading system.”¹⁰⁷ In 1983 at the Williamsburg Summit, this aim was restated more directly as a commitment to “halt protectionism and as recovery proceeds to reverse it by dismantling trade barriers.”¹⁰⁸ This commitment was reiterated in 1989 at the Paris Summit, where protectionism was identified as a “real threat” that the G7 would “fight in all its forms.”¹⁰⁹ The issue emerged again at the Tokyo Summit in 1993, where the G7 restated its determination to “curb protectionism in all its manifestations.”¹¹⁰ Emphasis on the need for more open international markets was also manifested at the 1995 Summit in Halifax, where the G7 called for the full implementation of the Uruguay Round Agreements, and concomitantly reaffirmed its “commitment to resist protectionism in all its forms.”¹¹¹

The focus of the G8 with respect to the reduction of trade barriers has historically centred on the international goods market, with the intention of fostering an open global economy engaged in liberalized trade practices. The German Presidency at Heiligendamm will revisit the issue of protectionism, but with a focus on global investment markets. On 24 January 2007, Chancellor Merkel articulated the German Presidency’s priority of “putting economic themes back to the forefront of the [G8] agenda,” with the aim of increasing “the options for global investment and [...] the equal treatment of cross-border and domestic investment.”¹¹² The objectives set by the Germany Presidency in the area of investment centre on the curtailing of investment protectionism and the social dimension of globalization.

Objective 1: Investment Protectionism

On 29 November 2006, German Sherpa Bernd Pfaffenbach stated that “free movement of investment and capital is an important fundament for the global economy and must be protected by reliable rules. We want to jointly work on this with our G8 partners.”¹¹³ According to Mr. Pfaffenbach, the share of measures taken by national governments on investment promotion “that were protectionist [...] increased from 2 to 3 per cent in the 1990s to 20 per cent [in 2007].”¹¹⁴ On 10 April 2007, Mr. Pfaffenbach acknowledged that Germany would release a G8 communiqué opposing investment protectionism, stating that the German Presidency would forward “a specific G8 recommendation for the first time against ‘double regimes’, where investment by foreign companies is discriminated against compared with domestic investment.”¹¹⁵ The objective specifically targets China and its restrictions on investments by foreign multinational corporations,

¹⁰⁷ All G7/8 Commitments 1975-2006, G8 Research Group, (Toronto), 2006. Date of Access: 5 June 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹⁰⁸ All G7/8 Commitments 1975-2006, G8 Research Group, (Toronto), 2006. Date of Access: 5 June 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹⁰⁹ All G7/8 Commitments 1975-2006, G8 Research Group, (Toronto), 2006. Date of Access: 5 June 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹¹⁰ All G7/8 Commitments 1975-2006, G8 Research Group, (Toronto), 2006. Date of Access: 5 June 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹¹¹ All G7/8 Commitments 1975-2006, G8 Research Group, (Toronto), 2006. Date of Access: 5 June 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹¹² Opening Address by Angela Merkel, Chancellor of the Federal Republic of Germany, at the World Economic Forum on 24 January 2007 in Davos (transcript), translation, World Economic Forum, (Davos), 24 January 2007. Date of Access: 2 May 2007. http://www.weforum.org/pdf/AM_2007/merkel.pdf.

¹¹³ Germany Criticizes Protectionism; Adds To G8 Agenda, Dow Jones International News, (New York), 29 November 2006. Date of Access: 19 May 2007.

¹¹⁴ Berlin presses for emerging nations' role at G8 summits, Financial Times, (London), 10 April 2007. Date of Access: 27 May 2007. <http://search.ft.com/ftArticle?queryText=Berlin+presses+for&y=0&aje=true&x=0&id=070125000838>.

¹¹⁵ Berlin presses for emerging nations' role at G8 summits, Financial Times, (London), 10 April 2007. Date of Access: 27 May 2007. <http://search.ft.com/ftArticle?queryText=Berlin+presses+for&y=0&aje=true&x=0&id=070125000838>.

but also takes aim at protectionism in industrialized countries, such as the US oil and ports sectors.¹¹⁶

The Organization of Economic Cooperation and Development (OECD) has long supported the imposition of measures aimed at curtailing investment protectionism, particularly within the context of the Doha Development Round. The OECD attributes the sharp rise in investment protectionism to security concerns, but warns that "while governments have a responsibility to safeguard national security, yielding to nationalist and protectionist impulses carries a heavy cost [...] Increasing barriers to cross-border ownership will impede the financing of new investment, hold back corporate efficiency gains and discourage innovation. The price of investment protectionism is a slower pace of sustainable development."¹¹⁷ Given that all of the G8 member states with the exception of Russia are also members of the OECD, it is likely that they would be in favour of the OECD position on investment protectionism and thus be amenable to engaging the issue at Heiligendamm.

Several G8 leaders have already signaled their willingness to engage in dialogue around reducing barriers to foreign direct investment. On 10 May 2007, President Bush noted that his administration would "work vigorously to promote open investment policies and free trade on a level playing field."¹¹⁸ In the Open Economies Policy Statement released by the Bush administration on 10 May 2007, the US pledged to "actively target unreasonable and discriminatory barriers to investment."¹¹⁹

In a meeting between G7 finance ministers and central bank governors held on 13 April 2007 in Washington DC, investment protectionism received substantial attention. A statement released following the meeting acknowledged that the participants "look forward to further progress being made on cross-border access by investors to our securities markets."¹²⁰

The German Presidency has furthermore noted that the current global investment conditions are selectively biased against emerging market economies and developing countries.¹²¹ Chancellor Merkel will therefore use Heiligendamm as a platform for maximizing the FDI benefits for developing countries.¹²²

Given the position of the OECD, the G7 Finance Ministers and several G8 leaders, it is likely that the G8 will reiterate its commitment to resist protectionism, with specific reference to investments. However, it is difficult to postulate whether China will comply with any global mechanism aimed at governing private investment that stems from Heiligendamm.

Success with respect to this objective can be evaluated on the basis of the formation of an international agreement that substantively reduces barriers to foreign direct investment.

¹¹⁶ Berlin presses for emerging nations' role at G8 summits, Financial Times, (London), 10 April 2007. Date of Access: 27 May 2007.

<http://search.ft.com/ftArticle?queryText=Berlin+presses+for&y=0&aje=true&x=0&id=070125000838>.

¹¹⁷ Preventing investment protectionism, Organisation for Economic Co-operation and Development, (Paris), 30 March 2007. Date of Access: 5 June 2007.

http://www.oecd.org/document/7/0,2340,en_2649_34863_37363207_1_1_1_1,00.html.

¹¹⁸ President Bush's Statement on Open Economies, Office of the Press Secretary, (Washington DC), 10 May 2007. Date of Access: 5 June 2007. <http://www.whitehouse.gov/news/releases/2007/05/20070510-3.html>.

¹¹⁹ Open Economies Policy Statement, Office of the Press Secretary, (Washington DC), 10 May 2007. Date of Access: 5 June 2007. <http://www.whitehouse.gov/news/releases/2007/05/20070510-2.html>.

¹²⁰ Statement by G7 Finance Ministers and Central Bank Governors, G7 Finance Ministers and Central Bank Governors, (Washington DC), 13 April 2007. Date of Access: 5 June 2007. <http://www.g8.utoronto.ca/finance/fm070413.htm>.

¹²¹ Berlin presses for emerging nations' role at G8 summits, Financial Times, (London), 10 April 2007. Date of Access: 27 May 2007.

<http://search.ft.com/ftArticle?queryText=Berlin+presses+for&y=0&aje=true&x=0&id=070125000838>.

¹²² Growth and Responsibility in the World Economy – Draft Summit Declarations, G8 Summit 2007 Heiligendamm, (Berlin), February 2007. Date of Access: 1 May 2007.

<http://www.g8.utoronto.ca/evaluations/2007heiligidamm/2007-leaked-doc.pdf>.

Objective 2: The Social Dimension of Globalization

Chancellor Merkel has stated that one of her objectives for Heiligendamm is "making globalization socially equitable."¹²³ This follows an article written by German Sherpa Bernd Pfaffenbach, where he acknowledges that "the G8 countries bear a particularly large responsibility for shaping the social dimension of the globalization process [...] The further development of social security systems, also in the emerging countries, represents an important task for the future."¹²⁴

Among the issues to be addressed under this objective is the promotion and further development of social standards, which includes support for the four pillars of the International Decent Work Agenda, i.e. the effective implementation of social standards, the creation of more productive employment, further development of inclusive social protection systems, and the support of social dialogue between the different stakeholders.¹²⁵ To this end, the Labour and Employment Ministers from the G8 countries and the European Commissioner for Employment, Social Affairs and Equal Opportunities met in Dresden from 6 to 8 May 2007, together with representatives of the International Labour Organisation and the OECD. The meeting was entitled 'Shaping the Social Dimension of Globalisation' and addressed opportunities and challenges of the social dimension of globalization, including more and better employment in G8 countries, the broadening and strengthening of social protection in developing countries and emerging economies, and corporate social responsibility.¹²⁶

Corporate social responsibility will likely appear on the agenda at Heiligendamm as well. The German Presidency will encourage the G8 to support the OECD guidelines on multinational enterprises and encourage newly industrialized states to adopt the same guidelines.¹²⁷

Finally, the German Presidency will encourage investment in social protection systems, which was supported fully by the participants attending the aforementioned meeting of labour representatives in Dresden. The participants acknowledged the need to "consider the strengthening and broadening of social protection [as] one of the most important tasks in the context of globalization processes."¹²⁸

It is likely that the G8 will reach a consensus around the social dimensions of globalization, but any statements that emerge from Heiligendamm regarding employment standards or social protection in developing countries will likely be broad and open to interpretation.

Success regarding this objective hinges on the ability of the G8 to put forward specific benchmarks for shaping the social dimension of globalization and securing international consensus on said benchmarks.

By: James Meers and Cliff Vanderlinden

¹²³ Official Website of the German G8 Presidency, G8 2007 Heiligendamm, (Heiligendamm), 24 May 2007. Date of Access: 5 June 2007. http://www.g-8.de/nn_92160/Content/EN/Artikel/2007/05/2007-05-24-merkel-regierungserklaerung-g8-heiligendamm__en.html.

¹²⁴ G8 Summit in Heiligendamm, Deutschland Online, (Berlin), 18 May 2007. Date of Access: 5 June 2007. http://www.magazine-deutschland.de/issue/G8_3-07_ENG_E1.php.

¹²⁵ Growth and Responsibility in the World Economy – Draft Summit Declarations, G8 Summit 2007 Heiligendamm, (Berlin), February 2007. Date of Access: 1 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

¹²⁶ Shaping the Social Dimensions of Globalisation: Chair's Conclusions, G8 Labour Ministers Meeting, (Dresden), 8 May 2007. Date of Access: 5 June 2007. <http://www.g7.utoronto.ca/employment/labour2007.html>.

¹²⁷ Growth and Responsibility in the World Economy – Draft Summit Declarations, G8 Summit 2007 Heiligendamm, (Berlin), February 2007. Date of Access: 1 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007-leaked-doc.pdf>.

¹²⁸ Shaping the Social Dimensions of Globalisation: Chair's Conclusions, G8 Labour Ministers Meeting, (Dresden), 8 May 2007. Date of Access: 5 June 2007. <http://www.g7.utoronto.ca/employment/labour2007.html>.

Responsibility for Raw Materials

Responsibility for raw materials is an issue that is growing in scope and popularity on the international stage. As a key nexus between the issues of global energy security, sustainable development, and good governance, dealing with raw materials is inherently important and complex. Transparency as a precondition for good governance is particularly important in ensuring that the revenues from raw materials extraction contribute to sustainable development.¹²⁹ Conversely, if transparency goes unchecked, the raw materials sector could potentially “contribute to poverty, corruption, and conflict – the so-called ‘resource curse’,”¹³⁰ as well as have negative environmental impacts. In addition, given increasing demand for raw materials from developed and emerging market economies, it is necessary to secure the future supply of these finite resources, especially in the case of oil, and increase the efficiency of utilizing current supplies along with investing in renewable energy sources.¹³¹ Furthermore, it has been acknowledged by Chancellor Angela Merkel that access to and control over Africa’s own raw materials will contribute directly to strengthening African states.¹³² Thus, the issue of raw materials, and resource management generally, is directly addressing the Heiligendamm Summit’s theme of finding ways to shape globalization in a more responsible manner.

Previously, the G8 addressed the issue through its support of the Extractive Industries Transparency Initiative (EITI) in 2006 as well as the IMF Guide on Resource Revenue Transparency (GRRT) and, in the context of energy, through the expansion of the Joint Oil Data Initiative (JODI).¹³³ The EITI was originally launched in 2002 by the United Kingdom (UK) Department for International Development (DFID) and is now supported by a range of governments in both developed and developing countries, civil society groups, and industry.¹³⁴ The specific G8 commitments were to take forward the efforts of the EITI, encourage wider participation in the EITI in resource-rich African countries, and promote governance and greater fiscal transparency by fighting high-level corruption.^{135,136} The GRRT was published in 2005 by the International Monetary Fund (IMF) and cited by the G8 as a means to take forward efforts to make management of public revenues from energy exports more transparent.^{137,138} Finally, JODI was started in 2001 by several international organizations and was positively received by the G8.^{139,140}

The G8 has also committed to taking “further action to improve and enhance the collection and reporting of market data on oil and other energy sources by all countries through development of a global common standard for reporting oil and other energy reserves.” Most significantly, the G8

¹²⁹ About EITI, Extractive Industries Transparency Initiative, (London). Date of Access: 17 May 2007. <http://www.eitransparency.org/section/abouteiti>.

¹³⁰ About EITI, Extractive Industries Transparency Initiative, (London). Date of Access: 17 May 2007. <http://www.eitransparency.org/section/abouteiti>.

¹³¹ Growth and Responsibility – Leitmotif for Germany’s G8 Presidency, Official website of the German presidency. Date of Access: 17 May 2007. <http://www.g-8.de/Content/EN/Artikel/2007/03/Anlagen/2007-03-01-g8-schlaglichter-en.property=publicationFile.pdf>

¹³² Opening Address by Angela Merkel at the World Economic Forum, (Davos), 24 January 2007. Date of Access: 17 May 2007. http://www.weforum.org/pdf/AM_2007/merkel.pdf.

¹³³ All G7/8 Commitments, 1975-2006, G8 Research Group, (Toronto). Date of Access: 24 May 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹³⁴ Guide on Resource Revenue Transparency, International Monetary Fund, (Washington). Date of Access: 24 May 2007. <http://www.imf.org/external/pubs/ft/grrt/eng/060705.pdf>.

¹³⁵ Guide on Resource Revenue Transparency, International Monetary Fund, (Washington). Date of Access: 24 May 2007. <http://www.imf.org/external/pubs/ft/grrt/eng/060705.pdf>.

¹³⁶ All G7/8 Commitments, 1975-2006, G8 Research Group, (Toronto). Date of Access: 24 May 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹³⁷ Guide on Resource Revenue Transparency, International Monetary Fund, (Washington). Date of Access: 24 May 2007. <http://www.imf.org/external/pubs/ft/grrt/eng/060705.pdf>.

¹³⁸ All G7/8 Commitments, 1975-2006, G8 Research Group, (Toronto). Date of Access: 24 May 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

¹³⁹ Guide on Resource Revenue Transparency, International Monetary Fund, (Washington). Date of Access: 24 May 2007. <http://www.imf.org/external/pubs/ft/grrt/eng/060705.pdf>.

¹⁴⁰ All G7/8 Commitments, 1975-2006, G8 Research Group, (Toronto). Date of Access: 24 May 2007. http://www.g8.utoronto.ca/evaluations/G8_commitments.pdf.

recently introduced the St. Petersburg Plan of Action on Global Energy Security, the most comprehensive plan to date. In this Plan of Action, the G8 committed to a number of principles relating to responsibility for raw materials. Among other issues, the plan includes references to increasing the transparency, predictability, and stability of global energy markets as well as reducing energy poverty.

Looking ahead to the 2007 Heiligendamm Summit, the G8 will need to address several important issues in relation to the responsible use of raw materials including, sustainable foreign investment in Africa, and the implementation of the EITI.

Objective 1: Foreign Investment in Africa

Germany is looking to focus the G8 agenda on African development in general and Chancellor Merkel has specifically noted that "Africa is...treated unfairly in the 21st century in a fight for raw materials."¹⁴¹ As such, the most important objective to address the issue at this summit is within the context of African development. Through the New Partnership for Africa's Development (NEPAD), a new and stable framework for Africa is being sought,¹⁴² including the reduction of violence and giving back to Africa, the ability to govern its own resources.¹⁴³ It is anticipated that the agenda will move away from "the multi-billion-dollar debt relief agreed in Gleneagles and urge African countries to take a more hands-on approach, fighting corruption and pushing for more democracy so as to create better conditions for increased foreign investment."¹⁴⁴

The original G8 call for debt relief was made amidst mounting international pressure as a result of the global Make Poverty History Campaign. A follow-up campaign, dubbed 'Keep the Promises', is being planned for the Heiligendamm Summit, because not all of the promises in African aid have been met.¹⁴⁵ Several African heads of state have publicly urged the G8 to make good on these promises as well. The Prime Ministers of Niger and Togo proclaimed at a G8 preparatory meeting that "what we need is investment in Africa that will see companies not just extract our resources and run but set up manufacturing industries that help to create work and wealth for our people."¹⁴⁶ Using the case of Niger, a uranium-rich developing country, the prime ministers demonstrated how developed countries extract materials from African soil while failing to duly compensate the state.¹⁴⁷ As such, considerable attention is being given to this issue and leaders are likely to take the pressure into consideration in their policy actions. Given its significant importance, and the likelihood that this will be addressed on the agenda as well as future G8 agendas if not sufficiently addressed in Heiligendamm, Germany is likely to champion the issue and show leadership at the summit.

¹⁴¹ Opening Address by Angela Merkel at the World Economic Forum, (Davos), 24 January 2007. Date of Access: 17 April 2007. http://www.weforum.org/pdf/AM_2007/merkel.pdf.

¹⁴² Germany's G8: dialogue with new eco players and rewards for Africa, Agence France Presse, (CITY), 18 October 2006. Date of Access: 17 April 2007.

¹⁴³ German G8 presidency to focus on hedge funds, product piracy, Africa, BBC Monitoring European, (London), 18 October 2006. Date of Access: 17 May 2007. <http://pqasb.pqarchiver.com/bbcmonitoring/access/1147608961.html?dids=1147608961:1147608961&FMT=ABS&FMTS=ABS:FT&date=Oct+18%2C+2006&author=&pub=BBC+Monitoring+European&edition=&startpage=1&desc=German+G8+presidency+to+focus+on+hedge+funds%2C+product+piracy%2C+Africa>

¹⁴⁴ Germany wants G8 to 'go back to roots', tackle world's economic problems, Agence France Presse, (Paris), 27 December 2006. Date of Access: 17 April 2007. <http://www.dw-world.de/dw/article/0,2144,2293223,00.html>.

¹⁴⁵ World set to break its promises to the poor, Canberra Times, (Canberra), 24 April 2007. Date of Access: 17 April 2007. http://canberra.yourguide.com.au/detail.asp?class=your%20say&subclass=general&story_id=578203&category=Opinion.

¹⁴⁶ African leaders want G8 help to turn raw materials into cash, Agence France Presse, (Paris), 8 May 2007. Date of Access: 26 April 2007. http://www.breitbart.com/article.php?id=070508170328.rzxs9pk9&show_article=1.

¹⁴⁷ African leaders want G8 help to turn raw materials into cash, Agence France Presse, (Paris), 8 May 2007. Date of Access: 26 April 2007. http://www.breitbart.com/article.php?id=070508170328.rzxs9pk9&show_article=1.

Regarding specific outcomes of the summit, Germany's Development Minister recently said that the three anticipated broad outcomes are first to assure that pledges made at the Gleneagles summit in 2005 are complied with, second to boost investment, and finally, prioritizing well-run democracies for assistance.¹⁴⁸ More specifically, it is anticipated that Germany will, "unveil a proposal at the summit to increase foreign investment in African countries that fight corruption and promote democracy."¹⁴⁹ Germany has further stated that African countries that are "pursuing good governance, fighting corruption and using raw materials responsibly will be rewarded with partnership agreements and business deals."¹⁵⁰ They are also expected to propose that each G8 country should sign a partnership agreement with an African country.¹⁵¹

Success at the summit would involve the G8 committing to and outlining a partnership scheme. Also, the G8 will need to articulate its opposition to unsustainable investment and stress the importance of supporting African institutions, programs, and resources in building good governance with specific reference to the management of natural resources. These commitments would all concretely contribute to increasing the responsible use of natural resources in Africa.

Objective 2: Transparency

German Development Minister Heidemarie Wieczorek-Zeul has stated that transparency must be a priority if wealth from natural resources is to contribute to overcoming poverty.¹⁵² Chancellor Merkel recently announced a new raw materials strategy for Germany at the 2nd Raw Materials Congress in Berlin, which she is expected to showcase as an example at the upcoming summit. The strategy includes compliance with minimum ecological standards and the implementation of the EITI.¹⁵³ The G8 Development Ministerial in March conceded that "revenues from extractive resources must be mobilized to a greater degree for fighting poverty and that the Extractive Industries Transparency Initiative is one of the ways to further enhance the transparency of payment flows in the raw materials sector."¹⁵⁴ It must be noted, however, that the EITI will only be successful if non-G8 consumer countries such as China consent to the protocols outlined in the initiative.¹⁵⁵ Thus, the G8 Summit will be a success in terms of this issue if the G8 reaffirms its commitment to the EITI, and actively encourages countries such as China to do the same.

In order for the G8 Summit to see significant success on this issue, the G8 will need to announce a commitment to fund the EITI. A statement of renewal is likely to be non-controversial and mutually supported by all G8 member states despite complications with Russia's relations with individual EU countries over common energy goals.¹⁵⁶ It is uncertain whether the G8 will commit to concrete measures to fund the EITI.

By: Kathryn Kinley

¹⁴⁸ G8 summit to demand transparency on Africa's raw materials trade, Agence France Presse, 23 May 2007. Date of Access: 26 April 2007. <http://www.turkishpress.com/news.asp?id=177664>.

¹⁴⁹ Germany wants emerging nations at all G8 summits, Agence France Presse, (Paris), 25 January 2007. Date of Access: 17 April 2007. www.forexhelp.com/news-1169723247-18a80f08-21680.

¹⁵⁰ Germany's G8: dialogue with new eco players and rewards for Africa, Agence France Presse, (Paris), 18 October 2006. Date of Access: 17 April 2007. <http://www.>

¹⁵¹ EITI?

¹⁵² G8 wants China to Promote "Fair Rules" in Developing, Mael Business Newspaper, (Paris), 25 December 2006. Date of Access: 17 April 2007. <http://www.>

¹⁵³ Angela Merkel's new strategy on raw materials, Blogging G8: The Road to Heiligendamm, 27 April 2007. Date of Access: 17 May 2007. <http://www.blogging-g8.blogspot.com/>.

¹⁵⁴ Chair's Summary, Development Ministers Meeting, (Berlin), 27 March 2007. Date of Access: 17 April 2007. http://www.g7.utoronto.ca/development/chair_summary_070327.html.

¹⁵⁵ Anti-sleaze pact on oil must sign up China, say Germans, Financial Times, (London), 13 April 2007. Date of Access: 17 April 2007. <http://search.ft.com/ftArticle?queryText=Anti-sleaze+pact+on+oil+must+sign+up+China%2C+say+Germans&aaje=true&id=070413000749>.

¹⁵⁶ Merkel taking light touch to thorny issues, Irish Times, (Dublin) 22 December 2006. Date of Access: 17 April 2007. <http://www.ireland.com/newspaper/world/2006/1222/1166138335245.html>.

Africa: Development

The issue of development, particularly in sub-Saharan Africa, has repeatedly appeared on G8 Summit agendas in recent years. At Okinawa, the G8 tackled issues of debt relief and overseas development assistance.¹⁵⁷ At Sea Island, sustainable private sector development in Africa received significant attention. In 2005 at Gleneagles, African development was a key summit objective, topping the British Presidency's list of priorities.¹⁵⁸ St. Petersburg also saw the topic of African development addressed, albeit in a roundabout way, i.e. through its focus on international education and official development assistance (ODA). However, many observers, including several prominent NGOs, argued that Africa was pushed off the St. Petersburg agenda. As a result, Chancellor Angela Merkel's decision to make the issues of good governance, sustainable investment, and peace and security in Africa a chief summit focus for Heiligendamm was welcomed by supporters of Africa.¹⁵⁹ At the same time, the focus on investment and sustainability fits well in the context of energy security interests of the G8 countries: The development of un-tapped energy resources in Africa can help stabilize the world price of energy resources such as oil, by increasing world supply. It is with this background, then, that Chancellor Merkel has positioned Africa as a main summit priority.¹⁶⁰

The Chancellor has also expressed her preference to return to the goals set at Gleneagles rather than setting new development objectives,¹⁶¹ a logical decision given that 2006 is the year when promises made at Gleneagles should have begun to take effect.¹⁶² This is according to the 2006 DATA report, which closely evaluated progress on Gleneagles commitments. Significantly, this report has called for "an emergency session of G8 Leaders to agree [on a] plan to get the G8 back on track with the promises they made to Africa."¹⁶³ Thus on the issue of African development, it can be hoped that Heiligendamm will produce a more focused, fine-tuned, and concrete plan for Africa.

Objective 1: Sustainable Economic Growth

In a meeting of G8 representatives in Berlin on 27 March 2007, German Development Minister Heidemarie Wiecek-Zeul asserted that access to micro-credit would be a high priority for the German Presidency, pledging that the G8 would "do everything it can to institute micro-financing to which the poorest in Africa can have access, in particular women."¹⁶⁴ The G8 is expected to produce a micro-finance initiative for Africa at Heiligendamm, which will involve G8 and non-G8 countries as well as the African Development Bank and World Bank.¹⁶⁵ Micro-finance, also known as micro-credit, grants small loans to individuals without collateral or regular employment. This initiative will serve to promote private investment and encourage entrepreneurship in Africa.

¹⁵⁷ G8 Performance Assessments by Issue, 1996-2004, G8 Information Centre, (Toronto), 2004. Date of Access: 16 May 2007. <http://www.g8.utoronto.ca/evaluations/assessments.htm>.

¹⁵⁸ G8 Performance Assessments by Issue, 1996-2004, G8 Information Centre, (Toronto), 2004. Date of access: 16 May 2007. <http://www.g8.utoronto.ca/evaluations/assessments.htm>.

¹⁵⁹ Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit, Laura Sunderland, G8 Information Centre, 24 May 2007. Date of access 27 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007agenda.html#africa>.

¹⁶⁰ Germany's Merkel promises Bono that Africa will play major role at G-8 summit, Associated Press Newswires 17 April 2007. As quoted in Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit, Laura Sunderland, G8 Information Centre, 24 May 2007. Date of access 15 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heilgendamm/2007agenda.html#africa>.

¹⁶¹ The West fails to deliver: Merkel to Push G8 to Meet Africa Aid pledges, Spiegel International Online 25 April 2007. Date of access 27 May 2007. <http://www.spiegel.de/international/world/0,1518,479372,00.html>.

¹⁶² Aid Working in Africa, But G8 Countries Seriously Off Track in Meeting Promises, says DATA Report 2007; DATA report executive summary, available at www.data.org/news/press.

¹⁶³ DATA report executive summary, available at www.data.org/news/press.

¹⁶⁴ G8 mulls micro-credit help, more AIDS funding for Africa, Agence France Presse, 27 March 2007. Date of access 15 May 2007: <http://www.aegis.com/news/afp/2007/AF070365.html>.

¹⁶⁵ G8 mulls micro-credit help, more AIDS funding for Africa, Agence France Presse, 27 March 2007. Date of access 15 May 2007: <http://www.aegis.com/news/afp/2007/AF070365.html>.

Germany has also worked to coordinate a declaration by multinational companies from G8 countries that commits to increasing business transactions in African countries.¹⁶⁶ It is predicted that the German Presidency will unveil a proposal at the summit to increase foreign investment in Africa, specifically in countries that seek to fight corruption and promote democracy.¹⁶⁷ Finally, Chancellor Merkel has stated that the Heiligendamm Summit will address the development of Africa's natural resources and look to "strengthen... the position of African states as equal partners when it comes to accessing and controlling Africa's raw materials."¹⁶⁸

Overall, it is clear that Heiligendamm will focus on integrating Africa into the globalized world economy through sustainable economic growth.¹⁶⁹ The G8 will ostensibly seek to engage African leaders in discussions on the use of resources, energy security, climate change, and the ways in which they relate to the development of Africa. Furthermore, the G8 will likely release a statement in support of more substantial private investment in Africa.

There is a good chance that new and innovative policies and programs may be announced as a result of discussions on investment initiatives, but it will be important to look carefully at the extent to which the Heiligendamm communiqués commit to real partnerships with African leaders and provide for serious increases in commitments to micro-financing and international investment in Africa. More specifically, the G8 will need to reaffirm its commitment to the Extractive Industries Transparency Initiative (EITI), which works towards good governance in resource-rich countries so that they may better manage their resources and benefit from an improved investment climate.¹⁷⁰ As it stands, only five G8 members have made financial contributions to the EITI trust fund or in-country EITI efforts.¹⁷¹

Objective 2: Reform and Good Governance

The G8 will likely use Heiligendamm as a platform for reiterating its commitment to the Africa Action Plan, the African Peer Review Mechanism, and its support for the New Partnership for Africa's Development (NEPAD).

It is expected that Germany will propose that each G8 country sign a partnership agreement with an African country, with preference given to those countries that are undertaking political and economic reforms.¹⁷² Whether partnership agreements will be signed at the upcoming summit is questionable, however.

The test of success at the Heiligendamm Summit should be measured by how well the G8 incorporates the needs of Africa and engages African leaders in achieving development goals. Since the G8 promotes transparency and accountability, real pledges of support for the UN

¹⁶⁶ Germany proposes Africa micro-credit fund, Financial Times, 13 February 2007. Date of access 15 May 2007: <http://search.ft.com/ftArticle?id=070213009505>.

¹⁶⁷ Germany wants emerging nations at all G8 summits, Agence France Presse 25 January 2007. As quoted in Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit, Laura Sunderland, G8 Information Centre, 24 May 2007. Date of access 27 May 2007: <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007agenda.html#africa>.

¹⁶⁸ Opening Address by Angela Merkel, Chancellor of the Federal Republic of Germany, World Economic Forum transcript (translation), (Davos), 24 January 2007, http://www.weforum.org/pdf/AM_2007/merkel.pdf. As quoted in Growth and Responsibility: The Prospective Agenda for the 2007 Laura Sunderland, G8 Information Centre, 24 May 2007: Date of access 27 May 2007. <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007agenda.html#africa>.

¹⁶⁹ Merkel aims high in G8 tenure; German leader lays out sweeping vision on world trade, Africa and global warming. The Globe and Mail, Toronto, 25 January 2007. Date of access 15 May 2007.

¹⁷⁰ About EITI, Extractive Industries Transparency Initiative. Date of Access 5 June 2007: <http://www.eitransparency.org/section/abouteiti>.

¹⁷¹ DATA report executive summary, available at www.data.org/news/press.

¹⁷² Growth and Responsibility: The Prospective Agenda for the 2007 G8 Heiligendamm Summit, Laura Sunderland, G8 Information Centre, (Toronto), 2007. Date of access 15 May 2007: <http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007agenda.html#africa>.

Convention Against Corruption or the EITI as described above would be examples of concrete measures of success.¹⁷³

Objective 3: Debt Relief and Development Aid

Although statements made by German officials indicate that the Africa agenda at Heiligendamm will not focus mainly on increasing debt relief and ODA to Africa,¹⁷⁴ Chancellor Merkel has expressed her desire to address existing commitments. Prime Minister Tony Blair, who championed the case for development aid in Africa at Gleneagles, will support Merkel when it comes to revisiting these commitments, as one of his last official acts before leaving office.¹⁷⁵ For the G8 to make progress on the issue of African development, specifically in the context of debt relief and ODA, it will need reaffirm its strong commitment to Gleneagles targets, and articulate the mechanisms and timelines by which to achieve them.

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¹⁷³ Although the G8 pledged to work towards early ratification of the UNCAC (UN Convention Against Corruption), to date only four G8 countries have ratified the convention. See DATA report executive summary, available at www.data.org/news/press.

¹⁷⁴ Germany wants G8 to 'Go back to its Roots,' Deutsche Welle, 29 December 2006. Date of access 15 May 2007: <http://www.dw-world.de/dw/article/0,2144,2293223,00.html>.

¹⁷⁵ Blair Urges Greater Efforts to Combat Poverty in Africa, IC Publications, (Johannesburg), May 31 2007. Date of Access: 1 June 2007. <http://www.africasia.com/services/news/newsitem.php?area=africa&item=070531121801.k06pl0jl.php>.

Africa: Peace and Security

Promoting peace and security in Africa has been a reoccurring theme at G8 Summits since the turn of the century. At Kananaskis, the G8 adopted the Africa Action Plan, in response to the launch of the New Partnership for Africa's Development (NEPAD). The objective of NEPAD is to "achieve sustainable growth and eliminate poverty in Africa."¹⁷⁶ The Africa Action Plan includes "over 100 specific commitments to Africa which mirror the priority areas identified by the NEPAD framework document."¹⁷⁷

At Evian in 2003, the G8 focus shifted from development to peace and security. The G8 reached an agreement with key African leaders on the Joint Africa/G8 Plan to Enhance African Capabilities to Undertake Peace Support Operations, which included three inter-related actions on the part of the G8: working with African leaders to develop a joint plan for the development of African capability to undertake peace support operations; training African peace support forces through the development of regional centres of excellence for military and civilian troops; and improving the coordination of peacekeeping training initiatives.¹⁷⁸

At Gleneagles in 2005, the British Presidency set Africa at the top of the agenda, pressuring the G8 to make a significant commitment to the UN Millennium Development Goals. The result of Gleneagles was a comprehensive package by the G8, which included, inter alia, an additional USD25 billion in aid for Africa and financial support for "up to an extra 25,000 trained peacekeeping troops, helping the Africa Union (AU) to better respond to security challenges like Darfur."¹⁷⁹

In Heiligendamm, peace and security in Africa will once again be a key priority. On 15 May 2007, at an annual consultative meeting held in Addis Ababa within the context of the Joint Africa/G8 Plan to Enhance African Capabilities to Undertake Peace Support Operations, the AU Commission and several G8 member states renewed a commitment to enhance bilateral relations on peace and security. Dr. Claas Dieter Knoop, German Ambassador to Ethiopia, who chaired the meeting, said that supporting Africa's peace and security activities was one of the main priorities for Heiligendamm.¹⁸⁰

Given the continuing crisis in Darfur, of which the G8 has been highly critical in the past, as well as new developments in Africa, such as the invasion of Somalia by Ethiopia on 21 December 2006, the G8 is facing mounting pressure to assist the AU in its efforts to promote peace and security to the African continent. Furthermore, the economic aid and new investment initiatives that the G8 has committed to Africa ostensibly rest on the assumption of relative stability in the continent so as to ensure that national and regional markets can function properly.

The G8 objectives in Heiligendamm for promoting peace and security in Africa will centre predominately on lending economic and political support to initiatives such as the African Peace and Security Architecture (APSA), including the establishment of the African Standby Force (ASF), providing financial and operational backing for AU peacekeeping missions, supporting peace and stability in Sudan, and offering financial and institutional assistance for the improvement of conflict prevention and resolution.

¹⁷⁶ Canada and the G8: partners with Africa, Foreign Affairs and International Trade Canada, (Ottawa), 11 July 2005. Date of Access: 22 May 2007. http://www.dfait-maeci.gc.ca/africa/africa_action_plan-en.asp.

¹⁷⁷ The G8 Africa Action Plan, Foreign Affairs and International Trade Canada, (Ottawa), 11 July 2005. Date of Access: 22 May 2007. <http://www.dfait-maeci.gc.ca/africa/aap-action-plan-en.asp>.

¹⁷⁸ Joint Africa/G8 Plan to Enhance African Capabilities to Undertake Peace Support Operations, G8 presidency of the Russian Federation in 2006, (St. Petersburg), 2 June 2003. Date of Access: 22 May 2007. <http://en.g8russia.ru/g8/history/evian2003/16/>.

¹⁷⁹ Africa, G8 Gleneagles 2005, (Gleneagles), 8 July 2005. Date of Access: 22 May 2007. <http://www.g8.gov.uk/servlet/ServletFront?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1094235520151>.

¹⁸⁰ Africa: G8 to Support AU Peace Operations, The Daily Monitor, (Addis Ababa), 16 May 2007. Date of Access: 23 May 2007. <http://allafrica.com/stories/200705160077.html>.

Objective 1: African Peace and Security Architecture (APSA)

One of the key objectives for the G8 members in Heiligendamm will be to help their African partners establish their own African security architecture to resolve crises and conflicts on the African continent, based on their own resources and capacity.¹⁸¹ The G8 will primarily assist the AU in planning to develop an African Peace and Security Architecture (APSA), which will be one of the main enforcement mechanisms for the AU's peace-building activities. APSA will consist of the African Standby Force (ASF), which is based on five regional brigades from the sub-regional organizations, and will have both military and civilian components.¹⁸²

A consultative meeting between the AU, the Regional Economic Communities (RECs), and representatives of the G8 members took place in Addis Ababa on 4 April 2005. This meeting aimed to protect peace and security in Africa, including the operationalisation of the ASF within the framework of APSA.¹⁸³ During the meeting, the representatives confirmed their efforts to operationalise the ASF on the basis of the 'Roadmap for the Operationalisation of the African Stand-by Force'. In particular, the meeting agreed that cooperation should be necessary at both continental and regional levels.¹⁸⁴

To help the AU implement the architecture, the EU has taken a leading role and created the African Peace Fund to support the APSA.¹⁸⁵ The AU is planning to fully establish the ASF by 2010 and the G8 provided technical and financial assistance to them, which includes the training of 75,000 peacekeepers.¹⁸⁶

On 14 May 2007, at the consultative meeting between executives of the EU, G8 members and AU representatives in Addis Ababa, the AU attempted to increase global resources and facilities for Africa-led peace operations by asking for help from the G8 and other Western countries.¹⁸⁷ The AU and the G8 countries agreed to set up funding for peacekeeping in Africa. Their funds will enhance the already existing European Union-Africa Peace Facility (EU-APF) and will be used for resources in Africa-led peace operations.¹⁸⁸ Dr. Claas Dieter Knoop, Germany's Ambassador to Ethiopia, stated that the EU will provide financial support to Africa for peace-building operations as a partner of the UN and the AU.¹⁸⁹ In the meeting, the participants also agreed to hold a follow-up ministerial conference in Addis Ababa in October 2007, which would centre on the development of a Complementary Peace Fund to support the AU's peace and security operations in Africa.¹⁹⁰

British Prime Minister Tony Blair claimed that at the upcoming summit, G8 should "work together for a mechanism at the UN which secures UN funding for AU operations." He also recommended G8

¹⁸¹ EU and G8 Focus Attention on Africa, BMZ Africa Newsletter No.1, January, February 2007. Date of Access: 10 May 2007.

http://www.bmz.de/de/zentrales_downloadarchiv/eu_und_g8/2007_02_13_newsletter_english.pdf.

¹⁸² African Peace and Security Architecture, Defence Factsheet, Defence –home of the UK Ministry of Defence, Date of Access: 8 May 2007. <http://www.operations.mod.uk/africa/apsa.htm>.

¹⁸³ Consultation Between The AU, The G8 Member Countries And Other Partners And African Peace And Security Institutions, Communiqué, (Addis Ababa), 4 April 2005. Date of Access: 25 May 2007.

http://www.iss.co.za/AF/RegOrg/unity_to_union/pdfs/g8/auconsultapr05.pdf.

¹⁸⁴ Consultation Between The AU, The G8 Member Countries And Other Partners And African Peace And Security Institutions, Communiqué, (Addis Ababa), 4 April 2005. Date of Access: 25 May 2007.

http://www.iss.co.za/AF/RegOrg/unity_to_union/pdfs/g8/auconsultapr05.pdf.

¹⁸⁵ South Africa: AU Urges for Strengthened Peace and Security Council, AllAfrica, (Addis Ababa), 15 May 2007. Date of Access: 15 May 2007. <http://allafrica.com/stories/200704091157.html>.

¹⁸⁶ Africa Gleneagles Follow Up, DFID and the G8, Department for International Development (DFID), 27 April, 2007. Date of Access: 8 May 2007. <http://www.dfid.gov.uk/g8/africa-2005.asp>.

¹⁸⁷ AU appeals to G8 for stable peacekeeping funds, AngolaPress, (Addis Ababa), 15 May 2007. Date of Access: 17 May 2007. <http://www.angolapress-angop.ao/noticia-e.asp?ID=531810>.

¹⁸⁸ Africa: New Fund to Support Peacekeepers, IRIN, (Addis Ababa), 16 May 2007. Date of Access: 16 May 2007. <http://www.alertnet.org/thenews/newsdesk/IRIN/962d42e15f8f73a54e0be6ffea9f3760.htm>.

¹⁸⁹ Study urges joint planning, financing for UN-AU peace operations, AngolaPress, (Addis Ababa), 19 May 2007. Date of Access: 19 May 2007. <http://www.angolapress-angop.ao/noticia-e.asp?ID=532855>.

¹⁹⁰ Africa: G8 to Support AU Peace Operations, The Daily Monitor, (Addis Ababa), 16 May 2007. Date of Access: 23 May 2007.

members to cooperate with EU partners for the funding of African peacekeeping missions.¹⁹¹

If the G8 is to make progress on the development of the APSA at Heiligendamm, it will need to articulate its support for the APSA as well as commit further resources to existing peace support operations and the ASF in order to meet their goal of making the ASF operational by 2010. It is expected that the G8 will reiterate its support for the APSA, but it is unclear whether it will make specific financial or resource commitments to the establishment of the ASF. The summit will be a significant success in this area if the G8 commits to concrete interim goals for allocating funds and resources to the ASF, and pledges to support the proposal to have an institutionalized channel of funding in for AU peace support operations.

Objective 2: Sudan

Another main issue that the G8 will likely address at Heiligendamm is the provision of aid to the AU in support of its peacekeeping missions in Darfur.

Said Djinnit, the head of the Peace and Security Council Commission of the AU, has acknowledged that the unorganized manner in which financial resources have been used has made it difficult to plan, launch and sustain peace operations in the African Mission in Sudan (AMIS).¹⁹² To replace the AMIS, the creation of a hybrid force in Darfur was agreed in November 2006 between Sudanese government, the UN and the AU. Since the agreement was reached, however, the Sudanese government has objected to the presence of the UN in Darfur and has complicated peacekeeping operations in the region.¹⁹³

On 1 June 2007, the UN and the AU released a joint outline stating that a peacekeeping operation in Darfur would require consensus and cooperation from the Sudanese government.¹⁹⁴

At the upcoming summit in Heiligendamm, G8 members will need to demonstrate its commitment to providing resources and support for peace support operations in Darfur. The G8 will need to ensure a rapid transition from AMIS to a UN-AU hybrid force, and urge the cooperation of the Sudanese government in peace efforts.

Objective 3: Conflict Prevention

The financial and institutional support for conflict prevention and resolution in Africa will also be one of the objectives in the upcoming summit in Heiligendamm. Since the Kananaskis Summit in 2002, G8 and African partners have worked closely for the establishment of a conflict prevention system.¹⁹⁵

At the consultative meeting on 4 April 2005, G8 members, the AU and RECs demanded conflict prevention through the development of an early warning capability such as the Continental Early Warning System (CEWS) and an enhancement of mediation and conflict prevention capacities.¹⁹⁶

¹⁹¹ Africa needs partnerships instead of aid: Blair, Business Africa, (Johannesburg), 1 June 2007. Date of Access: 5 June 2007. http://www.businessinafrica.net/news/southern_africa/925599.htm.

¹⁹² Africa: New Fund to Support Peacekeepers, Reuters AlertNet, (Addis Ababa), 16 May 2007. Date of Access: 16 May 2007. <http://www.alertnet.org/thenews/newsdesk/IRIN/962d42e15f8f73a54e0be6ffea9f3760.htm>.

¹⁹³ Sudan: Hybrid Peacekeeping Force for Darfur Must Comply With UN Requirements, Refugees International, 22 November 2006. Date of Access: 5 June 2007. <http://www.refugeesinternational.org/content/article/detail/9673/>.

¹⁹⁴ Report of the Secretary-General and the Chairperson of the African Union Commission on the hybrid operation in Darfur, United Nations Security Council, 1 June 2007. Date of Access: 5 June 2007. <http://daccessdds.un.org/doc/UNDOC/GEN/N07/356/59/PDF/N0735659.pdf?OpenElement>.

¹⁹⁵ Joint Africa/G8 Plan To Enhance African Capabilities To Undertake Peace Support Operations, Official Website of the G8 presidency of the Russian Federation in 2006, 17 July 2006. Access of Date: 24 May 2007. <http://en.g8russia.ru/g8/history/evian2003/16/>.

¹⁹⁶ Consultation Between The AU, The G8 Member Countries And Other Partners And African Peace And Security Institutions, Communiqué, (Addis Ababa), 4 April 2005. Date of Access: 25 May 2007. http://www.iss.co.za/AF/RegOrg/unity_to_union/pdfs/g8/auconsultapr05.pdf.

Given that one-fifth of Africa's population is still living in conflict-affected zones, the 14 May 2007 meeting between the AU and G8 member states in Addis Ababa emphasized the need for more action on conflict prevention and resolution, building on the mandate of the Panel of the Wise, which is a sub-structure of the Peace and Security Council of the AU, and the CEWS.¹⁹⁷ Participants also agreed to provide their support in order to ensure that the objective of making the CEWS fully operational by 2009 is achieved.¹⁹⁸

At the meeting, the EU and the AU also signed a EUR7.5 million agreement for the enhancement of an early warning and conflict prevention system, which is part of the long-term capacity building of the APF.¹⁹⁹ Another EUR22 million will be invested towards the improvement of the capacity of the AU and the RECs in terms of conflict resolution.²⁰⁰

For the summit to be a success on this issue, the G8 will need to demonstrate its commitment to conflict prevention, and specifically the CEWS. The G8 will need to articulate steps by which it can help Africa to achieve the goal of making the CEWS fully operational by 2009. The chances for success on this issue are relatively high, as the G8 has already recognized the need for bolstering conflict prevention and mediation mechanisms, as evidenced by the agreements made at the May meeting between the AU and the G8.

By: Miho Takaya

¹⁹⁷ Annual Consultation Between The African Union (AU), The Regional Economic Communities (RECs)/ Regional Mechanisms For Conflict Prevention, Management And Resolution, the G8 Member Countries And Other Partners, Communiqué, (Addis Ababa), 14 May 2007. Date of Access: 25 May 2007. http://www.iss.co.za/dynamic/administration/file_manager/file_links/AUG8COM140507.PDF?link_id=&slink_id=4424&link_type=&slink_type=13&tmpl_id=3.

¹⁹⁸ Annual Consultation Between The African Union (AU), The Regional Economic Communities (RECs)/ Regional Mechanisms For Conflict Prevention, Management And Resolution, the G8 Member Countries And Other Partners, Communiqué, (Addis Ababa), 14 May 2007. Date of Access: 25 May 2007. http://www.iss.co.za/dynamic/administration/file_manager/file_links/AUG8COM140507.PDF?link_id=&slink_id=4424&link_type=&slink_type=13&tmpl_id=3.

¹⁹⁹ Africa: New Fund to Support Peacekeepers, IRIN, (Addis Ababa), 16 May 2007. Date of Access: 16 May 2007. <http://www.alertnet.org/thenews/newsdesk/IRIN/962d42e15f8f73a54e0be6ffea9f3760.htm>.

²⁰⁰ Africa: New Fund to Support Peacekeepers, IRIN, (Addis Ababa), 16 May 2007. Date of Access: 16 May 2007. <http://www.alertnet.org/thenews/newsdesk/IRIN/962d42e15f8f73a54e0be6ffea9f3760.htm>.

Global Health

The issue of global health has regularly been addressed at G8 summits, particularly in tandem with African development. Since the 2001 Genoa Summit where the "Genoa Plan for Africa" was developed, global health has been connected to the elimination of poverty and the implementation of measures to increase life expectancy in developing countries. The pivotal 2002 Kananaskis Summit produced the "Africa Action Plan" which set the stage for the G8's future policies on global health. The following 2003 Evian Summit produced the "G8 Action Plan on Health," in which the G8 set goals to combat the spread of HIV/AIDS, tuberculosis and malaria as well as improve access to medicines, treatment, and the prevention of disease.²⁰¹ In addition, the G8 expressed its commitment to help strengthen African health systems. At the 2005 Gleneagles Summit, the G8 reaffirmed its ongoing support of the 2002 Kananaskis Summit goals. Monitoring and surveillance of disease are also significant priorities for G8 countries. At the 2006 St. Petersburg Summit, the leaders committed to the monitoring and surveillance of disease outbreaks, most notably, the avian influenza (H5N1) virus.²⁰²

As such, the 2007 German Summit is expected to tackle issues related to global health with renewed vigour. Chancellor Angela Merkel has outlined the need to strengthen global health systems and address HIV/AIDS as being central to the discussions on Africa at Heiligendamm.²⁰³ HIV/AIDS has infected over 40 million people worldwide of which 95 percent live in developing countries.²⁰⁴ AIDS remains the leading cause of death in Africa and the fourth in the world.²⁰⁵ While the disease is most prevalent in sub-Saharan African states, Eastern Europe and Central Asia have experienced a rise of some 270,000 cases in 2006 alone.²⁰⁶ Furthermore, tuberculosis continues to kill 2 million people each year,²⁰⁷ while malaria takes the lives of more than 1 million annually.²⁰⁸ Due to the critical impact of infectious diseases throughout the world, the 2007 G8 Summit will focus on four objectives with respect to global health: replenishing the Global Fund to Fight Against HIV/AIDS, Tuberculosis and Malaria; fighting the HIV/AIDS pandemic; strengthening health systems in developing countries; and finally, improving the monitoring and surveillance of disease outbreaks.

Objective 1: Replenishment of the Global Fund

The Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria was established as a public-private partnership between governments, private sectors and various communities from around the world. It aims to provide financial resources to communities in order to combat these three diseases, which cumulatively kill approximately 6 million people annually.²⁰⁹ Pledges to the Fund from donor countries amount to USD10.4 billion and commitments are estimated at USD7.1 billion

²⁰¹ G8 Action Plan on Health, G8 Information Centre, (Toronto), 2 June 2003. Date of Access: 16 May 2007. http://www.g8.utoronto.ca/summit/2003evian/health_en.html.

²⁰² Fight Against Infectious Diseases, G8 Information Centre (Toronto), 16 July 2006. Date of Access 26 May 2007. <http://www.g8.utoronto.ca/summit/2006stpetersburg/infdis.html>.

²⁰³ Dialogue with Africa, The Federal Government of Germany (Berlin). Date of Access: 26 May 2007. <http://www.g-8.de/Content/EN/StatischeSeiten/G8/navigation/2007-05-08-g8-outreach-afrika.html>.

²⁰⁴ Fighting AIDS, Global Fund to Fight Against HIV/AIDS, Tuberculosis and Malaria, (Geneva). Date of Access: 16 May, 2007. <http://www.theglobalfund.org/en/about/aids/default.asp>.

²⁰⁵ Fighting AIDS, Global Fund to Fight Against HIV/AIDS, Tuberculosis and Malaria, (Geneva). Date of Access: 16 May, 2007. <http://www.theglobalfund.org/en/about/aids/default.asp>.

²⁰⁶ Joining Forces in the Fight Against HIV/AIDS, The Federal Government of Germany, (Berlin), 03 March 2007. Date of Access: 16 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/03/2007-03-12-merkel-konferenz-gegen-Aids-bremen_en.html.

²⁰⁷ Fight Tuberculosis, Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, (Geneva). Date of Access: 16 May 2007. <http://www.theglobalfund.org/en/about/tuberculosis/>.

²⁰⁸ Fighting Malaria, Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, (Geneva). Date of Access: 16 May 2007. <http://www.theglobalfund.org/en/about/malaria/default.asp>.

²⁰⁹ Global Fund Targets US\$8 Billion a Year, Africa News, (Netherlands), 27 April 2007. Date of Access: 15 May 2007. <http://www.africa-interactive.net/index.php?PageID=4350>.

for programs in 136 countries.²¹⁰ At the 2006 St. Petersburg Summit, the G8 committed to securing funds toward the replenishment of the 2006-2007 funding period.²¹¹

At the 2007 Heiligendamm Summit, G8 leaders must commit once again to supporting the replenishment of the Global Fund for 2008 to 2010. Most recently at the Second Meeting of the Voluntary Replenishment Mechanism in Oslo from 6-7 March 2007, the Global Fund announced that it will dramatically increase its annual spending target in order to meet expected demand.²¹² It is currently in the process of determining two target levels, one for approximately USD4-6 billion, and another for approximately USD8-10 billion.²¹³ Resource needs for the Global Fund's second replenishment are estimated to be USD4 billion for 2008 and USD6 billion for 2010.²¹⁴

In order to determine that the G8 makes progress on its commitment to the Global Fund, the G8 will need to recognize the estimated replenishment requirements as recognized by the Global Fund, and make specific commitments to meeting them. The G8 will also need to commit to meeting at the German-hosted Second Meeting of the Voluntary Replenishment Mechanism from 25-26 September 2007.²¹⁵ The G8 countries are widely expected to strongly support this objective without opposition.

Objective 2: Combating HIV/AIDS

The infectious disease that requires the most attention at the 2007 Heiligendamm Summit is the HIV/AIDS pandemic. It has claimed the lives of approximately 30 million people²¹⁶ and regionally impacted sub-Saharan Africa, which accounts for 70 percent of the cases and only 11 percent of the world's population.²¹⁷ The Caribbean and Asia Pacific also have high rates of HIV/AIDS, though the epidemic is fastest growing in Eurasia.²¹⁸ Pressure is also increasing on overburdened health systems in developing countries, where health costs are set to increase tenfold within the next few years.²¹⁹ In order to combat HIV/AIDS in low to middle income countries, approximately USD7-10 billion per year will be required.²²⁰

The G8 has addressed the HIV/AIDS pandemic at past summits. The 1987 Venice Summit first tackled infectious diseases with a focus on HIV/AIDS, and subsequent summits, particularly the 1996 Lyon Summit and 1997 Denver Summit, have dedicated considerable attention to health issues. The G8 took another opportunity to address HIV/AIDS at the 2005 Gleneagles Summit,

²¹⁰ Global Fund Targets US\$8 Billion a Year, Africa News (Netherlands) 27 April 2007. Date of Access: 15 May 2007. <http://www.africa-interactive.net/index.php?PageID=4350>.

²¹¹ Update on Africa, G8 Information Centre (Toronto), 16 July 2007. Date of Access: 27 May 2007. <http://www.g8.utoronto.ca/summit/2006stpetersburg/africa.html>.

²¹² Chair's Summary: The Second Global Fund Replenishment (2008- 2010) First Meeting (Oslo), 6-7 March 2007. Date of Access: 27 May 2007. http://www.theglobalfund.org/en/files/about/replenishment/oslo/chair_summary_oslo_2007.pdf.

²¹³ Resource Needs: Funding the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, The Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (Geneva), February 2007. Date of Access: 27 May 2007. <http://www.theglobalfund.org/en/files/about/replenishment/oslo/Resource%20Needs.pdf>.

²¹⁴ Resource Needs: Funding the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, The Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (Geneva), February 2007. Date of Access: 27 May 2007. <http://www.theglobalfund.org/en/files/about/replenishment/oslo/Resource%20Needs.pdf>.

²¹⁵ Opening Address by Angela Merkel, Chancellor of the Federal Republic of Germany, at the World Economic Forum, World Economic Forum (Davos) 24 January 2007. Date of Access: 30 January 2007, http://www.weforum.org/pdf/AM_2007/merkel.pdf.

²¹⁶ Joining Forces in the Fight Against HIV/AIDS, Federal Government of Germany (Berlin), 12 March 2007. Date of Access: 27 May 2007. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/03/2007-03-12-merkel-konferenz-gegen-Aids-bremen__en.html.

²¹⁷ Fighting AIDS, Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (Geneva). Date of Access: 28 May 2007. <http://www.theglobalfund.org/en/about/aids/default.asp>.

²¹⁸ Fighting AIDS, Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (Geneva). Date of Access: 28 May 2007. <http://www.theglobalfund.org/en/about/aids/default.asp>.

²¹⁹ Fighting AIDS, Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (Geneva). Date of Access: 28 May 2007. <http://www.theglobalfund.org/en/about/aids/default.asp>.

²²⁰ Fighting AIDS, Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria (Geneva). Date of Access: 28 May 2007. <http://www.theglobalfund.org/en/about/aids/default.asp>.

where leaders committed to developing an HIV/AIDS vaccine enterprise, replenishing the Global Fund, and collaborating with international institutions such as the World Health Organization to address the pandemic.²²¹

At the 2007 Heiligendamm Summit, the G8 will once again address infectious diseases, including HIV/AIDS. At the Responsibility and Partnership Together against HIV/AIDS conference on 12 March 2007, German Chancellor Merkel has reiterated her intention to address HIV/AIDS stating that, "We want to make headway in Heiligendamm."²²² In a speech at the World Economic Forum in Davos on 24 January 2007, Chancellor Merkel also announced her plans to "make the fate of women and children a top priority of Germany's presidency."²²³ The G8 will focus its efforts on prevention with resources, mobilized specifically toward meeting this objective. In addition, the G8 will urge the pharmaceutical industry to decrease drug prices in order to increase access to life-saving anti-retroviral drugs²²⁴ and to increase communication and interactions with civil society to combat HIV/AIDS. This initiative is expected to be widely supported by G8 countries in Heiligendamm.

Objective 3: Strengthening Health Systems

Over the course of the past several summits, the G8 has reiterated its commitment to strengthening health systems in developing countries at the highest level. Chancellor Merkel has stated that improving health systems is directly connected to the development and growth of Africa.²²⁵ As infectious diseases continue to spread, G8 countries will be firmly committed to developing stronger and more capable health systems that can cope with these threats. The significance of this objective cannot be overstated: free health care could save the lives of some 800 children.²²⁶

German Chancellor Angela Merkel has determined that strengthening health systems will be a focus at Heiligendamm.²²⁷ Germany has stated that peace and good governance are essential conditions needed for the development of strong health systems.²²⁸ Hence, the G8 will urge African states to continue striving toward good governance, accountability, and transparency.²²⁹

It is expected that the G8 will reiterate its commitment to providing financial resources to improve access to public health services to the neediest people in developing countries, particularly to mitigate the impact of maternal mortality and mother-to-child transmission of HIV/AIDS.²³⁰

²²¹ Africa, G8 Information Centre (Toronto), 8 July 2005. Date of Access: 27 May 2007. <http://www.g8.utoronto.ca/summit/2005gleneagles/africa.html>.

²²² Joining Forces in the Fight Against HIV/AIDS (Berlin), 12 March 2007. Date of Access: 5 June 2006. http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/03/2007-03-12-merkel-konferenz-gegen-Aids-bremen_en.html.

²²³ Opening Address by Angela Merkel, Chancellor of the Federal Republic of Germany, at the World Economic Forum, Federal Government of Germany, 24 January 2007. Date of Access: 27 May 2007. http://www.g-8.de/nn_92452/Content/EN/Reden/2007/01/2007-01-24-rede-bkin-davos.html.

²²⁴ Leaked G8 Paper signals Aids fund boost, Financial Times (London), 24 May 2007. Date of Access: 28 May 2007. <http://www.ft.com/cms/s/dbe5b6f4-0a19-11dc-93ae-000b5df10621.html>.

²²⁵ Merkel assures Bono that Germany Remains committed to Africa, The Federal Government of Germany (Berlin) 17 April 2007. Date of Access: 27 May 2007. http://www.g-8.de/nn_94646/Content/EN/Artikel/2007/04/2007-04-17-bono-merkel_en.html.

²²⁶ The G8 should let Africans decide how to run their Health Services, The Guardian (London), 4 May 2007. Date of Access: 16 May 2007. <http://politics.guardian.co.uk/development/story/0,,2072083,00.html>.

²²⁷ Focuses of the German G8 Presidency, The Federal Government of Germany, (Berlin) 18 October 2007. Date of Access: 16 May 2007. <http://www.g-8.de/Webs/G8/EN/G8Summit/g8-summit.html>.

²²⁸ G8 Dialogue Forum, The Federal Government of Germany (Berlin), 25 April 2007. Date of Access: http://www.g-8.de/nn_92452/Content/EN/Artikel/2007/04/2007-04-25-g8-zivilgesellschaft-wieczorek-zeul_en.html.

²²⁹ Leaked G8 Paper signals Aids fund boost, Financial Times (London), 24 May 2007. Date of Access: 28 May 2007. <http://www.ft.com/cms/s/dbe5b6f4-0a19-11dc-93ae-000b5df10621.html>.

²³⁰ Update on Africa, G8 Information Centre (Toronto), 16 July 2007. Date of Access: 27 May 2007. <http://www.g8.utoronto.ca/summit/2006stpetersburg/africa.html>.

Beyond financial resources for fledging health systems, the G8 will need to make a firm commitment to support the training and retention of health care professionals from sub-Saharan Africa, which has an immediate need of 1 million professionals by working with the Global Health Workforce Alliance and by collaborating and co-operating with the World Health Organization among other organizations.²³¹ The United States will likely support this initiative to improve health systems "in developing countries with the objective of ensuring that access to life-saving health care is efficient and available for all who need it."²³² The United Kingdom can also be expected to support stronger health systems in developing countries. Prime Minister Tony Blair has stated that "there are still far too many Africa who die when their death is preventable with our help."²³³ On the other hand, Germany has demonstrated poor leadership on the issue despite Chancellor Merkel's statements of support.²³⁴ This became apparent when the German representation failed to attend the African Union Conference of Health Ministers meeting in Johannesburg from 9-13 April 2007 - a key meeting that discussed present health system challenges.²³⁵

Objective 4: Disease Surveillance and Monitoring

Monitoring and surveillance of infectious diseases will be a priority global health issue for G8 leaders at the 2007 Heiligendamm Summit. This objective is critical due to last year's human-to-human transmission of the avian influenza (H5N1) virus as well as widely reported outbreaks among animal populations.²³⁶ Cognizant that effective monitoring and timely responses are necessary in dealing with an international outbreak, Heiligendamm promises to concentrate on improving surveillance.

The G8 is expected to propose measures to improve global monitoring of disease outbreaks. The Group will reiterate its commitment to cooperating with international institutions to develop early warning systems. The G8 is likely to resolve to work with the World Health Organization (WHO) and the Global Outbreak Alert Response Network (GOARN) to ensure that response to outbreaks is quick and timely. In addition, the G8 will support international mechanisms for global surveillance of disease particularly, the WHO and the United Nations Food and Agriculture Organization (FAO). The G8 will re-commit to assisting developing countries to improve national systems of surveillance. This includes technical assistance, training experts, and ensuring that emergency preparedness and response plans are in place. However, it is unlikely that any G8 country will oppose such action: rather, leaders will encourage the growth and development of effective disease monitoring and surveillance strategies.

Improving global health has been a policy of traditional significance for the G8. It can be expected that the 2007 Heiligendamm Summit will address issues related to global health. The G8 will aim to replenish the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, combat HIV/AIDS, support the establishment of strong health systems that are better able to cope with emerging disease threats, and improve disease monitoring and surveillance capabilities. These global health actions will be necessary at Heiligendamm for the success of the 2007 Summit.

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²³¹ A Global Health Equity Agenda for the Third World, British Medical Journal, 5 March 2005. Date of Access: <http://www.bmj.com/cgi/content/full/330/7490/533#REF6>.

²³² U.S. Announces \$125 Million Award to Improve Health Systems in Developing Nations, USAID (Washington), 22 December 2006. Date of Access: 16 May 2007. <http://www.usaid.gov/press/releases/2006/pr061222.html>.

²³³ The G8 should let Africans decide how to run their health services, The Guardian (London). 4 May 2007. Date of Access: 27 May 2007. <http://politics.guardian.co.uk/development/story/0,,2072083,00.html>.

²³⁴ The G8 should let Africans decide how to run their health services, The Guardian (London). 4 May 2007. Date of Access: 27 May 2007. <http://politics.guardian.co.uk/development/story/0,,2072083,00.html>.

²³⁵ The G8 should let Africans decide how to run their health services, The Guardian (London). 4 May 2007. Date of Access: 27 May 2007. <http://politics.guardian.co.uk/development/story/0,,2072083,00.html>.

²³⁶ Centres for Disease Control and Prevention, Department of Health and Human Services (Atlanta). 9 August 2006. Date of Access: 27 May 2007. www.cdc.gov/flu/avian/outbreaks/currents.html.

Regional Security

The issue of regional security has been featured on G8 summit agendas since 1982, when France held discussions on the Falklands War and Lebanon at the Versailles Summit. 1984 saw the addition of the Iran-Iraq war to the agenda, the security threats in the Persian Gulf were discussed in 1987, and Cambodia in 1988. During the 1996 summit in Lyon, the issue of regional security became truly multi-dimensional, encompassing Bosnia, the Middle East, and North Korea. At the 2004 Sea Island Summit, the G8 issued a statement on Sudan. The statement called on all parties involved to take the necessary steps to halt the crisis, while pledging the G8 members' assistance towards that end. The 2005 Gleneagles Summit saw the adoption of the G8 Foreign Ministers' Meeting Statement on Afghanistan, which welcomed the framework for the Parliamentary and Provincial Elections on 18 September 2005, and expressed G8 support for the Afghan government and people in their reconstruction efforts. The regional security of the Balkans and Kosovo was a priority of the G8 Foreign Ministers at the 1998 Birmingham Summit, which culminated in a political statement urging Serbia and the late then-President Milosevic to cooperate with the peace process. The G8 Statement on Regional Issues produced during the 1999 Köln Summit asserted the "key role" of the G8 in the Kosovo crisis, and welcomed the adoption of the UN Security Council Resolution (UNSCR) 1244, which instated the current administration of Kosovo.

Although regional security issues were not at first expected to figure prominently on the agenda at the 2007 Heiligendamm Summit, they have gained momentum in the preceding weeks, and have crystallized into definite objectives for the G8 leaders. Consequently, the G8 members can be expected to express their commitment to bolster African Union (AU) peacekeeping initiatives, provide tangible support for reconstruction efforts in Afghanistan, and use the summit as a forum to move towards the decision on Kosovo's independence, albeit on the sidelines of the main summit discussions.

Objective 1: Assistance to the African Union

An objective for the G8 in the area of regional security will be to support the African Union (AU) in its peacekeeping operations. According to the Centre for International Cooperation's "Annual Review of Global Peace Operations 2007," released on 19 May 2007, building and strengthening the capacity of the AU and its institutions is vital to approaching the conflicts and crises in Africa. The financial and logistical aspects are extremely crucial to this undertaking, as is the issue of external support to the AU, which has consistently lacked sustained cooperation and a comprehensive diplomatic mechanism. These, then, are the precise areas in which the action of the international community, and the G8, is required.²³⁷

On 14 May 2007, the AU formally requested the formation of a global facility aimed at increasing aid to African-led missions from the G8 members and other Western states. Speaking at a one-day consultation meeting between the Union Commission and G8 representatives, Said Djinnit, the AU Peace and Security Commissioner, stated that "for years to come we will not be able to generate, on our own, all the resources needed for our peace support operations."²³⁸ This meeting was convened as part of the Joint Africa-G8 Plan of Action established at the 2003 G8 Summit in Evian, France. The goal of the consultation was to define the process of supporting peace and security operations on the continent.²³⁹ Consequently, the parties—including the G8—agreed to establish a fund, which would support under-funded peacekeeping missions in the region.²⁴⁰ Two missions, in particular, deployed to mediate raging humanitarian and political crises, are crippled by inadequate

²³⁷ Annual Review of Global Peace Operations (New York), 19 May 2007. Date of Access: 25 May 2007. www.cic.nyu.edu/internationalsecurity/docs/peacekeeping_BRIEFINGPAPER.pdf.

²³⁸ AU Appeals to G8 for Stable Peacekeeping Funds, AngolaPress (Addis Ababa), 14 May 2007. Date of Access: 15 May 2007. <http://www.angolapress-angop.ao/noticia-e.asp?ID=531810>

²³⁹ AU Appeals to G8 for Stable Peacekeeping Funds, AngolaPress (Addis Ababa), 14 May 2007. Date of Access: 15 May 2007. <http://www.angolapress-angop.ao/noticia-e.asp?ID=531810>

²⁴⁰ Africa: New Fund to Support Peacekeepers, Reuters, (Addis Ababa), 16 May 2007. Date of Access: 16 May 2007. <http://www.alertnet.org/thenews/newsdesk/IRIN/962d42e15f8f73a54e0be6ffea9f3760.htm>

funding and lack of supplies—the AU Mission in Sudan (AMIS) and the African Mission in Somalia (AMISOM).

However, the precise structure and function of the fund has not yet been decided definitively. Thus, the Heiligendamm Summit will most likely feature meetings between the G8 members and the African delegates who have been invited to the summit, in which they will seek to finalize the mechanics and the precise donor commitments to the fund. This issue may, nevertheless, be sidelined in favour of the discussions on increasing development aid to Africa.

Moreover, the German Ambassador to Ethiopia, Dr. Claas Dieter Knoop, ascertained that the G8 will support the capacity building of the civilian component of the African Standby Force (ASF), within the context of the timeline set by the AU (to achieve a fully operational ASF by 2010).²⁴¹ Therefore, the Heiligendamm Summit may not be likely to tackle the logistical, and coordination issues, although the Ambassador did state that “this will not be an exclusive undertaking,”²⁴² concluding, nevertheless, that other members of the international community, in addition to the G8, should participate in the AU-support effort.

Objective 2: Kosovo’s Independence

In early May, the Security Council of the United Nations (UN) issued a draft resolution granting independence to the Serbian-controlled Kosovo, which contains a 90% Albanian majority, and has been contested throughout the bitter ethnic conflict of the 1990s.²⁴³ This resolution, supported by the United States (US) and Western Europe, would institute an EU administration, supported by the ongoing NATO-led peacekeeping force, while allowing Kosovo to declare independence.²⁴⁴ However, Russia has been strongly opposed to the finalization of the document, supporting Serbia's claim to the region, while the US and the European Union have been pressing for the speedy issuance of the resolution. Russia, a permanent member of the Security Council, has alluded to the possibility of using its veto against the resolution, while the Western powers have acknowledged the necessity of altering the text to accommodate Russian demands. Also, the originally-proposed deadline of issuing a resolution by mid-May now seems unrealistic, with negotiations between the two parties expected to last throughout most of the summer.²⁴⁵ It is crucial to reach a compromise with Russia, because the passage of any UN Security Council resolution would otherwise be blocked. Nevertheless, the Western position has recently been strengthened by the support of the NATO Secretary-General Jaap de Hoop Scheffer on 21 May. During a two-day meeting with President George W. Bush, Scheffer endorsed the “supervised independence” proposal for Kosovo, which features 24 NATO members and 11 partner states maintaining a peacekeeping presence in the region, as a continuation of the UN administration established after the 1999 crisis.²⁴⁶

Russia is not expected to alter its position before the summit, since the possibility of the independence of Kosovo will threaten its own continued unity, especially concerning the strong secessionist sentiments in the regions of Transdniestria, Abkhazia, and South Ossetia. In addition, although the issue of Kosovo's independence may not be the foremost item on the agenda, it is definitely expected to gain momentum as the summit nears, and to be the subject of difficult negotiations, with Russia remaining isolated and opposed to the US and the European G8 members. As a result of its relative isolation, it is expected that the Russian delegation will be eventually inclined to compromise in order to preserve bargaining power in other contentious areas, such as its reluctance to increase the commitment to African aid and its position on Iran's

²⁴¹ Study Urges Joint Planning, Financing for UN-AU Peace Operations, Angola Press, (Addis Ababa), 19 May 2007. Date of Access: 19 May 2007. <http://www.angolapress-angop.ao/noticia-e.asp?ID=532855>

²⁴² Study Urges Joint Planning, Financing for UN-AU Peace Operations, Angola Press, (Addis Ababa), 19 May 2007. Date of Access: 19 May 2007. <http://www.angolapress-angop.ao/noticia-e.asp?ID=532855>

²⁴³ Analysis—West Sees Russia Isolated on Kosovo, but not Vote Yet, Reuters, (Pristina), 16 May 2007. Date of Access: 16 May 2007. <http://www.alertnet.org/thenews/newsdesk/L16351300.htm>

²⁴⁴ Bush Welcomes NATO Leader at Texas Ranch, Media – Newswire, (Washington), 21 May 2007. Date of Access: 21 May 2007. http://media-newswire.com/release_1050037.html

²⁴⁵ Analysis—West Sees Russia Isolated on Kosovo, but not Vote Yet, Reuters, (Pristina), 16 May 2007. Date of Access: 16 May 2007. <http://www.alertnet.org/thenews/newsdesk/L16351300.htm>

²⁴⁶ Bush Welcomes NATO Leader at Texas Ranch, Media – Newswire, (Washington), 21 May 2007. Date of Access: 21 May 2007. http://media-newswire.com/release_1050037.html

nuclear program. During past summits, which have dealt with the issue of Kosovo specifically, namely the 1998 Birmingham Summit and the 1999 Köln Summit, the G8 did not have to resolve an inter-member disagreement as pronounced as the present one with Russia. Russia had been opposed to the nature of NATO military presence in the region, but the conclusion of the summit also saw a compromise between NATO and Russia on this issue.²⁴⁷ Russia also did not object to the adoption of UNSCR 1244 at that time. Thus, there is no precedent for G8 resolution of significant inter-member disagreements on the issue of Kosovo, and the negotiations are expected to be difficult.

Consequently, the establishment of a definite independence scheme for Kosovo can hardly be expected to result from the discussions at Heiligendamm, especially because the final authority rests with the United Nations, not the G8. However, the summit will definitely be used as a meeting forum between the opposing parties, and it is expected that the conclusion will be the crystallization of their relative positions. The hope, however, is that compromise will ensue.

In order to deliver successfully on the issue of Kosovo, the G8 needs to move negotiations along, either neutralizing the Russian opposition or ensuring its cooperation, both by assuaging its concerns over inadequate safeguards for the Serbian minority and mitigating its fears over resultant increases in domestic unrest.

Objective 3: Support for Afghanistan

Throughout 2006, the G8 members launched additional efforts to equip the Afghan National Army (ANA) with the intention of preserving order and spearheading restructuring efforts in Afghanistan. Two G8 members—Italy and France—have been heavily involved in the region, as the driving forces behind the establishment of the Kabul Regional Command, which was created last summer.²⁴⁸ The Command is also part of a larger initiative, namely, the International Security Assistance Force (ISAF) in Afghanistan.

Although the issue of Afghanistan's security did not at first loom large on the summit's agenda, the German initiative to contribute to reconstruction efforts has ensured that the issue has rapidly gained momentum. This is partly due to the fact that insurgent Taliban activity and border skirmishes between Afghanistan and Pakistan have greatly intensified in recent months, leading to a sharp deterioration of relations between the two states. In addition, the international community, and Germany in particular, recognized that a successful reconstruction process in Afghanistan is impossible without Pakistan's cooperation.²⁴⁹ Consequently, the German Foreign Minister Frank-Walter Steinmeier met with the Afghan President Hamid Karzai on 22 May and Pakistan's Foreign Minister Khurshid Kasuri on 23 May, as part of the German-led G8 initiative to improve relations and facilitate regional cooperation between the two parties. Steinmeier expressed his hope that the Heiligendamm Summit would lead to improved cooperation and increased effectiveness of political dialogue, with G8 members providing assistance for reaching that objective.²⁵⁰ However, the Foreign Minister was quick to caution against high expectations from the summit initiatives, stressing that it will be difficult to "agree on any definite points of view."²⁵¹ In addition, the G8 Foreign Ministers had invited the delegates of Pakistan and Afghanistan to the high-level international coordination conference on the reconstruction of Afghanistan held on 31 January 2007 in Berlin, in order to facilitate cooperation between these two countries. Specifically, the issues under discussion were the improvement of border security, the resolution of the refugee problem

²⁴⁷ G8 Statement on Regional Issues, the G8 Research Group, (Köln), 20 June 1999. Date of Access: 24 May 2007. <http://www.g8.utoronto.ca/summit/1999koln/regional.htm>

²⁴⁸ Turkey Helping Build Afghan Military Capability, Today's Zaman, (Ankara), 15 May 2007. Date of Access: 16 May 2007. <http://www.todayszaman.com/tz-web/detaylar.do?load=detay&link=111162>

²⁴⁹ Germany hoping to smooth Pakistan-Afghan relations, Reuters, (Kabul), 22 May 2007. Date of Access: 23 May 2007. <http://www.alertnet.org/thenews/newsdesk/L22680363.htm>

²⁵⁰ Germany Seeks to Mend Ties between Afghanistan and Pakistan, Deutsche Welle, (Berlin), 23 May 2007. Date of Access: 25 May 2007. <http://www.dw-world.de/dw/article/0,2144,2554810,00.html>

²⁵¹ Germany hoping to smooth Pakistan-Afghan relations, Reuters, (Kabul), 22 May 2007. Date of Access: 23 May 2007. <http://www.alertnet.org/thenews/newsdesk/L22680363.htm>

between the two countries, and the development of the broader region.²⁵² More importantly, the Foreign Ministers of the G8 states met again in Potsdam on 30 May 2007. In addition to Afghanistan, the discussions focused on Iran, Kosovo, the Middle East, and Sudan/Darfur.²⁵³ The meeting set a positive tone for the summit itself, as the Afghan and the Pakistani governments have agreed to cooperate with each other “at all levels,” especially regarding international terrorism and repatriation of Afghan refugees.²⁵⁴ In addition the G8 has pledged to combine forces with the two governments in the fight against drug trafficking and organized crime.²⁵⁵ Furthermore, Germany has the support of Italy in its initiatives, with the Italian Foreign Minister Massimo D’Alema also underscoring the importance of Afghan-Pakistani cooperation against international terrorism.²⁵⁶ D’Alema stressed the importance of the Potsdam conference in facilitating this cooperation, as well.²⁵⁷

Thus, at the summit in Heiligendamm, the discussions regarding Afghanistan will most likely centre on mechanisms for ensuring cooperation between Afghanistan and Pakistan, and continuing the reconstruction efforts already underway. In addition, the meetings are expected to be conducted at the foreign ministerial level, as the G8 Foreign Ministers have traditionally participated in the negotiations and meetings on the Afghan security issues. Significant inter-member clashes are not foreseen, as no member has expressed notable opposition to the current stages of G8 policy towards Afghanistan. Thus, the apparent consensus of the G8 members will be prominent in facilitating reconciliation between Afghanistan and Pakistan. The role the G8 can play in this process remains rather limited, as it is unable to eliminate the cause of the tensions—rising insurgency.

In conclusion, to be successful on this issue, the G8 needs to finalize its commitment to facilitate further cooperation between Afghanistan and Pakistan in the fight against international terrorism, deliver assistance to repatriation of Afghan refugees in Pakistan, and define its commitment to supporting anti-drug trafficking and organized crime efforts, in conjunction with Afghanistan and Pakistan. The degree of success can be measured by evaluating the relevant policy statements, which will be released after any discussions that take place.

By: Julia Muravska

²⁵² Conference on Afghanistan’s Reconstruction, Federal Foreign Office of the Federal Republic of Germany, (Berlin). Date of Access: 16 May 2007. <http://www.auswaertiges-amt.de/diplo/en/Aussenpoitik/RegionaleSchwerpunkte/Afghanistan/KoordinierungskonferenzAfghanistan.html>

²⁵³ Germany Seeks to Mend Ties between Afghanistan and Pakistan, Deutsche Welle, (Berlin), 23 May 2007. Date of Access: 25 May 2007. <http://www.dw-world.de/dw/article/0,2144,2554810,00.html>

²⁵⁴ Pakistan, Afghanistan and G8 to Cooperate against Terrorism, Pakistan Link, (Jamadi-ul-Awal), 31 May 2007. Date of Access: 3 June 2007. <http://www.pakistanlink.com/Headlines/May07/31/10.htm>

²⁵⁵ Pakistan, Afghanistan and G8 to Cooperate against Terrorism, Pakistan Link, (Jamadi-ul-Awal), 31 May 2007. Date of Access: 3 June 2007. <http://www.pakistanlink.com/Headlines/May07/31/10.htm>

²⁵⁶ Italy Urges Pakistan, Afghanistan to United against Common Enemy, Monsters and Critics, (Islamabad), 22 May 2007. Date of Access: 25 May 2007. http://news.monstersandcritics.com/southasia/news/article_1307656.php/Italy_urges_Pakistan_Afghanistan_to_unite_against_common_enemy

²⁵⁷ Italy Urges Pakistan, Afghanistan to United against Common Enemy, Monsters and Critics, (Islamabad), 22 May 2007. Date of Access: 25 May 2007. http://news.monstersandcritics.com/southasia/news/article_1307656.php/Italy_urges_Pakistan_Afghanistan_to_unite_against_common_enemy

Middle East

Pressing regional threats presented by developments and instability in the Middle East will receive attention at the upcoming G8 summit this June in Heiligendamm, Germany. The Middle East has not however been an area of regular focus for the G8. At a G8 Foreign Ministers' meeting on 18 July 2001, the countries discussed tangible initiatives for peace in the region.²⁵⁸ Talks from this ministerial meeting resulted in the 2001 Genoa G8 Summit Statement on the Middle East, in which the Eight acknowledged the gravity of the Arab-Israeli conflict and endorsed the speedy implementation of the Mitchell Report.²⁵⁹ Though the Mitchell Report remains one of the most significant diplomatic attempts at resolving the longstanding dispute between Israel and the Palestinian Authority, it has failed to end violence and terrorism in the region.²⁶⁰

After the 11 September 2001 terrorist attacks on the United States (US), that have since associated the Middle East with terrorism, the G8 began to pay increased attention to the problems of the region. The 2004 Sea Island produced not only a G8 Statement welcoming the prospect of an Israeli withdrawal from the Gaza strip and parts of the West Bank,²⁶¹ but also launched a large-scale partnership plan for social and economic cooperation with the region.²⁶² The joint G8-Broader Middle East and North Africa (BMENA) initiative contained three broad objectives: focus on the political sphere by fostering democratic state reform, good governance and modernization; progress on the social sphere by improving the quality of life and access to education; and economic development by promoting entrepreneurship, diversifying commerce, and fighting corruption.²⁶³ The document also included discussions on the Middle East Peace Process and on stabilizing the conflict in Iraq.

At the 2005 Gleneagles Summit, the G8 reaffirmed its commitment to supporting reforms in partnership with the Broader Middle East and North Africa.²⁶⁴ Gleneagles saw the release of two documents on the region: the Partnership for Progress and a Common Future with the Broader Middle East and North Africa region; and the Middle East Peace Process.²⁶⁵ The following year, the crisis in Lebanon forcibly captured the attention of the G8 leaders in St. Petersburg. There, the leaders addressed the critical need for a comprehensive plan for peace in the Middle East.²⁶⁶ Meanwhile, the tensions between the Islamic Republic of Iran and the United States and Europe over Iran's nuclear ambitions have been steadily rising since last July. The increasingly unmanageable situation in Iraq coupled by recent violence in Lebanon will demand G8 attention at

²⁵⁸ Middle East - Genoa G8 ministerial meeting - Interview given by M. Hubert Védrine, Minister of Foreign Affairs, to the press, Rome 18.07.2001, France Embassy in the United Kingdom, (London), 18 July 2001, Date of Access: 20 May 2007. <http://www.ambafrance-uk.org/Middle-East-Genoa-G8-ministerial.html>.

²⁵⁹ Genoa: Delegations and Documents: G8 Statement on the Middle East, G8 Research Group, (Toronto), 21 July 2001. Date of Access: 20 May 2007. <http://www.g7.utoronto.ca/summit/2001genoa/middleeast.html>.

²⁶⁰ "The Mitchell Report," BBC News Online, (London), 29 November 2001. Date of Access: 20 May 2007. http://news.bbc.co.uk/2/hi/in_depth/middle_east/2001/israel_and_the_palestinians/key_documents/1632064.stm.

²⁶¹ Sea Island: Summit Documents: G8 Statement: Gaza Withdrawal and the Road Ahead to Mideast Peace, G8 Research Group, (Toronto), 9 June 2004. Date of Access: 20 May 2007. <http://www.g8.utoronto.ca/summit/2004seaisland/mideast.html>.

²⁶² Sea Island: Summit Documents: Partnership for Progress and a Common Future with the Region of the Broader Middle East and North Africa, G8 Research Group, (Toronto), 9 June 2004. Date of Access: 20 May 2007. <http://www.g8.utoronto.ca/summit/2004seaisland/partnership.html>.

²⁶³ Sea Island: Summit Documents: Partnership for Progress and a Common Future with the Region of the Broader Middle East and North Africa, G8 Research Group, (Toronto), 9 June 2004. Date of Access: 20 May 2007. <http://www.g8.utoronto.ca/summit/2004seaisland/partnership.html>.

²⁶⁴ G8 Gleneagles 2005: Policy Issues: Other Issues: Supporting reform in the Broader Middle East and North Africa, G8 Gleneagles UK Website, (Gleneagles), 12 November 2005, Date of Access: 20 May 2007. <http://www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1097073730729>.

²⁶⁵ G8 Gleneagles 2005: Policy Issues: Other Issues: Supporting reform in the Broader Middle East and North Africa, G8 Gleneagles UK Website, (Gleneagles), 12 November 2005, Date of Access: 20 May 2007. <http://www.g8.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1097073730729>.

²⁶⁶ Middle East, Official Website of the G8 Presidency of the Russian Federation in 2006, (St. Petersburg), 16 July 2006, Date of Access: 20 May 2007. <http://en.g8russia.ru/docs/21.html>.

the summit. At Heiligendamm, the G8 leaders can be expected to discuss the obstacles to the Middle East Peace Process as well as the security threat of a nuclear-armed Iran.

Objective 1: The Middle East Peace Process

Discussions regarding prospects for peace initiatives in the Middle East will likely occur at the summit. The G8 has a long established interest in fostering peace and promoting reconciliation in the region. In preparation for the 2001 Genoa Summit, the G8 held a foreign ministerial meeting to discuss existing regional crises as well as the prevention of future conflicts.²⁶⁷ In light of the conflict in the Gaza and West Bank, the meeting sought to find a meaningful and comprehensive action plan for peace between Israel and the Palestinian Authority.²⁶⁸ The result was a very solid agreement between the G8 leaders and their respective foreign ministers in full support of the recommendations of the Mitchell Report.²⁶⁹ There was thus a strong convergence of policy between the G8 member-states in favour of a decisive peace plan for the Middle East. Despite the best international efforts at maintaining the peace however, problems in the region continue to mount, and resulted in open conflict between Israel, Hamas, and Hezbollah in July 2006.

The trend of summit attention on the Middle East is expected to continue with the Heiligendamm Summit, as it is an area where most of the G8 member-states have vested strategic, economic, or otherwise diplomatic interests. On 2 February 2007, the "Middle East Quartet," which includes representatives from the US, the Russian Federation, the European Union (EU), and the United Nations (UN), met in Washington for the first time since September 2006.²⁷⁰ The meeting came close to the upcoming Heiligendamm Summit, and indicated a clear desire by Germany, both G8 summit-host and EU-president, to "revive" talks on the situation in the Middle East.²⁷¹ German Foreign Minister Frank-Walter Steinmeier also revealed that Germany wishes "firstly to shape the Quartet more actively, and secondly to help achieve a rapprochement between Israelis and Palestinians."²⁷² Cognizant that without the expressed desire for peace from the conflicting parties, prospects would remain dismal, Steinmeier and his US counterpart, Secretary of State Condoleezza Rice, discussed ways in which the Quartet could create an "impetus" for peace.²⁷³ At the same time, the G8 plus the Quartet hope to make progress in creating a separate and stable Palestinian state.²⁷⁴

The main focus of the G8 concerning the situation in the Middle East will be on developing and introducing tangible initiatives to mitigate the current Israeli-Arab impasse; a process in which the Quartet plays a pivotal role. Until recently, there were some positive signs. On 23 December 2006, Palestinian Authority President Mahmoud Abbas met with Israeli Prime Minister Ehud Olmert in Jerusalem where the two leaders agreed to put aside their respective differences and to adhere

²⁶⁷ "Middle East - Genoa G8 ministerial meeting - Interview given by M. Hubert Védrine, Minister of Foreign Affairs, to the press, Rome 18.07.2001," France Embassy in the United Kingdom, (London), 18 July 2001, Date of Access: 20 May 2007. <http://www.ambafrance-uk.org/Middle-East-Genoa-G8-ministerial.html>.

²⁶⁸ Genoa: Delegations and Documents: G8 Statement on the Middle East, G8 Research Group, (Toronto), 21 July 2001. Date of Access: 20 May 2007. <http://www.g7.utoronto.ca/summit/2001genoa/middleeast.html>.

²⁶⁹ Genoa: Delegations and Documents: G8 Statement on the Middle East, G8 Research Group, (Toronto), 21 July 2001. Date of Access: 20 May 2007. <http://www.g7.utoronto.ca/summit/2001genoa/middleeast.html>.

²⁷⁰ Foreign Policy: Middle East Quartet meeting in Washington, Auswaertiges Amt, (Berlin), 2 February 2007. Date of Access: 20 May 2007. <http://www.auswaertiges-amt.de/diplo/en/Aussenpolitik/RegionaleSchwerpunkte/Nahost/Nahostquartett010207.html>.

²⁷¹ Foreign Policy: Middle East Quartet meeting in Washington, Auswaertiges Amt, (Berlin), 2 February 2007. Date of Access: 20 May 2007. <http://www.auswaertiges-amt.de/diplo/en/Aussenpolitik/RegionaleSchwerpunkte/Nahost/Nahostquartett010207.html>.

²⁷² Foreign Policy: Middle East Quartet meeting in Washington, Auswaertiges Amt, (Berlin), 2 February 2007. Date of Access: 20 May 2007. <http://www.auswaertiges-amt.de/diplo/en/Aussenpolitik/RegionaleSchwerpunkte/Nahost/Nahostquartett010207.html>.

²⁷³ Foreign Policy: Middle East Quartet meeting in Washington, Auswaertiges Amt, (Berlin), 2 February 2007. Date of Access: 20 May 2007. <http://www.auswaertiges-amt.de/diplo/en/Aussenpolitik/RegionaleSchwerpunkte/Nahost/Nahostquartett010207.html>.

²⁷⁴ Quartet Statement, Auswaertiges Amt, (Berlin), 2 February 2007. Date of Access: 20 May 2007. <http://www.auswaertiges-amt.de/diplo/en/Aussenpolitik/RegionaleSchwerpunkte/Nahost/NahostquartettStatement020207.pdf>.

to the terms of the "Roadmap."²⁷⁵ A three-phased strategy based on mutual cooperation, the "Roadmap" seeks to create the conditions in which a sovereign Palestinian state could peacefully coexist with Israel. More recently, on 19 February 2007, President Abbas and Prime Minister Olmert held talks with Secretary Rice.²⁷⁶ The dialogue between the two leaders again proved constructive: both expressed their legitimate desire for a two state-solution, and reaffirmed their commitment to implementing Phase I of the "Roadmap" – that is, ending terrorism and violence, and normalizing Palestinian life.²⁷⁷ The subsequent implementation of some of those steps is a promising development. Recent ongoing factional fighting in the Gaza region however threatens both to undermine this progress and the Palestinian government's credibility.²⁷⁸ Consequently, the Quartet met on 30 May, days before the summit, in Berlin to look at ways of settling the hostilities.²⁷⁹ The outcome of the talks between Russian Foreign Minister Sergei Lavrov, US Secretary of State Condoleezza Rice, UN Secretary-General Ban Ki-Moon, High Representative for European Foreign and Security Policy Javier Solana, German Foreign Minister Frank-Walter Steinmeier, and European Commissioner for External Relations Benita Ferrero-Waldner was a firm statement against the continuing violence in the region.²⁸⁰ The Quartet also condemned the launching of Qassam rockets into southern Israel and other acts of terrorism, while urging Israel to display restraint.²⁸¹ Other notable features of the report include the reaffirmed support for the "Roadmap" and related UN Security Council resolutions, the endorsed extension of the Temporary International Mechanism (TIM) until September 2007, and the expressed support for the Arab Peace Initiative.²⁸²

At the summit, the G8 leaders will likely address the worrying situation in the region while promoting some of the earlier progress made by the two parties toward finding a permanent and peaceful solution. As far as the G8's position on the escalating violence in Lebanon, the G8 has repeatedly conveyed a powerful message to the Palestinian side to put an end to terrorist and extremist activities and to take the necessary steps toward reconciliation. However, it is uncertain just how strongly the issue will figure during summit talks. For one, the G8's real influence on the ground is rather limited. The G8 will demand a cease-fire and can encourage open dialogue. At Heiligendamm, the G8 can be expected to publicly endorse the idea of a two-state solution, as entertained by President Abbas, Prime Minister Olmert, and Secretary of State Rice. Nevertheless, the Middle East Peace Process stands to become overshadowed by the more ominous threat of Iran's nuclear agenda over which the Group might possibly have real influence.

Objective 2: Iran

With Iran defiantly pushing ahead with its nuclear program, the upcoming G8 Summit in Heiligendamm, like the previous ones in St. Petersburg, Gleneagles, and Sea Island, will involve discussions on Iran. Shortly following the St. Petersburg Summit, Germany signaled its intention

²⁷⁵ PM Olmert meets with PA President Abbas, Israeli Ministry of Foreign Affairs, (Jerusalem), 23 December 2006. Date of Access: 24 May 2007.

<http://www.mfa.gov.il/MFA/Government/Communiqués/2006/PM%20Olmert%20meets%20with%20PA%20President%20Abbas%2024-Dec-2006>.

²⁷⁶ Statement by Secretary of State Rice after meeting with PM Olmert and PA President Abbas, Israeli Ministry of Foreign Affairs, (Jerusalem), 19 February 2006. Date of Access: 24 May 2007.

<http://www.mfa.gov.il/MFA/Peace%20Process/Guide%20to%20the%20Peace%20Process/Statement%20by%20Secretary%20of%20State%20Condoleezza%20Rice%20after%20meeting%20with%20Prime%20Minister%20Olmert%20and%20Presid.htm>.

²⁷⁷ Press Statement: A Performance-Based Roadmap to a Permanent Two-State Solution to the Israeli-Palestinian Conflict, US Department of State: Office of the Spokesman, (Washington D.C.), 30 April 2003. Date of Access: 24 May 2007. <http://www.state.gov/r/pa/prs/ps/2003/20062.htm>.

²⁷⁸ Kershner, Isabel, "Israel Hits Hamas Posts in Gaza With Airstrikes," New York Times Online, (Jerusalem), 26 May 2007. Date of Access: 26 May 2007.

²⁷⁹ Middle East Quartet to meet in Berlin on May 30, EUBusiness Live News Feed (Berlin), 23 May 2007. Date of Access: 26 May 2007. http://www.eubusiness.com/news_live/1179925223.25.

²⁸⁰ Quartet Statement, United Nations News, (Berlin/New York City), 30 May 2007. Date of Access: 5 June 2007. http://www.un.org/news/dh/infocus/middle_east/quartet-30may2007.htm.

²⁸¹ Quartet Statement, United Nations News, (Berlin/New York City), 30 May 2007. Date of Access: 5 June 2007. http://www.un.org/news/dh/infocus/middle_east/quartet-30may2007.htm.

²⁸² Quartet Statement, United Nations News, (Berlin/New York City), 30 May 2007. Date of Access: 5 June 2007. http://www.un.org/news/dh/infocus/middle_east/quartet-30may2007.htm.

to include Iran on the prospective agenda. On 19 July 2006, this year's G8 host, Chancellor Angela Merkel informed reporters of the Heiligendamm agenda, saying that, "The topics will depend on the situation in the world then and will probably include a discussion on Iran, the Middle East conflict -- perhaps we will consider a subject not yet discussed by the G8."²⁸³ Devoid of a permanent seat on the UN Security Council, Germany has traditionally felt isolated on security-related matters. Iran therefore stands to be an issue where Germany might be able to impact change.

The European Union-3 (EU-3), which consists of Britain, France, and Germany, and the International Atomic Energy Agency (IAEA) have thus far taken the lead in negotiating with Iran on its nuclear agenda. In June 2006, Iran rejected an EU incentive package to persuade it to abandon enrichment.²⁸⁴ No real progress has been made on Iran. Determined to continue with enrichment, Iran has consistently refused every incentive deal that the West has since presented. Nor has Iran responded to pressures of sanctions. Instead, Iran has ruled out the suspension of its nuclear program, which it maintains is strictly for peaceful purposes. Despite assurances from Tehran concerning the nonviolent nature of the nuclear agenda,²⁸⁵ it is feared that armed with nuclear capabilities, Iran would threaten stability in the region.²⁸⁶

According to a recent report by the IAEA, Iran is an estimated three to eight years away from developing a nuclear weapon.²⁸⁷ While the Agency reported also that there was "no evidence that Iran was trying to 'weaponise' nuclear material, or of undeclared nuclear facilities in the country," the US is gearing to launch the third round of sanctions against Iran in order to "bring about a change in Iranian calculations."²⁸⁸ Both President George W. Bush and Secretary Rice have expressed their belief that firm responses are the appropriate way to deal with continued Iranian intransigence.²⁸⁹ At Heiligendamm, the US will likely try to produce an agreement on Iran that imposes new sanctions against Tehran unless the country agrees to stop uranium enrichment operations.²⁹⁰

At the summit, the leaders will discuss measures aimed at modifying Iran's behaviour and pressuring the country to comply with UN demands.²⁹¹ A key American objective for Heiligendamm is to present Iran with a cohesive and united front against its nuclear ambitions. With regards to the implementation of new sanctions against Iran, the US enjoys the solid support of most of the G8 members. However, there are some signs of policy disagreements between the G8 states. Italy has agreed to only support a peaceful agreement against Iran. On 31 August 2006, Italian Foreign Minister Massimo D'Alema stressed the need for a genuine effort at negotiation because "it is difficult to convince someone if at the same time he is being threatened."²⁹² Russia has also expressed reservations about increasingly stringent sanctions against Iran, where it has significant economic ties. Iran is an issue with a proven potential for a clash between the leaders, particularly as many members support only diplomatic options.

²⁸³ Bhatti, Jabeen, "German G8 Presidency: Changes in Style and Substance," Deutsche Welle, (Berlin), 19 July 2006. Date of Access: 23 July 2006. www.dw-world.de/dw/article/0,2144,2103556,00.html.

²⁸⁴ Timeline: Iran Nuclear Crisis, Fox News Online, 31 August 2006. Date of Access: 25 May 2007. <http://www.foxnews.com/story/0,2933,211517,00.html>.

²⁸⁵ Iran Nuclear Project Forges Ahead, BBC News International, (London), 26 August 2006. Date of Access: 5 June 2007. http://news.bbc.co.uk/2/hi/middle_east/5288286.stm.

²⁸⁶ Country Overviews: Iran: Nuclear Overview, Nuclear Threat Initiative, (Washington D.C.), November 2006. Date of Access: 5 June 2007. http://www.nti.org/e_research/profiles/Iran/1819.html.

²⁸⁷ Tran, Mark, Iran 'three to eight years' from nuclear weapon, Guardian Unlimited, (Manchester), 24 May 2007. Date of Access: 24 May 2007. <http://www.guardian.co.uk/iran/story/0,,2087272,00.html>.

²⁸⁸ Tran, Mark, Iran 'three to eight years' from nuclear weapon, Guardian Unlimited, (Manchester), 24 May 2007. Date of Access: 24 May 2007. <http://www.guardian.co.uk/iran/story/0,,2087272,00.html>.

²⁸⁹ Tran, Mark, Iran 'three to eight years' from nuclear weapon, Guardian Unlimited, (Manchester), 24 May 2007. Date of Access: 24 May 2007. <http://www.guardian.co.uk/iran/story/0,,2087272,00.html>.

²⁹⁰ G-8 summit to press North Korea on abductions, Daily Yomiuri, (Japan), 21 May 2007. Date of Access: 24 May 2007. <http://www.yomiuri.co.jp/dy/world/20070521TDY01001.htm>.

²⁹¹ Charbonneau, Louis, G8 to back further measures against Iran: diplomats, Reuters, (Berlin), 8 May 2007. Date of Access: 24 May 2007. <http://www.iranfocus.com/modules/news/article.php?storyid=11157>

²⁹² Italy backs Iran's nuclear bid if peaceful, The Daily Telegraph, (Australia), 31 August 2006. Date of Access: 24 May 2007. <http://www.freerepublic.com/focus/f-news/1694293/posts>

All is not entirely bleak. At a preparatory meeting in Potsdam on 30 May, G8 Foreign Ministers articulated their concerns about Iran's nuclear enrichment activities.²⁹³ Perhaps also due to the negative economic impact of the sanctions, Iran has agreed to return to the negotiation table – albeit on its own terms. Iran's Chief Nuclear Negotiator Ali Larijani met with the EU's Foreign Policy Chief Javier Solana on 30 May in Madrid.²⁹⁴ Although the discussions were, said Solana, held in a "positive good atmosphere," little progress was made in settling the dispute on Iran's enrichment program in June.²⁹⁵

The G8 will thus take up the problem of Iran's nuclear ambitions, but real dialogue on Iran will likely occur on the sidelines of the summit, and will probably only involve the six great powers, the United States, Britain, France, Russia, China, and Germany. Political observers can certainly expect the G8 to issue a clear statement opposing Iran's uranium enrichment program, but success on this issue ultimately means persuading Tehran to halt development while engaging in negotiations.

Objective 3: Iraq

Relative to other regional security issues, Iraq has not received a great deal of G8 attention at previous summits. During both the 2004 Sea Island Summit and the subsequent 2005 Gleneagles Summit, Iraq was discussed but this usually took the form of bilateral talks between US President George W. Bush and British Prime Minister Tony Blair. At Sea Island, the two leaders discussed the prospective involvement of NATO forces in the peace-building mission to stabilize Iraq as well as the possibility of Iraq being a template for democratic reform in the region.²⁹⁶ On 9 June 2004, Bush spoke of America's intention to "transfer full sovereignty" to the nation of Iraq, following the selection of Iraq's first post-Saddam President.²⁹⁷ The G8 leaders also engaged in talks about the UN resolution on Iraq to increase troops to Iraq, though Canada, France, Germany, and Russia have all reaffirmed their unequivocal decision against contributing troops to the war effort.²⁹⁸ Similar discussions were held between G8 countries in Gleneagles the following year, where the nations released a statement in support of Iraq's inclusive and transparent transition to democracy, and to its commitment to the rule of law and human rights.²⁹⁹

At Gleneagles, the leaders of the G8 countries expressed their support of a Paris Club agreement to reduce Iraq's debt by a target of 80 percent, and committed to encouraging non-Paris Club creditors, particularly the Gulf states to which most of Iraq's debt is owed, to do the same.³⁰⁰ With the exception of Russia, the other Seven have taken positive steps toward canceling much of Iraq's

²⁹³ G8 foreign ministers meeting (Potsdam, May 30, 2007), France Diplomatie: Ministère des Affaires Étrangères, (Paris), 30 May 2007. Date of Access: 5 June 2007.

²⁹⁴ Charbonneau, Louis, G8 to back further measures against Iran: diplomats, Reuters, (Berlin), 8 May 2007. Date of Access: 24 May 2007. <http://www.iranfocus.com/modules/news/article.php?storyid=11157>

²⁹⁵ EU-Iran talks make little progress, Envoys agree to meet again, RIA Novosti, (Moscow), 1 June 2007. Date of Access: 5 June 2007. <http://en.rian.ru/world/20070601/66483111.html>

²⁹⁶ President Bush, Prime Minister Blair Discuss Iraq at G8 Summit President Bush, Remarks by the President and Prime Minister Blair of the United Kingdom in a Photo Opportunity, The White House, (Sea Island), 9 June 2004. Date of Access: 24 May 2007. <http://www.whitehouse.gov/news/releases/2004/06/20040609-1.html>

²⁹⁷ President Bush, Prime Minister Blair Discuss Iraq at G8 Summit President Bush, Remarks by the President and Prime Minister Blair of the United Kingdom in a Photo Opportunity, The White House, (Sea Island), 9 June 2004. Date of Access: 24 May 2007. <http://www.whitehouse.gov/news/releases/2004/06/20040609-1.html>

²⁹⁸ President Discusses Security Council Resolution on Iraq at G8 Summit Remarks by the President and Prime Minister Koizumi of Japan in Photo Opportunity Dunbar House, The White House, (Sea Island), 8 June 2004. Date of Access: 24 May 2007. <http://www.whitehouse.gov/news/releases/2004/06/20040608-7.html>

²⁹⁹ G8 Issues Statement Supporting Iraq's Transition; Addresses political, financial, infrastructure, terrorist challenges, The White House, (Gleneagles), 8 July 2005. Date of Access: 24 May 2007. <http://usinfo.state.gov/xarchives/display.html?p=washfile-english&y=2005&m=July&x=20050708134029cpataruK0.245022>

³⁰⁰ Iraq, G8 Gleneagles 2005, (Gleneagles), 8 July 2005. Date of Access: 24 May 2007. <http://www.g8.utoronto.ca/summit/2005gleneagles/iraq.pdf>

outstanding debt.³⁰¹ Despite this progress, the American-led war in Iraq has been a divisive G8 issue. The decision to go to war in Iraq had been a highly unpopular one, and many G8 members see the current instability and sectarian violence in the country as a largely Anglo-American problem. Nonetheless, the subject of peace building in Iraq might emerge as a result of related summit discussions regarding the security of the Middle East, particularly in view of Iranian provocations to the stability of Iraq.

A key objective for the G8 is to get the Iranians to respect the territorial integrity and sovereignty of Iraq. In order to fulfill this objective, the G8 will have to focus on Iraq in political isolation from the present dispute over Iran's nuclear agenda.

The US and Iran met in Baghdad on 28 May where the two countries held the first face-to-face talks since the 1979 Islamic Revolution and subsequent embassy hostage crisis, to discuss Iraq's security, including the prospect of Iranian participation in the rebuilding effort.³⁰² While the bilateral meeting did not conclude with an agreement, both sides articulated a common desire for a stable Iraq.³⁰³ The US accuses Iran of providing arms and training to Shiite insurgents in Iraq and fomenting unrest in the region; Iran, in turn, blames the violence on prolonged American presence in the country.³⁰⁴ In response to such American allegations, Iranian Foreign Minister Manouchehr Mottaki stated: "The United States must accept the responsibilities arising from the occupation of Iraq, and should not finger point or put the blame on others."³⁰⁵ Still given that diplomatic relations between the two states have been severed for nearly 30 years, the Baghdad meeting is an encouraging development. Mindful of the need for a coalition exit, at Heiligendamm, the G8 will likely discuss meaningful ways both to pass the administration of the country over to the Iraqis and to establish a lasting peace in Iraq. Success on stabilizing Iraq can be achieved, but will require the support of several of Iraq's neighbours. If the G8 wishes to win the support of Iran in building a permanent peace in Iraq, it might have to make concessions to the Iranians on the nuclear issue.

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³⁰¹ Debt Relief: Iraq, 2005 Gleneagles Final Compliance Report, G8 Research Group, (Toronto), 12 June 2006. Date of Access 24 May 2007. http://www.g7.utoronto.ca/evaluations/2005compliance_final/2005-14-g8-f-comp_iraq.pdf.

³⁰² Iranians go to Iraq for talks with U.S., Associated Press, (Tehran), 27 May 2007. Date of Access: 27 May 2007. http://www.usatoday.com/news/world/iraq/2007-05-27-iran_N.htm.

³⁰³ US Warns Iran over arming Iraqis, BBC News International, (London), 28 May 2007 Date of Access: 29 May 2007. http://news.bbc.co.uk/2/hi/middle_east/6696971.stm.

³⁰⁴ Iranians go to Iraq for talks with U.S., Associated Press, (Tehran), 27 May 2007. Date of Access: 27 May 2007. http://www.usatoday.com/news/world/iraq/2007-05-27-iran_N.htm.

³⁰⁵ Iran FM attacks US policy in Iraq, BBC News Online, (London), 4 May 2007. Date of Access: 24 May 2007. http://news.bbc.co.uk/2/hi/middle_east/6621821.stm.

Arms Proliferation

Countering the proliferation of the materials and knowledge required to produce Weapons of Mass Destruction (WMD) emerged prominently on the G8 agenda in 2002 at the Kananaskis Summit, where the G8 launched the Global Partnership against the Proliferation of WMD.

The Global Partnership is a multilateral agreement, aimed at assisting Russia and former member states of the USSR in decommissioning excess nuclear, biological and chemical weapon stocks. Its members, which include the G8 member states as well as thirteen non-G8 partners, work with Russia and other states in the former Soviet Union to secure or destroy existing WMD stockpiles, dismantle aging nuclear submarines, secure or dispose of fissile materials, and redirect and re-train former weapons scientists.³⁰⁶ The program's overarching aim is to prevent rogue states or terrorists from gaining the knowledge or materials needed to manufacture WMD. In 2002, at the Global Partnership's inception, the member states of the G8 pledged USD20 billion to the program over ten years.³⁰⁷

In subsequent summits the G8 has reaffirmed its commitment to stem the threat to international peace and security posed by the proliferation of WMD. At Evian in 2003, the G8 announced a series of 'Evian Action Goals', which both reaffirmed their commitment to the Global Partnership and expanded its scope to encompass new projects and new members, specifically "interested non-G8 donor countries that are willing to adopt the Kananaskis documents."³⁰⁸ In addition, at the 2004 summit, the G8 launched the 'Sea Island Action Plan on Nonproliferation', which sought to "prevent, contain, and roll back proliferation by strengthening the global nonproliferation regime."³⁰⁹ In this action plan the member states of the G8 announced they would "recommit [...] to raising up to USD20 billion for the Global Partnership through 2012."³¹⁰ At the 2005 Gleneagles Summit, the G8 restated its position that "the proliferation of weapons of mass destruction and their delivery means, together with international terrorism, remain one of the pre-eminent threats to international peace and security."³¹¹ Finally, at the 2006 summit in St. Petersburg, the members of the G8 again "reaffirmed their determination and commitment to work together and with other states and institutions in the fight against the proliferation of WMD."³¹²

Given the revelations around the nuclear weapons program in the Democratic People's Republic of Korea (North Korea), the uranium-enrichment program in Iran, and speculation that Egypt may reconsider re-opening its domestic nuclear weapons program, arms proliferation will likely garner significant attention and generate substantial discussion at Heiligendamm.

Objective 1: Reaffirming a Commitment to Non-Proliferation and the Global Partnership

In Heiligendamm, the G8 will likely seek to reaffirm their commitment to existing non-proliferation agreements and institutions such as the Global Partnership, the Proliferation Security Initiative (PSI), the Non Proliferation Treaty (NPT), the Fissile Material Cutoff Treaty (FMCT), the Biological and Toxin Weapons Convention (BTWC), the Chemical Weapons Convention (CWC) and the International Atomic Energy Agency (IAEA).

³⁰⁶ Making a difference: 2006 Annual Report, The Global Partnership Program, (Ottawa), November 2006. Date of Access: 12 May 2007. [http://geo.international.gc.ca/cip-pic/library/GlobalPartnership_FINAL_e%20\(3\).pdf](http://geo.international.gc.ca/cip-pic/library/GlobalPartnership_FINAL_e%20(3).pdf).

³⁰⁷ Making a difference: 2006 Annual Report, The Global Partnership Program, (Ottawa), November 2006. Date of Access: 12 May 2007. [http://geo.international.gc.ca/cip-pic/library/GlobalPartnership_FINAL_e%20\(3\).pdf](http://geo.international.gc.ca/cip-pic/library/GlobalPartnership_FINAL_e%20(3).pdf).

³⁰⁸ Making a difference: 2006 Annual Report, The Global Partnership Program, (Ottawa), November 2006. Date of Access: 12 May 2007. [http://geo.international.gc.ca/cip-pic/library/GlobalPartnership_FINAL_e%20\(3\).pdf](http://geo.international.gc.ca/cip-pic/library/GlobalPartnership_FINAL_e%20(3).pdf).

³⁰⁹ G8 Action Plan on Non-Proliferation, G8 2004 Sea Island, (Sea Island), 9 June 2004. Date of Access: 10 May 2007. <http://www.g8.utoronto.ca/summit/2004seaisland/nonproliferation.html>.

³¹⁰ G8 Action Plan on Non-Proliferation, G8 2004 Sea Island, (Sea Island), 9 June 2004. Date of Access: 10 May 2007. <http://www.g8.utoronto.ca/summit/2004seaisland/nonproliferation.html>.

³¹¹ Gleneagles Statement on Nonproliferation, G8 2005 Gleneagles, (Gleneagles), 8 July 2005. Date of Access: 10 May 2007. <http://en.civilg8.ru/2295.php>.

³¹² Statement on Non-Proliferation, G8 2006 St. Petersburg, (St. Petersburg), 16 July 2006. Date of Access: 10 May 2007. <http://www.g8.utoronto.ca/summit/2006stpetersburg/nonprolif.html>.

In St. Petersburg, the G8 released a statement on non-proliferation touting the Global Partnership as “a significant force to enhance international security and safety” while concomitantly acknowledging that “more has to be done to increase the efficiency of our cooperation.”³¹³ It is likely that the theme of continuance and re-dedication to the principles of the Global Partnership will feature prominently in any statement on non-proliferation that emerges from the Heiligendamm Summit.

In addition, the G8 will likely reaffirm its openness to the notion of expanding membership in the Global Partnership to other recipient countries and donor states which support the goals set out at Kananaskis. Although the G8 countries are likely to reaffirm their commitment to the Global Partnership, a recent clash between the United States (US) and Russia about certain financial issues might hinder the continuing success of the Program. The White House has in fact eliminated funding allocated to the Shchuch’ye plant in the 2008 and 2009 fiscal budgets.³¹⁴ Furthermore, USD270 million in CTR funds from 2005, 2006 and 2007 remains unspent due to disputes over whether the money should continue to be managed by the Denver-based Parsons firm, or whether control should be transferred to Russian federal agencies.³¹⁵ A key reason for this move away is the continuing difficulties in working cooperatively with the Russian government and its official entities.³¹⁶

The reaffirmation of a commitment to non-proliferation and the Global Partnership will very likely be agreed upon by all member states of the G8; however, there are mounting disagreements on the administration of the Global Partnership, especially between the US and Russia, and statements from Heiligendamm won’t feature financial contributions prominently. Despite its absence on the agenda as one of the German Presidency’s priorities for Heiligendamm, there is sufficient international pressure in the area of nuclear proliferation to warrant attention to the Global Partnership by the G8 member states. This sentiment was echoed by Frank Walter Steinmeier, the German foreign minister, who stated that it is the German government’s goal to “bring back the issue of non-proliferation on the international agenda.”³¹⁷

The Heiligendamm Summit will be considered a success on the issue of Global Partnership if the G8 releases a statement that reiterates its political and financial commitments to the program. Given mounting tensions between the US and Russia regarding the administration of the program it is questionable as to whether the G8 member states will restate their Kananaskis financial pledges.

Objective 2: Iran

On 2 May 2007 German foreign minister Frank Walter Steinmeier stated that “when there is a concrete threat, a united and successful international community should put diplomatic pressure on the specific state [which presents the threat].”³¹⁸ He observed furthermore that “Iran will realize that it should invest in the life of its young population, instead of starting an arms race in the

³¹³ Statement on Non-Proliferation, G8 2006 St. Petersburg, (St. Petersburg), 16 July 2006. Date of Access: 10 May 2007. <http://www.g8.utoronto.ca/summit/2006stpetersburg/nonprolif.html>.

³¹⁴ Chris Schneidmiller, U.S. Eliminates New Funding for Russian CW Disposal, Nuclear Threat Initiative, (Washington D.C.), 2 March 2007. Date of Access: 7 May 2007. http://204.71.60.36/d_newswire/issues/2007_3_1.html#EEB66428.

³¹⁵ Charles Digges, Putin moves Duma a step closer to ratifying CTR Umbrella Agreement, Bellona, (Oslo), 2 March 2007. Date of Access: 1 May 2007. http://www.bellona.org/articles/putin_CTR.

³¹⁶ Chris Schneidmiller, U.S. Eliminates New Funding for Russian CW Disposal, Nuclear Threat Initiative, (Washington D.C.), 2 March 2007. Date of Access: 7 May 2007. http://204.71.60.36/d_newswire/issues/2007_3_1.html#EEB66428.

³¹⁷ Sichere Urananreicherung fuer alle, Handelsblatt, (Berlin), 2 May 2007. Date of Access: 11 May 2007. <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Interviews/2007/070502-Handelsblatt.html>.

³¹⁸ Sichere Urananreicherung fuer alle, Handelsblatt, (Berlin), 2 May 2007. Date of Access: 11 May 2007. <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Interviews/2007/070502-Handelsblatt.html>.

region.”³¹⁹ The German foreign ministry has clearly stated that Iran will be a topic at Heiligendamm.³²⁰

The Statement on Non-Proliferation made by the G8 at St. Petersburg affirmed that the G8 remains seriously concerned over the proliferation implications of Iran’s advanced nuclear program and remains united in its commitment to see those implications resolved.³²¹ Given the failure of diplomatic talks between the US, the EU, Russia and Iran to reach a conclusive agreement on the future of Iran’s uranium-enrichment program, the issue is very likely to re-emerge in Heiligendamm. A statement released at the Foreign Minister meeting of the G8 members indicates that if Iran continues to ignore demands of the UN Security Council, the G8 would support further appropriate measures as agreed in Resolution 1747.³²² In its resolution GOV/2006/14, the IAEA stated that Iran should: re-establish full and sustained suspension of all enrichment-related and reprocessing activities, implement transparency measures and extend full and prompt cooperation to the Agency in helping the IAEA clarify possible activities which could have a military nuclear dimension.³²³

There is significant international pressure to address Iran’s uranium-enrichment program. US Under Secretary of State Nicholas Burns stated that sanctions would be suspended if Iran halted enrichment and returned to the negotiating table and that “if Iran doesn’t say yes to negotiations [...] they are going to find a third Security Council resolution in the month of June.”³²⁴ Burns did not provide a specific deadline for Iran to suspend enrichment, but said if Tehran did not take action by the Heiligendamm Summit, it would be time to increase sanctions.³²⁵ This suggests that sanctions against Iran may play prominently in discussions centred on arms proliferation at Heiligendamm, despite German Foreign Ministry spokesman Martin Jaeger’s assurances that sanctions against Iran would not be on the agenda.³²⁶ At a press conference held on 26 May 2007 President Bush reiterated his intention to engage the G8 in discussions on sanctions against Iran, saying that he would “work with [...] European partners to develop further sanctions.”³²⁷

Although discussions around sanctions will likely be a topic of discussion at Heiligendamm, it is unlikely that substantive support for a third round of sanctions will result from the summit. Russia has been reluctant to pressure Iran any further, and is therefore unlikely to agree to a more aggressive round of sanctions.³²⁸ Heiligendamm will be a success if all G8 countries reach an agreement in principle that extends and enhances the current sanction regime, though this may prove difficult given the Russian position on the issue.

³¹⁹ Sichere Urananreicherung fuer alle, Handelsblatt, (Berlin), 2 May 2007. Date of Access: 11 May 2007. <http://www.auswaertiges-amt.de/diplo/de/Infoservice/Presse/Interviews/2007/070502-Handelsblatt.html>.

³²⁰ Deutsche G8 Praesidentschaft. Agenda, (Berlin) 15 January 2007. Date of Access: 12 May 2007. <http://www.auswaertiges-amt.de/diplo/de/Aussenpolitik/GlobaleHerausforderungen/G8/Vorsitz2007.html>.

³²¹ Statement on Non-Proliferation, St. Petersburg Summit Document, (St. Petersburg) 16 July 2006. Date of Access: 10 May 2007. <http://www.g8.utoronto.ca/summit/2006stpetersburg/nonprolif.html>.

³²² No Breakthrough seen for Iran-EU nuclear talks, Reuters (London) 30 May 2007. Date of Access: 5 June 2007. <http://www.reuters.com/article/worldNews/idUSL3059164120070530?feedType=RSS>.

³²³ Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran, IAEA Board of Governors, (Vienna) 4 February 2006. Date of Access: 26 May 2007. <http://www.iaea.org/Publications/Documents/Board/2006/gov2006-14.pdf>.

³²⁴ Iran may face harsher U.N. sanctions, Reuters, (London) 8 May 2007. Date of Access: 12 May 2007. http://today.reuters.com/news/articlenews.aspx?type=topNews&storyid=2007-05-09T151343Z_01_L08220665_RTRUKOC_0_US-IRAN-NUCLEAR.xml.

³²⁵ Iran may face harsher U.N. sanctions, Reuters, (London) 8 May 2007. Date of Access: 12 May 2007. http://today.reuters.com/news/articlenews.aspx?type=topNews&storyid=2007-05-09T151343Z_01_L08220665_RTRUKOC_0_US-IRAN-NUCLEAR.xml.

³²⁶ Iran may face harsher U.N. sanctions, Reuters, (London) 8 May 2007. Date of Access: 12 May 2007. http://today.reuters.com/news/articlenews.aspx?type=topNews&storyid=2007-05-09T151343Z_01_L08220665_RTRUKOC_0_US-IRAN-NUCLEAR.xml.

³²⁷ Bush calls for sanctions, EU anxious over Iran nukes, News Europe, 26 May 2007. Date of Access: 27 May 2007. http://www.neurope.eu/view_news.php?id=74313.

³²⁸ Russia to Help Iran in Peaceful Nuclear Energy, Prensa Latina, (La Habana) 25 May 2007. Date of Access: 27 May 2007. [http://www.plenglish.com/article.asp?ID=%7B5434EE60-6A19-43A3-9A68-DBFF0F77C28A%7D\)&language=EN](http://www.plenglish.com/article.asp?ID=%7B5434EE60-6A19-43A3-9A68-DBFF0F77C28A%7D)&language=EN).

Objective 3: Democratic People's Republic of Korea (North Korea)

North Korea's nuclear program will also likely be discussed at Heiligendamm. According to the German foreign ministry, "North Korea, along with Kosovo, Iran, Middle East, Afghanistan and Sudan will probably be on the agenda."³²⁹ Resolution around North Korea's nuclear program will likely be pushed through the Six-Party Talks, and will require North Korea's return to the NPT, the resumption of IAEA inspections in the country, an end to the international isolation of North Korea, and large-scale economic assistance. President Bush, at a joint press conference with Japanese Prime Minister Shinzo Abe, recently reaffirmed diplomacy as the best option for addressing the North Korean nuclear program.³³⁰ President Bush has urged Pyongyang to act on its commitments to shut down its nuclear reactor, warning that the "partners in the Six-Party Talks are patient, but our patience is not unlimited."³³¹

The DPRK is not likely to meet its commitment to shut down and seal the Yongbyon facilities adopted by the Six-Party Talks on 13 February, after having already missed the initial 60-day deadline.³³² The US also stated, that there is no indication that the DPRK has expanded its nuclear arsenal since the country missed a nuclear disarmament deadline.³³³ On the closure of the DPRK's nuclear reactor, State Department deputy spokesman Tom Casey said "this is a first step in that process and has been more difficult than we anticipated, it has been because the Banco Delta Asia issue became a difficult nut to crack."³³⁴ Most recently, the transfer has further been delayed because other banks are apparently hesitant to touch the funds, which are allegedly connected to money-laundering and counterfeiting by North Korea. If the US and North Korea do not find a way to transfer the promised funds and to take the initiative in implementing North Korean pledges, other G8 members and participants of the Six-Party Talks, Russia and Japan, might be willing to push North Korea's nuclear program on the agenda and urge the US to take concrete actions.

The G8 member states will press North Korea to abandon its nuclear weapons program as per the agreements reached at the Six-Party Talks and call on all states to abide by UN Security Council Resolution 1718, which imposes weapons and financial sanctions against the country.³³⁵ Heiligendamm will be a success with respect to the North Korean disarmament agenda if the G8 releases a statement that reiterates its support for the Six-Party Talks and IAEA inspections of North Korean nuclear facilities. In addition, a solution to the Banco Delta Asia issue would move the G8 countries closer towards a successful agreement on disarming North Korea's nuclear program.

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³²⁹ Deutsche G8 Praesidentschaft. Agenda, January 2007, (Berlin) Date of Access: 12 May 2007.

<http://www.auswaertiges-amt.de/diplo/de/Aussenpolitik/GlobaleHerausforderungen/G8/Vorsitz2007.html>.

³³⁰ Bush Reaffirms diplomatic solution of DPRK nuclear issue, Xinhua, (Beijing) 27 April 2007. Date of Access: 13 May 2007. http://news.xinhuanet.com/english/2007-04/28/content_6037751.htm.

³³¹ Bush Reaffirms diplomatic solution of DPRK nuclear issue, Xinhua, (Beijing) 27 April 2007. Date of Access: 13 May 2007. http://news.xinhuanet.com/english/2007-04/28/content_6037751.htm.

³³² U.S.: No indication DPRK expanding nuclear arsenal. Xinhua, (Beijing), 16 May 2007. Date of Access: 3 June 2007.

³³³ U.S.: No indication DPRK expanding nuclear arsenal. Xinhua, (Beijing), 16 May 2007. Date of Access: 3 June 2007.

³³⁴ U.S.: No indication DPRK expanding nuclear arsenal. Xinhua, (Beijing), 16 May 2007. Date of Access: 3 June 2007.

³³⁵ G8 pushes North Korea to stop missile tests, Associated Press, (New York City), 19 May 2007. Date of Access: 27 May 2007. http://www.usatoday.com/news/world/2006-07-17-g8-northkorea_x.htm.

Terrorism

While G8 Summits have focused significantly on terrorism and counter-terrorism efforts since the 11 September 2001 attacks, counter-terrorism will likely not be an independent agenda item at Heiligendamm. Rather, with the summit focus centering on growth and responsibility in Africa and investment, innovation and sustainability, terrorism will be more tangential to the summit agenda, though still present. The approaches to combating terrorism that have been prevalent in the preceding five summits (i.e. countering terrorism by encouraging legislation surrounding terrorist prevention and prosecution)³³⁶ will likely be less salient and tempered by dialogue concerning perceived root causes of terrorism, particularly terrorism financing.

Even though terrorism is not a summit priority, it is still a stated summit objective, as emphasized by the 23 to 25 May 2007 G8 Justice and Interior Ministries Meeting. Two precise counter-terrorism objectives are expected to make an appearance on the Heiligendamm agenda: counter-proliferation of Weapons of Mass Destruction (WMD) and increasing international cooperation in combating terrorism.

Objective 1: Greater Cooperation in Combating Terrorism

Enhanced international G8 cooperation against terrorism will receive attention at Heiligendamm. In March 2007 at the G8 Development Ministers Meeting, the Chair stated that strengthened social, political and economic norms will foster conflict prevention. These norms include a closer cooperation among G8 member states on economic, social and security matters which strengthen the rule of law.³³⁷ On 30 May 2007 the G8 Foreign Ministers agreed that the international rule of law is an important element of conflict-prevention and post-conflict strategies.³³⁸

Cooperating on counter-terrorism initiatives is well-aligned with Chancellor Merkel's overarching goal for the European Parliament. In March 2007, in an address to the European Parliament, Merkel affirmed the importance of finding common solutions, when appropriate, to internal EU security.³³⁹ On 17 January 2007, the Council of Ministers to Member States of the Council of Europe put forth a recommendation calling for greater co-operation between the Council of Europe, its member states and the International Criminal Police Organization in combating terrorism.³⁴⁰

Following the 23 to 25 May 2007 G8 Justice and Interior Ministries Meeting, the Justice and Interior Ministers issued a statement stressing their continued intention "to devote all our energies to our joint counter-terrorism efforts, increasing them wherever necessary."³⁴¹ Of these cooperative efforts, there are expected to be three areas of focus: firstly, countering terrorist financing, secondly, international information sharing and lastly, critical infrastructure protection.

³³⁶ G8 Statement on Strengthening the UN's Counter-Terrorism Program, 2006 G8 St. Petersburg Summit, (St. Petersburg), 16 July 2006. Date of Access: 16 May 2007. <http://en.g8russia.ru/docs/18.html>.

³³⁷ G8 Chair's Summary: Moving poverty reduction and growth worldwide forward in Global Partnership, G8 Development Ministers, Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, (Berlin), March 2007. Date of Access: 16 May 2007. http://g8.gc.ca/pdf/chairs_summary_final_2-Development%20ministers.pdf.

³³⁸ G8 Foreign Ministers' Meeting, Chairman's Statement, (Potsdam), 30 May 2007. Date of Access: 5 June 2007. http://www.g8.gc.ca/state_g8_ministers_meeting-en.asp.

³³⁹ Speech by Chancellor Angela Merkel to the European Parliament, The German Federal Government, (Brussels), 28 March 2007. Date of Access: 16 May 2007. http://www.g-8.de/nn_94854/Content/EN/Reden/2007/03/2007-03-28-ep-zwischenbilanz.html.

³⁴⁰ Recommendation Rec(2007)1 of the Committee of Ministers to member states regarding co-operation against terrorism between the Council of Europe and its member states, and the International Criminal Police Organization (ICPO – Interpol), Council of Europe Committee of Ministers, 17 January 2007. Date of Access: 16 May 2007. http://www.coe.int/t/e/legal_affairs/legal_co%20operation/fight_against_terrorism/2_adopted_texts/Rec_2007_1E%20Interpol.pdf.

³⁴¹ Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlusserkla%20E4rung%20M%20FCnchen_eng.pdf.

Firstly, regarding countering terrorist financing, during the 9 February to 10 February 2007 G7 Finance Ministers Meeting, the G7 Finance Ministers called upon the Financial Action Task Force (FATF), an inter-governmental body that develops and promotes policies that combat terrorist financing, to focus on counter-WMD financing. The Ministers also asked the International Monetary Fund and the World Bank to collaborate with the FATF.³⁴²

The G8 Justice and Interior Ministers called for fresh action against the Afghan poppy-opium trade,³⁴³ which are commonly held to contribute to world terrorist financing.³⁴⁴ The Ministers laid out four priorities for combating the Afghan poppy-opium trade with a fourfold drug policy initiative entitled the National Drug Control Strategy: targeting traffickers and their backers, diversifying rural economic livelihoods, limiting the demand for these clandestine drugs and building up the central and provincial state institutions.³⁴⁵ The Ministers committed "to continuing G8 expert co-operation on Afghan counter-narcotics, and sharing information to co-ordinate G8 support for the counter narcotics effort in Afghanistan."³⁴⁶

This focus on terrorist financing aligns with the current summit shift, which focuses on root causes of terrorism. This approach was detailed in March 2007 at the G8 Development Ministers Meeting, at which the Chair affirmed "that military solutions alone cannot secure peace in the long term. Instead, the political, economic and social conditions in which security can become the norm must be put in place."³⁴⁷

Secondly, at the 23 to 25 May 2007 G8 Justice and Interior Ministers Meeting, the G8 Justice and Interior Ministers called for enhanced terrorism-prevention information. In an effort against "homegrown terrorism," the Ministers mandated a sharing of national experts of prevention against radicalization.³⁴⁸ In addition, the G8 Justice and Interior Ministers promoted a continued sharing of experiences and analysis within G8 countries in the aim of overcoming the difficulties of removing foreign nationals who pose national security threats.³⁴⁹

Lastly, the G8 Justice and Interior Ministers also called for "special attention" to the protection of all critical state infrastructures against terrorist threats.³⁵⁰ Of the critical state infrastructures, there are three areas of focus: energy, transportation and electronic infrastructure protection. To begin, the defense of energy infrastructures, since they are particularly wedded to national economies, is of especial concern for the Ministers. At the G8 Justice and Interior Ministers Meeting they asked the Roma-Lyon Group to continue in its efforts to exchange best practices between countries about

³⁴² Report on the G8 Global partnership, Government of Canada's G8 Website, Financial Action Task Force (Ottawa), 12 February 2007. Date of Access: 16 May 2007. <http://www.g8.gc.ca/G7-finance-mnisters-meeting-essen-en.asp>.

³⁴³ G8 calls for more monitoring of internet over terrorists, Xinhua Online, (Beijing), 26 May 2007. Date of Access: 5 June 2007. http://news.xinhuanet.com/english/2007-05/26/content_6152816.htm.

³⁴⁴ G8 calls for more monitoring of internet over terrorists, Xinhua Online, (Beijing), 26 May 2007. Date of Access: 5 June 2007. http://news.xinhuanet.com/english/2007-05/26/content_6152816.htm.

³⁴⁵ Afghanistan Counter Narcotics - G8 Justice and Interior Ministers Declaration, German Federal Ministry of the Interior, (Berlin), Date of Access: 5 June 2007. http://www.bmi.bund.de/cln_028/nn_769658/Internet/Content/Nachrichten/Pressemitteilungen/2007/Einzelseiten/G8_Muenchen_Ministererklaerung3_DrogenAfghanistan_en.html.

³⁴⁶ Afghanistan Counter Narcotics - G8 Justice and Interior Ministers Declaration, German Federal Ministry of the Interior, (Berlin), Date of Access: 5 June 2007. http://www.bmi.bund.de/cln_028/nn_769658/Internet/Content/Nachrichten/Pressemitteilungen/2007/Einzelseiten/G8_Muenchen_Ministererklaerung3_DrogenAfghanistan_en.html.

³⁴⁷ G8 Chair's Summary: Moving poverty reduction and growth worldwide forward in Global Partnership, G8 Development Ministers, Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, (Berlin), March 2007. Date of Access: 16 May 2007. http://g8.gc.ca/pdf/chairs_summary_final_2-Development%20ministers.pdf.

³⁴⁸ Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlusserklaerung%20Muenchen_eng.pdf.

³⁴⁹ Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlusserklaerung%20Muenchen_eng.pdf.

³⁵⁰ Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlusserklaerung%20Muenchen_eng.pdf.

critical state infrastructure protection.³⁵¹ Furthermore, the Ministers issued a call to intensify efforts to increase international aviation security. This effort includes a push to close the Secure and Facilitated International Travel Initiative action plan,³⁵² which aims at securing the international transportation system.³⁵³

Cooperative efforts to protect electronic infrastructure against clandestine use has also received recent attention by the G8 Justice and Interior Ministers. Following their May 2007 meeting, the G8 Justice and Interior Ministers announced the importance of cooperating efforts in combating terrorist use of modern communications and information technology, especially prevention of terrorist use of modern technologies, such as the internet.³⁵⁴ The G8 Justice and Interior Ministers stated that “[c]ontinuing the already comprehensive and rapid sharing of information among security and law enforcement authorities will play a prominent role; in view of the global nature of terrorist networks, such information-sharing is crucial for effectively protecting our citizens against attacks.”³⁵⁵ German Interior Minister Wolfgang Schaeuble concurred, stating that “[b]ecause of the global network that the Internet represents, we need international cooperation.”³⁵⁶

Despite the recognition of the importance of enhanced international security cooperation at previous summits, this objective has proven difficult to attain, with the St. Petersburg Summit achieving little more than noting its significance. The 2006 G8 Statement on Strengthening the United Nation’s Counterterrorism Program, for instance, committed the G8 Members to higher levels of cooperation, but failed to specify any new mechanism.³⁵⁷ Given that most of the same national and organization barriers remain in place as they did at St. Petersburg, it is unlikely that efforts to develop wide-spread, concrete agreements on cooperation against terrorism will be manifested at Heiligendamm. Rather, the G8 will probably produce more specific commitments for counter-terrorism cooperation instead of a new overarching plan.

In order to thoroughly fulfill this objective, the G8 will need to agree on concrete measures that allow for the clear implementation of these three particular areas of counter-terrorism policy. Firstly, concerning combating terrorist financing, the G8 should stipulate a leading body for controlling terrorist financing. Secondly, the importance of international counter-terrorism information sharing should be reaffirmed and clear directives for this sharing ought to be released. Thirdly and lastly, the G8 should produce a joint statement confirming the necessity of enhanced cooperation which includes clear directives, particularly with respect to critical energy, transportation and electronic infrastructure protection. Considering the recent G8 Justice and Interior Ministries’ emphasis on these fronts, which includes a focus on particular programmes such as the Secure and Facilitated International Travel Initiative action plan, this sub objective is expected to receive a strong push at Heiligendamm.

Objective 2: Weapons of Mass Destruction (WMD)

In the lead-up to Heiligendamm, general concern with WMD proliferation has been notable. At the G7 Meeting on Global Partnership from 9 February to 10 February 2007, the G7 Finance Ministers pledged their commitment to United Nations Security Council Resolutions 1540, 1718 and 1737.³⁵⁸

³⁵¹ Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlussserkl%E4rung%20M%FCnchen_eng.pdf.

³⁵² Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlussserkl%E4rung%20M%FCnchen_eng.pdf.

³⁵³ G8 Travel Initiative, The White House, (Washington), 9 June 2004. Date of Access: 5 June 2007. <http://www.whitehouse.gov/news/releases/2004/06/20040609-51.html>.

³⁵⁴ Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlussserkl%E4rung%20M%FCnchen_eng.pdf.

³⁵⁵ Justice and Interior Ministries Meeting, German Federal Ministry of Justice, (Munich). Date of Access: 5 June 2007. http://www.bmj.bund.de/files/-/2205/Abschlussserkl%E4rung%20M%FCnchen_eng.pdf.

³⁵⁶ G-8 security and justice ministers talks focus on fight against child porn, terrorism, The China Post, (Taipei), 25 May 2007. Date of Access: 5 June 2007. <http://www.chinapost.com.tw/latestnews/46394.htm>.

³⁵⁷ G8 Statement on Strengthening the UN’s Counter-Terrorism Program, 2006 G8 St. Petersburg Summit, (St. Petersburg), 16 July 2006. Date of Access: 16 May 2007. <http://en.g8russia.ru/docs/18.html>.

³⁵⁸ Report on the G8 Global partnership, Government of Canada’s G8 Website, (Ottawa) 12 February 2007. Date of Access: 16 May 2007. <http://www.g8.gc.ca/G7-finance-mnisters-meeting-essen-en.asp>.

Resolution 1540 focuses on the non-proliferation of WMDs and their delivery systems,³⁵⁹ SC Resolution 1737 imposes sanctions on Iran because of its failure to cease uranium enrichment,³⁶⁰ and Resolution 1718 condemns the Democratic People's Republic of Korea's nuclear test and aims to prevent proliferation of nuclear technology.³⁶¹

Specifically regarding WMD and counterterrorism initiatives, the US-and-Russian-led Global Initiative to Combat Nuclear Terrorism has recently gained strength. The US and Russia founded the Global Initiative to Combat Nuclear Terrorism at the St. Petersburg Summit on 15 July 2006, which aims at detecting, suppressing and responding to nuclear terrorism.³⁶² Currently, all G8 member countries are members of this initiative.³⁶³ On 8 May 2007, six European Union countries joined the initiative.³⁶⁴ In addition, since it was initiated in the 2002 Kananaskis Summit, the G8 Global Partnership against the Proliferation of Weapons and Materials of Mass Destruction has continued in its efforts and has further included several non-G8 states to support its efforts at containing WMD materials and keeping them away from terrorist groups and rogue states.³⁶⁵

To succeed at this objective, the G8 should reemphasize its commitment to a concrete method of controlling WMD proliferation, potentially through support of the Global Initiative to Combat Nuclear Terrorism. Any commitment regarding control of WMD will likely receive support by the G8 as the member states share infrastructural and societal vulnerability to terrorism and a commitment to international peace and security.³⁶⁶ The importance of supporting the Global Initiative to Combat Nuclear Terrorism in particular may also be emphasized. The American and Russian governments, as co-hosts to this Global Initiative, will likely want to push this initiative to give it greater real power, which would strengthen its efforts to "ensure the effective prosecution of, and the certainty of punishment for, terrorists and those who facilitate such acts [of terrorism]."³⁶⁷ While the other G8 nations are members to this initiative, their stance about greater power to the initiative is still unclear. Additionally, given the G7 Finance Ministerial support for WMD control, it is also likely that the G8 will issue a statement at Heiligendamm that reaffirms G8 support of UN Resolutions 1540, 1718 and 1737.

By: Anne Frances Cation

³⁵⁹ Resolution 1540 (2004), United Nations Security Council, 28 April 2004. Date of Access: 16 May 2007. <http://daccessdds.un.org/doc/UNDOC/GEN/N04/328/43/PDF/N0432843.pdf?OpenElement>

³⁶⁰ Security Council Imposes Sanctions on Iran for Failure to Halt Uranium Enrichment, Unanimously Adopting Resolution 1737, United Nations Security Council, (New York), 26 December 2006. Date of Access: 16 May 2007. <http://www.un.org/News/Press/docs/2006/sc8928.doc.htm>.

³⁶¹ Security Council Condemns Nuclear Test by Democratic People's Republic of Korea, Unanimously Adopting Resolution 1718, United Nations Security Council, (New York), 14 October 2006. Date of Access: 16 May 2007. <http://www.un.org/News/Press/docs/2006/sc8853.doc.htm>.

³⁶² The Global Initiative to Combat Nuclear Terrorism, U.S. Department of State, (Washington). Date of Access: 23 May 2007. <http://www.state.gov/t/isn/c18406.htm>.

³⁶³ Current Partner Nations to the Global Initiative to Combat Nuclear Terrorism, International Security and Nonproliferation, U.S. Department of State, (Washington), 21 May 2001. Date of Access: 23 May 2007. <http://www.state.gov/t/isn/82787.htm>.

³⁶⁴ Cape Verde, Cyprus, Czech Republic, Denmark, Georgia, Montenegro, Netherlands and Spain Countries Join U.S.-Russia-led Global Initiative To Combat Nuclear Terrorism, U.S. Department of State, (Washington), 8 May 2007. Date of Access: 23 May 2007. <http://www.state.gov/r/pa/prs/ps/2007/may/84503.htm>.

³⁶⁵ Goff marks NZ contribution to WMD project, New Zealand Government, 10 May 2007. Date of Access: 5 June 2007. <http://www.beehive.govt.nz/ViewDocument.aspx?DocumentID=29254>.

³⁶⁶ G8 Chair's Summary: Moving poverty reduction and growth worldwide forward in Global Partnership, G8 Development Ministers, Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung, (Berlin), March 2007. Date of Access: 16 May 2007. http://g8.gc.ca/pdf/chairs_summary_final_2-Development%20ministers.pdf.

³⁶⁷ The Global Initiative to Combat Nuclear Terrorism, Office of the Press Secretary, The White House (Washington), 15 July 2006. Date of Access: 23 May 2007. <http://www.state.gov/t/isn/rls/fs/69062.htm>.