

The

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Presents the

2008 Hokkaido Toyako G8 Summit Country Assessment Report

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PREFACE

The G8 Research Group, the world's leading independent research institute on the G8, provides onsite analysis of the performance of each G8 member country at the annual G8 leaders' summit. This analysis is manifested in the G8 Country Assessment Report, which is released annually at the close of the summit.

Performance is defined for the purposes of this report as the ability of a state to successfully pursue its priority objectives at a given summit and to steer the statements that emerge from the G8 to reflect said objectives. This report assesses performance by assigning scores to countries based on how well the communiqués that are released by the G8 at the annual leaders' summit reflect the stated objectives of each of the G8 countries. The objectives of each member country are identified, ranked and weighted in priority sequence following a rigorous review of government statements, communiqués and speeches as well as domestic and international media coverage. Objectives are codified approximately one month prior to the beginning of the G8 Summit in order to capture a member country's priorities before entering into the "expectations management" phase when political rhetoric is adjusted in order to manage public expectations once concessions are made at sherpa meetings and ministerials.

At the summit, G8 countries are scored based on pre-established guidelines for evaluating the success or failure of a country to advance its priority objectives. If the statements and communiqués emerging from the summit reflect a pre-identified priority objective of a given G8 country, that country receives a high score for the objective. Scores for priority objectives are aggregated using a weighted formula and offer empirical insight into how well each G8 country has performed at the summit. Scores are then compared with historical data collected by the G8 Research Group since 1996 in order to assess how well each country has performed vis-à-vis historical precedent.

A country's aggregate score is calculated using a weighted average, in which the weight a particular objective receives is relative to its ranking in the sequential priority ordering. These weights were developed with a quadratic function, allowing us to assign decreasing weights to each objective while ensuring that the difference between each weight increases as priorities descend. By this methodology, a country's most important objectives will have the greatest impact on its aggregate score.

This report is made possible by the commitment of more than 40 analysts from the G8 Research Group at the University of Toronto, led by Augustine Kwok and Daniel Seleanu, Director and Associate Director of Policy Analysis, respectively. Their collective efforts have culminated in a significant contribution to the study of the G8 and global governance.

Cliff Vanderlinden Chair, G8 Research Group

EXECUTIVE SUMMARY

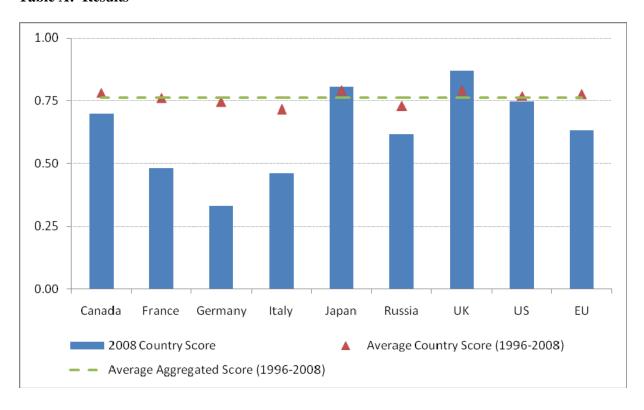
The G8 Research has released its 2008 Hokkaido Toyako G8 Summit Country Assessmnt Report. This report has been prepared per the methodology outlined in the preface.

The United Kingdom received the highest overall score at Hokkaido Toyako with an aggregate score of 0.87. Japan received the second highest score at 0.80. Both countries scored higher than their respective average scores and both scored higher than the average aggregated country score of 0.76.

Although Canada, the United States, France and the European Union have average scores equal to or greater than the aggregated average score across countries, all scored below the aggregated average at Hokkaido Toyako and below their respective averages as well. The United States was awarded a score of 0.75, thus ranking third in this year's report and coming very close to the aggregated average score and its own average score of 0.77. Canada ranked fourth among the G8 countries with a score of 0.76 and the European Union ranked fifth with a score of 0.63.

Russia scored the highest among the G8 countries that have historically scored below the aggregated average. At 0.62, it scored just below the European Union. Germany has a higher average score than Russia, but scored well below Russia at Hokkaido Toyako. Germany received the lowest score of the G8 countries at 0.33. Italy, which has the lowest historical average, received the second lowest score at Hokkaido Toyako with 0.46.

Table A: Results



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CANADA [0.70]

Economic Data

Currency: Canadian Dollar Population: 33,212,696

Gross Domestic Product (official exchange rate): USD1.432 trillion

Gross Domestic Product per capita (PPP): USD38,400 Major Trading Partners: US, Japan, UK, China, Mexico

Political Data

Type of government: Constitutional Monarchy, Parliamentary Democracy, and Federation

Date of Establishment: 1 July 1867

Legislature: Bicameral: House of Commons and Senate

Head of State: Governor General Michaelle Jean (Rep. HRM Queen Elizabeth II)

Head of Government: Prime Minister Stephen Harper

Background

Since 23 January 2006, Canada has been governed by Prime Minister Stephen Harper and his minority Conservative government. Despite the Conservatives' relative disadvantage in operating as a minority government, the government has made significant strides on several domestic policy issues in the past year.

With regards to foreign policy, on 12 October 2007, Prime Minister Harper announced an independent committee to review Canada's role in Afghanistan. The committee was headed by former Liberal Cabinet Minister John Manley. The panel suggested in a ninety-page document that an extension to the mission is necessary, but with an emphasis on diplomacy, training, and reconstruction, including the deployment of one thousand new soldiers to focus on training the Afghan police and army forces.²

During the Throne Speech on 16 October 2007, the Canadian government stated that it wants to extend the mission until 2011 in order to complete the training of Afghan military and police officers, a task impossible to conclude by 2009.³ Following the Throne Speech, General Rick Hillier mentioned that the mission could take another ten years at least before training and rebuilding the Afghan army can be accomplished, six years after the new proposed deadline for the end of the mission.⁴ A confidence vote on the Conservative proposal passed in March 2008.

In his diplomatic relations, Prime Minister Harper has come into conflict with the US and Russia on the issue of Arctic sovereignty. While the US claims that the Arctic waters are neutral, both Canada and Russia assert their sovereignty over the area. On 10 August 2007, Prime Minister Harper

¹ Harper government celebrates one-year anniversary, CBC News, (Ottawa), 23 January 2007. Date of Access: June 10 2008. http://www.cbc.ca/canada/story/2007/01/23/harper-anniversary.html.

² Manley, John. Independent Panel on Canada's Future role in Afghanistan, Ministry of Public Works and Government Services of Canada, 22 January 22 2008. Date of Access: 10 June 2008. http://www.independent-panel-independent.ca/pdf/Afghan Report web e.pdf.

³ Throne speech promises GST cut, Afghan vote, CTV, 16 October, 2007. Date of Access: 10 June 2008. http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20071016/throne_speech_071016/20071016?hub=TopStories.

⁴ Opposition blasts Harper over Afghan timeline, CTV, 25 October 2007. Date of Access: 10 June 2008. http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20071025/afghan_hillier_071025/20071025.

announced that a new Army training centre will be built in Resolute Bay, while a new military port will be built in Nanisvik.⁵

Prime Minister Harper, a veteran attending his third G8 Summit, will operate with an attendant caution to the platforms of competing domestic parties. Thus, Canada's agenda for the Hokkaido Summit will align closely with the Japanese G8 Presidency's climate change and African development objectives. In addition, Prime Minister Harper is likely to push for a separate statement on Afghanistan.

Lead Analyst: Erin Fitzgerald

Objective 1: Afghanistan [0.75]

The war in Afghanistan, which began on 7 October 2001, was jointly launched by the US and UK in response to the 11 September 2001 attacks. It consists of two parallel operations: Operation Enduring Freedom - Afghanistan, which is a joint US and Afghan operation, with some involvement from other nations, and the International Security Assistance Force (ISAF), which is a NATO operation and involves Canadian forces. The campaign in Afghanistan successfully unseated the Taliban from power, but due to the al-Qaeda supported, Taliban-led insurgency, has been significantly less successful at achieving the primary policy goal of ensuring that al-Qaeda can no longer operate in Afghanistan. Despite concerted nation-building efforts, Afghanistan remains unstable. As of 2008, Afghanistan was ranked as eighth on the failed state index.⁶

Two documents guide the mission in Afghanistan: the Afghanistan Compact, developed at the London Conference on Afghanistan, and the Afghan National Development Strategy (ANDS). The preamble to the Compact states that the international community and the Islamic Republic of Afghanistan have a "shared commitment to continue...to work toward a stable and prosperous Afghanistan, with good governance and human rights protection for all under the rule of law." The Compact is based on four pillars: security; governance, rule of law, and human rights; economic and social development; and counter narcotics.

The ANDS highlights the need for international donor states, military forces, and NGOs to work collectively to accomplish the goals of the ANDS.⁸ Taken in conjunction with the Compact's priorities laid out in its four pillars, the primary focus is on establishing security and extending the sovereign authority of the central government and rule of law.

While the security environment has improved throughout most of the country and development NGOs are active in the majority of the thirty-four provinces, not all of Afghanistan is classified as a permissive environment. The southern provinces of Kandahar, Oruzgan, Helmand, and Zabol are seeing active fighting between joint NATO and Afghan National Army (ANA) forces and insurgents led by the Taliban.

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⁵ Harper bolsters military strength in Arctic, CTV, 10 August 2007. Date of Access: 10 June 2008. http://www.ctv.ca/servlet/ArticleNews/story/CTVNews/20070810/canada_denmark_arctic_070810/20070810?hub=Top Stories.

⁶ Sudan tops 'failed states index', BBC News, 2 May 2006. Date of Access: 30 May 2008. http://news.bbc.co.uk/1/hi/world/africa/4964444.stm.

Afghanistan Compact, The London Conference on Afghanistan, (London), 31 January – 1 February 2006: 1. Date of Access: 10 June 2008. http://www.unama-afg.org/news/_londonConf/_docs/06jan30-AfghanistanCompact-Final.pdf.

⁸ Approval of ANDS by the President, Afghan National Development Strategy, 10 June 2008. Date of Access: 10 June 2008. http://www.ands.gov.af.

⁹ Police Mentoring in Afghanistan, Canadian Expeditionary Force Command, (Afghanistan). Date of Access: 28 June 2008. http://www.cefcom.forces.gc.ca/site/fs-ev/2008/05/28_e.asp.

`Canadian foreign policy prioritizes the promotion of greater international support for freedom and security, democracy, rule of law, human rights and environmental stewardship. Rebuilding Afghanistan falls within these priorities.¹⁰

Afghanistan is one of the few issues on which the G8 demonstrate firm cohesion. The 2007 Heiligendamm Summit resulted in consensus regarding the need to defend open democracy in Afghanistan. Leaders agreed that the lives of Afghans are improving, but that continued engagement from the G8 and the wider global community is needed to fulfil the UN and NATO commitments to help rebuild the country after years of oppression and violence. Leaders also agreed to work together on a comprehensive economic strategy for development in the Afghan-Pakistani border region. In addition, the G8 Chair's Summary welcomed the launch of the European Police Mission (EUPOL) in Afghanistan to help strengthen the Afghan National Police. 12

As G8 Chair, Japan is deeply involved in nation-building efforts in Afghanistan.¹³ During the Hokkaido Summit, Japan intends to utilize its role as Chair to promote efforts to build peace and stability in Afghanistan.¹⁴ Japan is primarily seeking consolidation of existing processes and institutions. However, while Afghanistan is on the Japanese Summit agenda and will certainly be discussed, it is not a high priority for Japan. Thus, success for Canada on this issue entails convincing the G8 to release a separate statement on Afghanistan, which Canada will draft.

Scoring Guidelines

- Canada fails to achieve any measureable results with respect to Afghanistan (i.e. no communiqués or policy statements on the objective are released at the Summit, no evidence that the objective was discussed during the leader's meetings or ministerials, no mention of the issue area is made in multilateral or bilateral talks, press conferences, etc.) **OR** the G8 reaches a consensus on the issue area that is contrary to the Canada's desire for continued and increased involvement in the region.
- There is evidence to suggest that the G8 engaged in discussion on Afghanistan, but no notable progress or measureable action was taken by the G8 (i.e. no commitment to action was identified in any of the communiqués or statements released at the Summit).
- The G8 releases communiqués or makes statements committing to support the mission in **0.50** Afghanistan in a way that is positively related to the Canadian objectives, but it is a highly-diluted, heavily compromised version of Canada's priorities for Afghanistan.
- The G8 includes mention of Afghanistan in the large, multi-issue summit statement committing to an action plan positively related to Canada's objectives, but Canada has made notable concessions with respect to its objective priorities.
- The G8 releases a separate statement on Afghanistan, primarily authored by Canada, committing to an action plan that coheres with Canada's desire for increased involvement in the region.

Prospects

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¹⁰ Our Priorities, Foreign Affairs and International Trade Canada, (Ottawa), 28 February 2008. Date of Access: 31 May 2008. http://www.international.gc.ca/about-a_propos/priorities.aspx.

¹¹ The 2007 G8 Summit, Office of the Prime Minister, 8 June 2007. Date of Access: 30 May 2008. http://pm.gc.ca/eng/media.asp?id=1688.

¹² The 2007 G8 Summit, Office of the Prime Minister, 8 June 2007. Date of Access: 30 May 2008. http://pm.gc.ca/eng/media.asp?id=1688.

¹³ Japan's Contribution to Afghanistan – working on the frontline in the war on terrorism, Ministry of Foreign Affairs, (Tokyo), March 2007. Date of Access: 30 May 2008.

http://www.mofa.go.jp/region/middle_e/afghanistan/pamph0703.pdf.

¹⁴G8 chair Japan pledges to promote int'l support for Afghanistan Kyodo News, (Kyoto), 12 March 2008. Date of Access: 30 May 2008. http://g8live.org/2008/03/12/g-8-chair-japan-pledges-to-promote-intl-support-for-afghanistan.

While G8 leaders have historically demonstrated firm cohesion on the issue of Afghanistan, Canada is unlikely to author a separate statement on Afghanistan at the Hokkaido Summit. Canada's degree of success depends heavily on the G8 Presidency. On one hand, Japan has been deeply involved in nation-building in Afghanistan. After the defeat of the Taliban, Japan rebuilt the ring road around Kabul, and took charge of disarming the Northern Alliance militias in the Disarmament Demobilization and Reintegration Program. In conjunction with the UN, Japan also organized a major donors' conference in Tokyo. Nations pledged USD4.5 billion and established the Afghan Interim Authority Fund, although this subsequently failed to collect on the pledges. It is perhaps this experience that has led Japan to state that it hopes the G8 ministers will agree on a statement on Afghanistan that underlines the need for more effective aid implementation. However, the Japanese government faces domestic opposition to its involvement in Afghanistan. When Shinzo Abe was forced to resign, pressure from the opposition forced him to stop refuelling Western warships in the Arabian Gulf that monitored sea lanes used by al-Qaeda. His successor, Prime Minister Fukuda had to force through legislation making it obligatory for Japan to assist NATO in this capacity.

Despite its involvement in the region, Afghanistan is not a top priority for Japan at Hokkaido Summit. Non-proliferation will dominate its security agenda, which is understandable, given its historical status as the only nation ever to have suffered the effects of a nuclear assault and its proximity to North Korea. Japan's focus on non-proliferation coupled with its desire to release a single, streamlined Summit statement, makes it unlikely that Canada will be successful in its quest to draft a separate statement on Afghanistan.

Postscript

Given the immediacy of the situation in Zimbabwe, there was relatively little attention paid to the issue of Afghanistan at the G8 Summit in Hokkaido. Despite Canada's desire for a separate statement on Afghanistan, the only mention of the issue in the Summit communiqués was in the separate statement on counter-terrorism. The G8 welcomed the G8 Foreign Ministers' Statement on Afghanistan and reaffirmed "the importance of economic and social development along with counter-terrorism measures in the Afghanistan-Pakistan border region." They committed to "building lasting peace stability and security in [the] region...[and] strengthening the coordination of our efforts in the border region in cooperation with the respective countries, international organizations and other donors."

However, in the Chair's Summary the G8 leaders committed to "accelerate our assistance to build the Afghan National Army and Police...Disbandment of the Illegal Armed Groups (DIAG), justice reform and counter-narcotics." The G8 also underscored their commitment to support presidential and parliamentary elections and reiterates their desire to strengthen their assistance to the border region between Afghanistan and Pakistan in order to combat terrorism. Thus, despite the absence of a separate statement, these additional comments on Afghanistan make Canada's score to 0.75.

¹⁵ Ahmed Rashid, Descent Into Chaos: The United States and the Failure of Nation Building in Pakistan, Afghanistan and Central Asia (London: Viking Penguin, 2008), 171.

¹⁶ Ahmed Rashid. Descent Into Chaos: The United States and the Failure of Nation Building in Pakistan, Afghanistan and Central Asia, (London: Viking Penguin, 2008), 171.

¹⁷ Ahmed Rashid. Descent Into Chaos: The United States and the Failure of Nation Building in Pakistan, Afghanistan and Central Asia, (London: Viking Penguin, 2008), 394.

¹⁸ G8 Leaders' Statement on Counter-Terrorism, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230513.html

¹⁹ G8 Leaders' Statement on Counter-Terrorism, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230513.html

²⁰ Chair's Summary: Political Issues. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html

Objective 2: Climate Change [0.75]

Canada requires a UN protocol on climate change that is global in scope, and imposes binding targets on the world's major emitters, including the US and China. With many of the major emitters and Kyoto non-signatories scheduled to be present at the Hokkaido Summit, Canada will seek their support for a climate change agreement. While supporting differentiated strategies, ²¹ Canada has promoted, along with the UK, medium-term targets for 2020. ²²

Prime Minister Harper recently described Canadian climate change objectives during an address to the Canada-UK Chamber of Commerce on 29 May 2008. Both at the immediate summit level and the international community at large, Canada is seeking to balance environmental targets and economic policies. Citing the guiding principles of Canada's national plan, entitled *Turning the Corner*, Prime Minister Harper called for realistic but ambitious targets. Despite such initiatives as the United Nations Clean Development Mechanism (CDM) and a domestic carbon credit trading system, Canada hopes to achieve an agreement on global participation for the fight against climate change.

Similarly, in a February 2008 address to the UN, Canadian Ambassador John McNee stated, "Canada will [pursue] a future international agreement which 1) include[s] meaningful and binding emission reduction commitments by all major emitters; 2) is designed to achieve long-term results; 3) is ecologically effective but balances environmental protection and economic prosperity; 4) supports the development and deployment of low emissions technology; and 5) includes measures to address the vital need to adapt to the impacts of climate change." Mr. McNee also reaffirmed Canada's support for the Bali Roadmap.²⁷

Domestically, Canada has set one of the most aggressive medium-term climate reductions targets in the world -20% by 2020 – as part of its *Turning the Corner* initiative. ²⁸ Canada is also working towards a domestic regulatory framework to impose binding targets on industry, though not carbon taxes. ²⁹ which are favoured by the opposition Liberal Party.

²¹ Prime Minister Harper addresses the Canada-UK Chamber of Commerce in London, Office of the Prime Minister, (Ottawa), 29 May 2008. Date of Access: 8 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.
²² G8 Environment Ministers Agree on 2050 Climate Goal, Environment News Service, (Kobe), 27 May 2008. Date of Access: 8 June 2008. http://www.ens-newswire.com/ens/may2008/2008-05-27-04.asp.

²³ Prime Minister Harper addresses the Canada-UK Chamber of Commerce in London, Office of the Prime Minister, (Ottawa), 29 May 2008. Date of Access: 8 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.
²⁴ Prime Minister Harper addresses the Canada-UK Chamber of Commerce in London, Office of the Prime Minister, (Ottawa), 29 May 2008. Date of Access: 8 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.
²⁵ Prime Minister Harper addresses the Canada-UK Chamber of Commerce in London, Office of the Prime Minister, (Ottawa), 29 May 2008. Date of Access: 8 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.
²⁶ Statement by Ambassador John McNee, Permanent Mission of Canada to the United Nations, (New York), 13 February 2008. Date of Access: 8 June 2008.

http://geo.international.gc.ca/canada_un/new_york/statements/amb_statements-en.asp?id=11776.

²⁷ Statement by Ambassador John McNee, Permanent Mission of Canada to the United Nations, (New York), 13 February 2008. Date of Access: 8 June 2008.

http://geo.international.gc.ca/canada un/new york/statements/amb statements-en.asp?id=11776.

²⁸ Prime Minister Harper addresses the Canada-UK Chamber of Commerce in London, Office of the Prime Minister, (Ottawa), 29 May 2008. Date of Access: 8 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131. ²⁹ Prime Minister Harper addresses the Canada-UK Chamber of Commerce in London, Office of the Prime Minister, (Ottawa), 29 May 2008. Date of Access: 8 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.

Since 2006, Canada has sought to address climate change with a 'Made-in-Canada' approach, the centrepiece of which is the Clean Air Act.³⁰ In September 2006, Environment Minister Rona Ambrose announced that Canada would not fulfil its Kyoto Commitment to reduce greenhouse gas (GHG) emissions by 6% from 1990 levels by 2012.³¹

In December 2007, following the Heiligendamm Summit, Canada attended the COP13 in Bali, Indonesia. In deference to the commitment made in Heiligendamm, Environment Minister John Baird noted that the "UN process [is] the only way to get a truly global agreement." However, the Canadian delegation was openly criticized and isolated during the conference for attempting to block an agreement on more ambitious targets. 33

On 10 December 2007, Canada increased funding of the Global Environment Facility's Special Climate Change Fund,³⁴ operating within the UN framework, by CAD7.5 million.³⁵ Canada also agreed to a revision of the Montreal Protocol on 22 September 2007 in an effort to better reverse the depletion of the ozone layer.³⁶ In addition, on 28 September 2007, Minister Baird was a participant in the Major Emitters Meeting (MEM) in Washington,³⁷ which aimed to encourage other states to participate in the UN framework of action.

Since the 2007 Heiligendamm Summit, Canada has not demonstrated any notable change in its position on climate change or medium-term binding targets. Prime Minister Harper has reiterated this position at several national and international venues, in addition to his remarks to the Canada-UK Chamber of Commerce in London.

Moreover, at the G8 Environment Ministerial, held in Kobe, Japan, on 24-26 May 2008, Canada emphasised the urgency of reaching a medium-term reductions agreement before the Kyoto Protocol expires in 2012.³⁸ Medium-term targets set for completion by 2020 go beyond the agreement reached by the Environment Ministers in Kobe to halve emissions by 2050.³⁹

Scoring Guidelines

Canada fails to achieve any measureable results with respect to climate change (i.e. no communiqués or policy statements on the objective are released at the Summit, no evidence

³⁴ Climate Change, Global Environment Facility, (Washington), 2007. Date of Access: 8 June 2008. http://www.gefweb.org/interior.aspx?id=232.

³⁰ PM Announces Canada's Clean Air Act, Office of the Prime Minister, (Vancouver), 10 October 2006. Date of Access: 8 June 2008. http://www.pm.gc.ca/eng/media.asp?id=1348.

³¹ Climate Change, 2006 Final St. Petersburg Compliance Report, G8 Research Group, (Toronto), 5 June 2007. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/evaluations/2006compliance_final/08-2006_g8compliance_cc.pdf.

³² Canada Calls New UN Agreement an Important First Step, Environment Canada, (Bali), 22 April 2008. Date of Access: 8 June 2008. http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=7CAEECBD-2D0F-4E57-A7EA-7D53D9D2D903.

³³ Isolated Canada grudgingly accepts Bali deal, Geoffrey York, the Globe and Mail, (Toronto), 15 December 2007. Date of Access: 9 June 2008.

http://www.theglobeandmail.com/servlet/story/RTGAM.20071215.wbalidealyork1215/BNStory/International/home.

³⁵ Canada Takes Action to Help Developing Countries Fight Climate Change, Environment Canada, (Bali), 10 December 2007. Date of Access: 8 June 2008. http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=323B0F50-9F66-424A-AF64-34EDBFB1A461.

⁹F66-424A-AF64-34EDBFB1A461.

36 Combating Climate Change Given Big Boost in Canada, United Nations Environment Programme, (Montreal), 22

September 2007. Date of Access: 8 June 2008. http://www.ens-newswire.com/ens/may2008/2008-05-27-04.asp. ³⁷ Canada Joins Major Economies to Advance Post-2012 Climate Change Agenda, Environment Canada, (Washington), 28 September 2007. Date of Access: 8 June 2008. http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=450FE9CB-A410-4FE6-A8CE-0904E5CA75B3.

³⁸ G8 Environment Ministers Agree on 2050 Climate Goal, Environment News Service, (Kobe), 27 May 2008. Date of Access: 8 June 2008. http://www.ens-newswire.com/ens/may2008/2008-05-27-04.asp.

³⁹ G8 Environment Ministers Agree on 2050 Climate Goal, Environment News Service, (Kobe), 27 May 2008. Date of Access: 8 June 2008. http://www.ens-newswire.com/ens/may2008/2008-05-27-04.asp.

that the objective was discussed during the leader's meetings or ministerials, no mention of the issue area is made in multilateral or bilateral talks, press conferences, etc.) **OR** the G8 reaches a consensus on the issue area that is contrary to Canada's binding medium-term target priorities.

- There is evidence to suggest that the G8 engaged in discussion on climate change related to Canadian priorities, but no notable progress or measureable action was taken by the G8 (i.e. no action plan on the issue was identified in any of the communiqués or statements released at the Summit).
- The G8 releases communiqués or makes statements committing to an action plan positively related to the Canadian objectives, but it is a highly-diluted, heavily compromised version of Canada's priorities for climate change.
- The G8 includes mention of Afghanistan in the large, multi-issue summit statement committing to an action plan positively related to Canada's objectives, but Canada has made notable concessions with respect to its objective priorities.
- The G8 releases communiqués or makes statements committing to an action plan that is highly aligned to Canada's objective of binding medium-term targets for climate change.

Prospects

The G8 has traditionally had strong compliance on commitments made to combating climate change, notably at the 2005 Gleneagles, 2006 St. Petersburg, and 2007 Heiligendamm Summits. However, the scope of G8 commitments has not been as comprehensive as those reached in other international forums. Since the election of Prime Minister Harper in 2006, Canada has moved away from international climate change agreements, but Harper has indicated that he is prepared to adhere to an international agreement that holds the world's major emitters to medium-term targets. Canada is likely to find an ally in the UK for a 2020 target date, but will still face a challenge from the US on the construction of binding international climate change agreements with a target date earlier to 2050. The G8 Environment Ministers' Meeting did not illustrate a consensus on a specific climate change action plan and emphasised long-term targets while only briefly mentioning the medium-term targets suggested by the Intergovernmental Panel on Climate Change (IPCC). However, a recently released report suggests that the G8 is preparing to invest in technology to combat climate change, which is one of Canada's priority objectives.

Postscript

Canada committed to consider and adopt in the UNFCCC negotiations the goal of achieving at least a 50% reduction of global emissions by 2050 – a "global challenge that can only be met by a global response, in particular, by the contributors from all major economies, consistent with the principle of common but differentiated responsibilities." Also consistent with Canadian objectives, leaders discussed the need to adopt technologies to help combat climate change. Although leaders discussed mid-term goals in emissions reduction and energy efficiency, no binding targets were established. A notable absence was the goal of binding 20% emissions reduction by 2020. Canada was able to achieve its objectives in developing a climate agreement inclusive of all G8 emitters, set long term binding targets, supports the deployment and development of low-emissions technology, and provides for measures to adapt to climate change, however, the inability to commit to mid-term targets warrants a score of 0.75.

Analyst: Christopher VanBerkum

⁴⁰ Major G8 tech investment to fight global warming, report says, France 24, (Issy-les-Moulineaux,), 29 June 2008. Date of Access: 30 June 2008. http://www.france24.com/en/20080629-major-g8-tech-investment-fight-global-warming-report-says.

Objective 3: African Development [1]

CIDA programming in Africa is concentrated in five sectors that directly relate to achieving the MDGs - governance, education, environment sustainability, private sector development and health. Of these, CIDA has prioritised funding for the latter two.

In support of equitable economic development, the principle CIDA objective has been promotion of equitable growth and improved standards of living for CIDA's partner countries by 2009.⁴² The Sustainable Development Strategy for 2007-2009 outlines CIDA's tripartite methodology: promoting entrepreneurship through increased productivity, innovation, and employment and income opportunities; creating an enabling environment for responsible enterprise; and connecting to markets, which includes access to the benefits of a global trade network and fair market access for entrepreneurs.⁴³

The Sustainable Development Strategy for 2007-2009 outlines CIDA's contribution to social development through health programs with particular emphasis on those living in poverty. CIDA will support initiatives that prevent and control communicable, poverty-linked diseases, combat HIV/AIDS, improve infant and child health, improve sexual and reproductive health, and reduce maternal mortality, improve food security and nutrition, and strengthen health systems. 45

As a participant of the Tokyo International Conference on African Development (TICAD IV), held in Yokohama from 28-30 May 2008, Canada agreed to support many of the proposals for African development to be discussed by the G8. As in the thematic objectives laid out by CIDA, the MDGs were stressed in Yokohama with particular emphasis placed on health and boosting African economic growth. 46

As discussed at the G8 Development Ministers' Meeting in April 2008, Canada has demonstrated clear support for initiatives that tackle infectious diseases, support health systems by addressing the shortages in health care staff, and promote maternal and newborn health. Canada also voiced support for a common framework of action developed by G8 Health Experts. Promotion of private sector development in Africa, through the support of entrepreneurs and small and medium sized businesses, was also emphasized at the Development Ministers' Meeting, an agreement that mirrors many of the objectives of CIDA for economic sustainability.

Canada also encourages transparency and efficiency in African development initiatives. It has continued to support the African Peer Review Mechanism (APRM), a voluntary process of self-assessment by African countries to identify and apply the best practices in political and economic

G8 Research Group 2008 Hokkaido Toyako G8 Summit Country Assessment Report

⁴¹ Global Issues, Canadian International Development Agency, (Ottawa), 17 October 2007. Date of Access: 8 June 2008. http://www.acdi-cida.gc.ca/cidaweb/acdicida.nsf/En/NIC-53131840-NB8.

 ⁴² Sustainable Development Strategy 2007-2009, Canadian International Development Agency, (Ottawa), 20 February 2008. Date of Access: 8 June 2008. http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/RAC-1129144152-R4Q#21.
 ⁴³ Sustainable Development Strategy 2007-2009, Canadian International Development Agency, (Ottawa), 20 February 2008. Date of Access: 8 June 2008. http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/RAC-1129144152-R4Q#21.
 ⁴⁴ Sustainable Development Strategy 2007-2009, Canadian International Development Agency, (Ottawa), 20 February 2008. Date of Access: 8 June 2008. http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/RAC-1129144152-R4Q#21.
 ⁴⁵ Sustainable Development Strategy 2007-2009. Canadian International Development Agency, (Ottawa), 20 February 2008. Date of Access: 8 June 2008. http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/RAC-1129144152-R4Q#21.

⁴⁵ Sustainable Development Strategy 2007-2009, Canadian International Development Agency, (Ottawa), 20 February 2008. Date of Access: 8 June 2008. http://www.acdi-cida.gc.ca/CIDAWEB/acdicida.nsf/En/RAC-1129144152-R4Q#21.

⁴⁶ Yokohama Declaration, Ministry of Foreign Affairs, (Tokyo), 30 May 2008. Date of Access: 8 June 2008. http://www.mofa.go.jp/region/africa/ticad4/doc/declaration.pdf.

⁴⁷ The G8 Development Ministers' Meeting, Ministry of Foreign Affairs, (Tokyo), 6 April 2008. Date of Access 8 June 2008. http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html.

⁴⁸ The G8 Development Ministers' Meeting, Ministry of Foreign Affairs, (Tokyo), 6 April 2008. Date of Access 8 June 2008. http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html.

⁴⁹ The G8 Development Ministers' Meeting, Ministry of Foreign Affairs, (Tokyo), 6 April 2008. Date of Access 8 June 2008. http://www.g8Summit.go.jp/eng/other/g8_develop_gs.html.

governance.⁵⁰ This support takes the form of a 2007-2009 CAD5.2 million contribution to the APRM Support, a fund that is run by the UNDP.⁵¹ In addition, a TICAD Follow-Up Mechanism, tasked with continually monitoring and analyzing the implementation of the TICAD process, has received rhetorical support from Canada.⁵²

There has been no noticeable shift of Canada's objectives towards African development, especially considering the emphasis placed on fulfilling the trade and health commitments made at the 2007 Summit. For instance, Canada has made substantial allotments to 'Trade and Investment' (CAD130 million) and 'Health' (CAD113.5 million) sectors in the Canada Fund for Africa. Thus, it is unlikely that this support for African Development will diminish.

Scoring Guidelines

- Canada fails to achieve any measureable results with respect to this objective (i.e. no communiqués or policy statements on African development are released at the Summit, no evidence that the TICAD IV proposals were discussed during the leaders' meetings, no mention of African development is made in multilateral or bilateral talks, press conferences, etc.) **OR** the G8 reaches a consensus on African development that is contrary to the Canadian objectives.
- There is evidence to suggest that the G8 engaged in discussion on African development linked to the Canadian objectives, but no notable progress or measureable actions on Africa were undertaken by the G8 (i.e. no action plan on this issue was identified in any of the communiqués or statements released at the summit).
- The G8 releases communiqués or makes statements to an action plan positively related to the Canadian objectives for African development, but it is a heavily compromised version of the Canadian objectives for this issue area.
- The G8 releases communiqués or makes statements committing to an action plan positively related to the country's issue area objective, but Canada has made notable concessions to its original objectives for African development.
- The G8 releases communiqués or issues statements committing to an action plan that is highly aligned to the Canadian priorities for the African development objective.

Prospects

Building on both its strong record of compliance on African development commitments made during previous summit cycles and the consensuses reached at the Development Ministers' Meeting in Tokyo and TICAD IV in Yokohama, Canada will likely be successful in achieving its objectives for the continent. Like its partners in the G8, Canada has traditionally responded positively to commitments made on African development, notably those on health care. For the Hokkaido Summit, Canadian priorities are closely aligned to those of the Japanese, and the consensus already reached in prior negotiations and multilateral discussions makes it unlikely that Canada will have its proposals on African development blocked by any other G8 members.

⁵⁰ Project Profile: African Peer Review Mechanism Support, Canadian International Development Agency, (Ottawa). Date of Access: 8 June 2008. http://www.acdi-

cida.gc.ca/cidaweb/cpo.nsf/vLUWebProjEn/D964CB9322AD2233852572F400371DA2? OpenDocument.

⁵¹ Project Profile: African Peer Review Mechanism Support, Canadian International Development Agency, (Ottawa). Date of Access: 8 June 2008. http://www.acdi-

cida.gc.ca/cidaweb/cpo.nsf/vLUWebProjEn/D964CB9322AD2233852572F400371DA2?OpenDocument.

⁵² Yokohama Declaration, Ministry of Foreign Affairs, (Tokyo), 30 May 2008. Date of Access: 8 June 2008. http://www.mofa.go.jp/region/africa/ticad4/doc/declaration.pdf.

⁵³ Initiatives of the Fund, Canadian International Development Agency, (Ottawa), 29 January 2008. Date of Access: 9 June 2008. http://www.acdi-

cida.gc.ca/CIDAWEB/acdicida.nsf/En/5367C65B728B87128525715500555F25? OpenDocument.

Postscript

The G8 has released several communiqués that are closely aligned to the Canadian objectives. Most notably, the *Tokyo Framework for Action on Global Health* was inclusive of Canadian aspirations for the prevention and control of highly communicable diseases, improvement of child and maternal health and the strengthening of health systems.⁵⁴ Leaders also committed or recommitted to initiatives tied to the Canadian objectives in education, including funding for the FTI and *Education for All*;⁵⁵ good governance, based on transparency and rule of law and broad-based private sector led growth;⁵⁶ and the environment, namely the commitment to help poor countries adapt to the adverse impacts of climate change.⁵⁷ Leaders agreed in Hokkaido Toyako to support appropriate country led strategies aimed at increasing rates of growth, the African business environment, and facilitate free and open trade through a multilateral trade system,⁵⁸ which reflect the Canadian objectives for trade and income opportunity in Africa.

Analyst: Christopher VanBerkum

Objective 4: World Economy [1]

One of the Japanese Presidency's main priorities is to curb soaring food and oil prices. In May 2008, French Economy Minister Christine Lagarde made an appeal to the G8 to take steps collectively to reduce soaring oil prices. In response to Lagarde's proposal, Canadian Finance Minister Jim Flaherty stated that he was doubtful that pressure from the G8 would reduce oil prices: "The reality of the price of gasoline is a price that is determined in world markets. It's not a choice of a country on the subject of oil prices." 60

In June 2008, Minister Flaherty maintained that the market should be allowed to lower oil prices, and that governments should not intervene. A senior Canadian Finance Department official confirmed that the Finance Minister would convey this message at a weekend meeting with his G8 counterparts on 13-14 June 2008. The official also said that Canada believes that export taxes or other food export restrictions are counterproductive. Canada stresses the need for well-functioning global market for oil and food to curb price rises.

⁵⁴ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁵ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁶ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁷ Environment and Climate G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html.

⁵⁸ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁹ France urges G8 to help lower price of oil, Reuters UK, (Paris), 29 May 2008. Date of Access: 30 June 2008. http://uk.reuters.com/article/oilRpt/idUKL2986588120080529.

⁶⁰ World markets set oil prices, Canada tells G8, Reuters News, (Montreal), 29 May 2008. Date of Access: 29 June 2008. http://uk.reuters.com/article/oilRpt/idUKN2940670220080529.

⁶¹ Canada rejects oil, food price controls, Ottawa Citizen, (Ottawa), 10 June 2008.

http://www.canada.com/ottawacitizen/news/bustech/story.html?id=d52e6620-5523-4062-a9f0-9efb8d01ca7f.

⁶² Canada rejects oil, food price controls, Ottawa Citizen, (Ottawa), 10 June 2008.

http://www.canada.com/ottawacitizen/news/bustech/story.html?id=d52e6620-5523-4062-a9f0-9efb8d01ca7f.

⁶³ Canada rejects oil, food price controls, Ottawa Citizen, (Ottawa), 10 June 2008.

http://www.canada.com/ottawacitizen/news/bustech/story.html?id=d52e6620-5523-4062-a9f0-9efb8d01ca7f.

⁶⁴ Canada rejects oil, food price controls, Ottawa Citizen, (Ottawa), 10 June 2008.

http://www.canada.com/ottawacitizen/news/bustech/story.html?id=d52e6620-5523-4062-a9f0-9efb8d01ca7f.

Prior to the Osaka meeting, Energy Ministers from the G8 countries called on major oil producing nations to boost production. Finance Ministers from the G8 countries made the same appeal in Osaka. However, Minister Jim Flaherty remained skeptical that this collective appeal would lower global oil prices. Finance Ministers from the G8 countries made the same appeal in Osaka. However, Minister Jim Flaherty remained skeptical that this collective appeal would lower global oil prices.

Biofuels, an alternative energy source promoted by the Conservative government, have been cited as a cause of the high food prices, but a senior Canadian Finance Department official played down their role in exacerbating food price inflation. This differs from the view of the Japanese government, which believes that "rising commodity prices are linked to attempts to turn food into fuels." At a briefing in advance of the Osaka Finance Ministers' Meeting, a senior Canadian Finance Department official said that the increase in prices is the result of the high global demand and the slow pace of bringing new supplies online. At the meeting between G8 Finance Ministers in June 2008, Minister Flaherty said, "To address high global prices, all countries need to pass on price signals so demand and supply respond to the market," encouraging greater energy efficiency and food aid donations from countries like Canada and the US.

In response to high food and energy prices, Canada and other industrial countries have allowed their currencies to appreciate more to reduce inflation. Canada and European countries have urged China to do the same in order to take some of the competitive pressure of the weaker US dollar off of their economies. However, this policy has had limited success in curbing inflation in Canada and other industrialized countries. The statement of the G8 Finance Ministers was devoid of any mention of currencies; it focused on the threat posed by surging commodity prices. However, Ministers Jim Flaherty and Christine Lagarde told reporters that the issue of foreign exchange was discussed in the context of how a weak dollar is hurting exporters in Canada and Europe. He Finance Ministers also acknowledged that global financial markets "have improved somewhat in the past few months." At a meeting with representatives of Canada's major banks, Minister Jim Flaherty said that he is concerned that despite improved lending conditions, the global financial industry is becoming complacent about correcting its mistakes.

⁶⁵ G8 nations urge oil producers to boost output, pledge better energy technologies, CBC News, 7 June 2008. Date of Access: 29 June 2008. http://www.cbc.ca/world/story/2008/06/07/energy-ministersmeeting.html.

⁶⁶ G-8 finance ministers warn of threats to global economy, Herald Tribune, (Osaka), 15 June 2008. Date of Access: 30 June 2008. http://www.iht.com/articles/2008/06/15/business/group.php.

⁶⁷ Saudis call for oil Summit; Flaherty doubts pressure from G8 will bring down prices, The Hamilton Spectator, (Hamilton), 10 June 2008. http://www.hamiltonspectator.com/pdfs/20080610/A11.pdf.

⁶⁸ Canada rejects oil, food price controls, Ottawa Citizen, (Ottawa), 10 June 2008.

http://www.canada.com/ottawacitizen/news/bustech/story.html?id=d52e6620-5523-4062-a9f0-9efb8d01ca7f.

⁶⁹ MOF: German Fin Min To Miss Osaka G8 Mtg Due To Budget Talks, Dow Jones International News, 14 May 2008. http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan/80515.html.

Saudis call for oil Summit, The Hamilton Spectator, (Ottawa), 10 June 2008. Date of Access: 29 June 2008. http://www.hamiltonspectator.com/pdfs/20080610/A11.pdf.

⁷¹ Finance ministers focus on food, energy, avoid currencies, Canwest News Service, (Osaka), 14 June 2008. Date of Access: 30 June 2008. http://www.financialpost.com/story.html?id=588858.

⁷² Canada rejects oil, food price controls; Flaherty to push market solutions at G8 meeting, official says, Ottawa Citizen, (Ottawa), 10 June 2008. http://www.hamiltonspectator.com/pdfs/20080610/A11.pdf

⁷³ Canada rejects oil, food price controls; Flaherty to push market solutions at G8 meeting, official says, Ottawa Citizen, (Ottawa), 10 June 2008. http://www.hamiltonspectator.com/pdfs/20080610/A11.pdf.

⁷⁴ G8 resists expectations to prop up U.S. dollar, The Globe and Mail, (Osaka), 16 June 2008. Date of Access: 30 June 2008

 $http://www.igloo.org/community.igloo?r0=community\&r0_script=/scripts/announcement/view.script\&r0_pathinfo=\%2F\%7B7caf3d23-023d-494b-865b-84d143de9968\%7D\%2FAnnouncements\%2Fciginews\%2Fg8resistse\&r0_output=xml.$

⁷⁵ Statement of the G8 Finance Ministers meeting, (Osaka), 14 June 2008. Date of Access: 29 June 2008. http://www.mof.go.jp/english/if/su080614.pdf.

⁷⁶ G8 resists expectations to prop up U.S. dollar, The Globe and Mail, (Osaka), 16 June 2008. Date of Access: 30 June 2008

 $http://www.igloo.org/community.igloo?r0=community\&r0_script=/scripts/announcement/view.script\&r0_pathinfo=\%2F\%7B7caf3d23-023d-494b-865b-84d143de9968\%7D\%2FAnnouncements\%2Fciginews\%2Fg8resistse\&r0_output=xml.$

Scoring Guidelines

- G8 countries do not address how global financial markets can improve in the long term OR agree on protectionist measures such as export taxes to lower food prices.
- **0.25** G8 countries discuss the global financial market, but no action plan identified in any of the communiqués and statements released at the Summit.
- **0.50** G8 releases communiqués or statements committing to an action plan to further improve global financial conditions, but it does not ensure such conditions persist in the long-term.
- **0.75** G8 releases communiqués or statements committing to an action plan for long-term improvements in global financial markets, but Canada has made notable concessions.
- G8 countries commit to an action plan that addresses the issue of how global financial markets can improve in the long term.

Prospects

It is likely that Canada will maintain the need to allow market forces to curb soaring food and oil prices. It will counter any action plan that encourages the use of protectionist measures such as export taxes. However, this will be difficult, as the Japanese Presidency is deeply concerned about the rising prices of foodstuffs. Despite its scepticism about the influence of G8 pressure in lowering oil prices, Canada will likely join its counterparts in reiterating the G8's appeal to oil-producing countries to boost production. As the weak US dollar has had a negative impact on the Canadian manufacturing industry, Canada will play an important role in discussions on the issue of currencies. Canada will maintain that global financial markets need to learn from their mistakes to ensure global lending conditions persist in the long-term. Yet, overall, it is unlikely that with the Japanese Presidency pushing for the G8 to take action to curb rising food and oil prices that Canada will be able to convince the group that market forces are the most appropriate mechanism.

Postscript

With regard to financial stability in the oil market, Canada was successful in advancing market-based measures to assuage current problems. While they expressed "strong concerns about the sharp rise in oil prices," the G8 did not take any interventionist measures to reduce oil prices, but "committed to promoting a smooth adjustment of global imbalances through sound macroeconomic management and structural policies." Despite its scepticism about the influence of G8 pressure in lowering oil prices, Canada joined its counterparts in reiterating the G8's appeal to oil-producing countries to boost production. In the World Economy section of the G8 communiqué, the leaders stated that on the supply side, "production and refining capacities should be increased in the short term." On the demand side, they called for "further efforts to improve energy efficiency as well as [to] pursue energy diversification." They also proposed holding an energy forum. Both of these measures avoid the interventionist measures Canada feared.

On the issue of food security, the G8 expressed deep concern that "the steep rise in global food prices coupled with availability problems in a number of developing countries is threatening global food

⁷⁷ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

⁷⁹ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

⁸⁰ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

security."⁸¹ They committed to "USD10 billion to support food aid, nutrition interventions, social protection activities and measures to increase agriculture output in developing countries."⁸² They also agreed to form global partnership on agriculture and food. The commitment to food aid is exactly what Canada desired, as was the lack of mention of biofuels. Thus, Canada receives a score of 1 for its financial stability objective.

Analyst: Sahar Kazranian

Objective 5: Energy Security [0.50]

Canada seeks to become a sustainable, environmentally-friendly energy superpower. At a Montreal environment conference in March 2007, Prime Minister Harper stated, "Canada must not merely be an energy superpower, but a clean energy superpower." Canada's national energy plan, entitled *Turning the Corner*, attempts to balance Canada's economic development from the energy sector with its environmental objectives. A trade-dependent economy, Canada is a strong advocate for an open, transparent, and rules-based international energy market. S

Canada is in dispute with the US over its revision of the nuclear trade rules of the Nuclear Suppliers Group (NSG), a multinational body concerned with reducing nuclear proliferation. These rules concern transfers of equipment for uranium enrichment and spent fuel reprocessing-related exports, known as "ENR", shorthand for enrichment and reprocessing equipment and technology. ⁸⁶ In April 2008, the NSG held an urgent meeting to establish new guidelines for ENR transfers ⁸⁷. The meeting was prompted by a difference between the US and Canada over US-proposed criteria for new guidelines concerning ENR exports. ⁸⁸ The G8 currently support a US-sponsored global moratorium on ENR transfers. ⁸⁹

The US proposed that states receiving any enrichment or reprocessing knowledge should not be permitted to obtain access to nuclear fission material technology. The most significant proposal was a revision of Paragraph 7 of the NSG guidelines. The US proposed that suppliers "seek from recipients an agreement to accept sensitive facilities and equipment under conditions that do not permit or enable replication". Canada stated that it would not agree to the proposals and that it "cannot accept the language on Paragraph 7." Canada's objections were supported by Argentina, Brazil, and South Africa. The three countries argued that the US proposals for Paragraph 7 violate

⁸¹ G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

⁸² G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

⁸³ Canada must be a clean energy superpower: PM, (Montreal), CBC News, 22 March 2007. Date of Access: 29 June 2008. http://www.cbc.ca/canada/story/2007/03/22/harper-green.html.

⁸⁴ Prime Minister Stephen Harper addresses the Canada-U.K. Chamber of Commerce in London, (London), 29 May 2008. Date of Access: 30 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.

⁸⁵ Energy Security: A Canadian Perspective, Foreign Affairs and International Trade Canada. Date Accessed: 8 June 2008. http://geo.international.gc.ca/cip-pic/library/es_brief-en.aspx.

⁸⁶ The Nuclear Suppliers Group, The State Department, (Washington), 29 July 2004. Date of Access: 30 June 2008. http://www.state.gov/t/isn/rls/fs/34729.htm.

⁸⁷ Bilateral diplomacy needed to solve US-Canadian impasse on NSG rules, NuclearFuel, Volume 33, Issue 9, (Washington), 5 May 2008. http://construction.ecnext.com/coms2/summary_0249-281338_ITM_platts.

⁸⁸ Bilateral diplomacy needed to solve US-Canadian impasse on NSG rules, NuclearFuel, Volume 33, Issue 9, (Washington), 5 May 2008. http://construction.ecnext.com/coms2/summary_0249-281338_ITM_platts.

NSG meeting makes no progress on new rules for sensitive exports, Nuclear Fuel, Volume 33, Issue 11, (Berlin), 2 June 2008. http://construction.ecnext.com/coms2/summary 0249-284498 ITM platts.

 ⁹⁰ Bilateral diplomacy needed to solve US-Canadian impasse on NSG rules, NuclearFuel, Volume 33, Issue 9, (Washington), 5 May 2008. http://construction.ecnext.com/coms2/summary_0249-281338_ITM_platts.
 ⁹¹ Bilateral diplomacy needed to solve US-Canadian impasse on NSG rules, NuclearFuel, Volume 33, Issue 9,

⁹¹ Bilateral diplomacy needed to solve US-Canadian impasse on NSG rules, NuclearFuel, Volume 33, Issue 9, (Washington), 5 May 2008. http://construction.ecnext.com/coms2/summary_0249-281338_ITM_platts.

the Nuclear Proliferation Treaty's (NPT) Article IV, which assures non-discrimination in nuclear trade. PSG-member states that have supported Canada's objections to the US have asserted their rights to nuclear trade. Remembers have tried to avoid making overt references to Article IV of the NPT during NSG deliberations, because they do not support Iran's claim that its Article IV rights override UN resolutions urging the country to not enrich uranium. Canada also objects to US proposals to firmly restrict ENR exports on the grounds that Canada will seek to develop commercial uranium enrichment capability.

Japanese officials close to the preparation of the NSG meeting suggested that unless US-Canadian diplomacy reaches a compromise, Canada will officially depart from a current G8 consensus on ENR transfers. 95

In his address to the Canada-UK Chamber of Commerce in London on 29 May 2008, Prime Minister Harper positioned Canada as a key player in the international energy market. Recognizing that the era of low cost hydrocarbons has passed, the Prime Minister emphasized the need for cleaner fuel alternatives and better energy conservation. He also said that by 2020 Canada intended to acquire 90% of its electricity from non-emitting sources (i.e hydro, nuclear, wind). Furthermore, the Prime Minister announced that Canada will seek differentiated strategies for developed and developing countries in international negotiations. He also said that by 2020 Canada intended to acquire Minister announced that Canada will seek differentiated strategies for developed and developing countries in international negotiations.

At the March 2008 G8 Energy Ministers' Meeting, agreements were made to back plans for twenty large-scale demonstration projects for carbon capture and storage, a process that traps carbon dioxide and pumps it into underground reservoirs. In a 28 May 2008 speech, Prime Minister Harper announced that Canada's Climate Change Plan – an initiative intended to help Canada successfully meet its climate change objectives – will rely heavily on Carbon Capture and Storage (CCS) technologies. As a world leader in CCS technology, Canada will play an important role in gathering support for this initiative, especially since the initiative will help Canada to fulfill its climate change objectives.

Scoring Guidelines

0 G8 provide backing for the current moratorium on ENR transfers **OR** G8 fails to discuss the

⁹² Bilateral diplomacy needed to solve US-Canadian impasse on NSG rules, Nuclear Fuel, Volume 33, Issue 9, (Washington), 5 May 2008. http://construction.ecnext.com/coms2/summary_0249-281338_ITM_platts.

⁹³ NSG meeting makes no progress on new rules for sensitive exports, Nuclear Fuel, Volume 33, Issue 11, (Berlin), 2 June 2008. http://construction.ecnext.com/coms2/summary_0249-284498_ITM_platts.

⁹⁴ NSG meeting makes no progress on new rules for sensitive exports, Nuclear Fuel, Volume 33, Issue 11, (Berlin), 2 June 2008. http://construction.ecnext.com/coms2/summary_0249-284498_ITM_platts.

⁹⁵ NSG meeting makes no progress on new rules for sensitive exports, Nuclear Fuel, Volume 33, Issue 11, (Berlin), 2 June 2008. http://construction.ecnext.com/coms2/summary_0249-284498_ITM_platts.

⁹⁶ Prime Minister Harper addresses the Canada-U.K. Chamber of Commerce in London, (London), 29 May 2008. Date of Access: 30 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.

⁹⁷ Prime Minister Harper addresses the Canada-U.K. Chamber of Commerce in London, (London), 29 May 2008. Date of Access: 30 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.

⁹⁸ Prime Minister Harper addresses the Canada-U.K. Chamber of Commerce in London, (London), 29 May 2008. Date of Access: 30 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.

⁹⁹ Prime Minister Harper addresses the Canada-U.K. Chamber of Commerce in London, (London), 29 May 2008. Date of Access: 30 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.

¹⁰⁰ Joint Statement by G8 Energy Ministers, (Aomori), 8 June 2008. Date of Access: 30 June 2008. http://www.enecho.meti.go.jp/topics/g8/g8sta_eng.pdf.

Prime Minister Harper addresses the Canada-U.K. Chamber of Commerce in London, (London), 29 May 2008. Date of Access: 30 June 2008. http://pm.gc.ca/includes/send_friend_eMail_print.asp?id=2131.

¹⁰² Canada has introduced important initiatives in CSS technology such as the Weyburn Project, the world's largest carbon capture and storage project, and the Integrated CO2 Network (ICO2N). Allan Casey, Carbon Cemetery, Canadian Geographic Magazine, Jan/Feb 2008, p. 63.

controversial issue of ENR exports.

- G8 discuss current support for US-sponsored moratorium on ENR transfers, but no indication as to how discussions will ensure after the Summit. G8 discusses CCS technologies but does not provide an action plan to develop CCS projects.
- G8 agrees on action plan to revise guidelines on ENR transfers, but does not address Canada's main point of concern such as Paragraph 7 of the NSG guidelines. CSS technologies are discussed.
- G8 releases communiqués or statements committing to action plan on spreading CCS technologies. G8 commitment to a compromise on ENR guidelines, but both Canada and the US make notable concessions.
- G8 agree on a new moratorium on ENR transfers that supports Canada's positions and agree on an action plan that supports the CCS initiative.

Prospects

Considering Canada's vehement opposition to US proposals on nuclear trade and the G8's avoidance of Article IV of the NPT, it is unlikely that a consensus on ENR transfer will be agreed upon. However, Canada will likely play an active role in discussions on CCS technologies and help develop a framework to develop CCS projects.

Postscript

With regard to ENR, the G8 welcomed "the significant progress made by the Ncelar Suppliers Group (NSG) in moving toward consensus on a criteria based approach to strengthen controls on transfers of enrichment and reprocessing equipment." They supported the NSG effort to reach consensus on this issue, but agreed that transfers of ENR will be subject to conditions that do not permit the replication of the facilities. This is a notable concession on the part of Canada.

On CSS, the G8 stated that they will "establish an international intiatiive...to develop roadmaps for innovative technologies...including carbon capture and storage (CSS)." They strongly supported lauchning twenty large-scale CSS demonstration projects by 2010, taking into account various national circumstances, with a view to beginning braod deployment of CSS by 2020. Given Canada's proficiency in CSS technology, this is a great success.

Overall, Canada receives a score of 0.50 for energy security.

Analyst: Sahar Kazranian

Objective 6: Outreach and Expansion [0.75]

Canada is likely to try to improve its relations with the O5 countries, particularly China and India. Canada is committed to improving economic ties with these markets and is taking a targeted, focused approach on trade with its Global Commerce Strategy in which China and India are identified as priority markets. Canada wishes to maintain strong relations with China by negotiating improved access to global markets, capital, technology and talent, and by connecting Canadian businesses with

¹⁰³ Political Issues, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230251.html

¹⁰⁴ Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

¹⁰⁵ Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

expanding global opportunities. 106 With regards to India, Canada wishes to close the infrastructure gap that is hampering India's ability to actualize its economic ambitions and to increase two-way investment and stimulate exports. 107

However, unlike UK Prime Minister Gordon Brown or French President Nicolas Sarkozy, both of whom have called for the expansion of the G8 to the G13, Prime Minister Harper has not made any statement to this effect. 108 In fact, fearing that expansion will erode its relative power within the G8, Canada is unlikely to endorse official expansion. It will continue to support an ad hoc G8+5 or to bolster the G20, rather than lend its support to calls for institutional reform of the G8.

Scoring Guidelines

- The G8 reaches a consensus on expansions that is contrary to the Canadian objectives (i.e. 0 commits to formally institutionalizing a G13).
- There is evidence to suggest that the G8 engaged in discussion on outreach and expansion **0.25** linked to the Canadian objectives, but no measureable actions on expansion were undertaken by the G8.
- The G8 releases communiqués or makes statements to an action plan positively related to the 0.50 Canadian objectives for outreach and expansion, but it is a heavily compromised version of the Canadian objectives for this issue area.
- The G8 releases communiqués or makes statements committing to an action plan positively related to Canada's objectives regarding expansion, but Canada has made notable concessions 0.75 to its original objectives (e.g. agreeing to bolster the G20, but with the eventual goal of institutionalizing a G13).
- The G8 releases communiqués or issues statements committing to an action plan that is highly 1 aligned to the Canadian priorities for outreach and expansion (e.g. bolstering the ad hoc G20, but repudiating the idea of a G13).

Prospects

Fearing that expansion will erode its relative power within the G8, Canada is unlikely to endorse official expansion and will likely be successful in preventing official expansion. The Japanese Presidency shares Canada's fears of the dilution of relative power within the group, and does not support a G13. Current summit logistics indicate that the O5 will not be integrating into the leaders' discussions to the same extent that they were during the 2007 Heiligendamm Summit. Thus, despite calls for expansion from France and the UK, Canada will likely achieve success on this objective.

Postscript

While the G8 released no communiqués on the issue of expansion and outreach, Canada achieves a score of 0.75 on this objective. The Japanese Presidency did not expand the institution of the G8 to the G13 in any official capacity, thus avoiding Canada's chief concern. However, on the first day of the three-day summit, the focus was African Development, so the majority of the G8 Working Sessions incorporated the leaders of Algeria, Ethiopia, Ghana, Nigeria, Senegal, South African, Tanzania, the Chairperson of the AU Commission, UN Secretary General and the World Bank

11e04810c9ee&&Headline=Sarkozy%3a+India+must+be+in+expanded+G8.

¹⁰⁶ Emerging and Growing Markets: China's Growing Importance, Foreign Affairs and International Trade, 15 May 2008. Date of Access: 31 May 2008. http://www.international.gc.ca/commerce/china-chine.aspx.

¹⁰⁷ Emerging and Growing Markets: Canada sets its sights on India, Foreign Affairs and International Trade, 5 March 2008. Date of Access: 31 May 2008. http://www.international.gc.ca/commerce/india-inde.aspx?lang=en. ¹⁰⁸ India must be in expanded G8, says Sarkozy, Hindustan Times, (New Delhi), 24 January 2008. Date of Access: 9 June 2008. http://www.hindustantimes.com/storypage/storypage.aspx?id=365bbedd-7ed6-43d4-80d9-

President. 109 Similarly, on the third day, the leaders of Austrialia, Brazil, China, India, Indonesia, Mexico, Republic of Korea, South Africa, UN Secretary General, the World Bank President, the OECD Secretary General and the IEA Executive Director were involved in all of the talks. 110 Thus, the unofficial expansion of the G8 continued at the Hokkaido Toyako Summit, which was a concession on the part of Canada.

Analyst: Erin Fitzgerald

Media Handbook, Hokkaido Toyako Summit: Secretariat for the G8 Summit, 7-9 July 2008. p. 2. Media Handbook, Hokkaido Toyako Summit: Secretariat for the G8 Summit, 7-9 July 2008. p. 4.

FRANCE [0.48]

Economic Data

Currency: Euro

Population: 64,057,790

Gross Domestic Product (official exchange rate): USD2.56 trillion

Gross Domestic Product per capita (PPP): USD33,200

Major Trading Partners: Germany, Spain, Italy, UK, Belgium, US, Netherlands

Political Data

Type of government: Republic

Date of Establishment: October 5, 1958

Legislature: Bicameral: Senate and National Assembly

Head of State: President Nicolas Sarkozy

Head of Government: Prime Minister François Fillon

Background

For his second G8 Summit as France's head of state, President Nicolas Sarkozy is likely to continue with France's traditional demands in fields like climate change, where France has been a strong advocate for binding emission reduction targets. Climate change and the environment are high on the agenda of the Japanese government, which should give France ample space to promote its emission reduction vision through binding targets in the post-Kyoto era.

Nevertheless, the year since the Heiligendamm Summit has been marked with global economic turbulence, particularly the uncontrolled inflation of food and petroleum prices. This has shaped France's G8 agenda since last year's Summit in Germany. As such, energy security is France's top priority, surpassing both G8-expansion and climate change. With oil prices doubling over the last year, fuel costs are a major domestic concern for France, whose fuel consumption relies on imports. To address the problem, France advocates a political response, particularly in the form of G8 pressure on producing nations to increase oil production.111 Furthermore, food security problems have intensified since the 2007 Heiligendamm Summit. Since the beginning of 2008, food riots have erupted in many developing countries, such as Haiti, Bangladesh, and Egypt. To address the problem, a high level United Nations (UN) Food and Agriculture Organization (FAO) conference on food security was held in Rome on 3 June 2008. There, President Sarkozy stressed the importance of food accessibility and the need to develop high-performance agriculture in developing countries. Accordingly, he is likely to pursue G8-endorsement of solutions that focus on long-term agricultural sustainability.

On numerous occasions, President Sarkozy has voiced his support for expanding the G8 to better reflect the balance of world power in the 21st century. G8 expansion would see Brazil, China, India, Mexico and South Africa as full-fledged members of a G13 as opposed to their current status as Outreach Five (O5) partners that are limited to specific meetings. The Heiligendamm dialogue intended to strengthen relations with the five major emerging economies is an objective that President Sarkozy has continued to endorse following the departure of Jacques Chirac. Chirac first

¹¹¹ France asks skeptical EU nations to slash fuel tax, The Economic Times, (Frankfurt), 2 June 2008. Date of Access: 11 June 2008

 $http://economic times.indiatimes.com/News/International_Business/France_asks_skeptical_EU_nations_to_slash_fuel_tax/articleshow/3093887.cms.$

advocated G8 enlargement in Gleneagles. According to President Sarkozy's public statements, expansion is likely to figure highly on France's agenda thereby obtaining the second rank in the order of priorities.

Lead Analyst: Hugues Létourneau

Objective 1: Energy Security [0.50]

At the G8 Summit, France will focus on the inflationary aspects of energy security and strive for collective action to stabilise oil prices. In a written statement to G8 finance ministers on 28 May 2008, French Economy Minister Christine Lagarde asked her counterparts to put oil prices high on the G8's agenda. In addition, she asked for "collective and coordinated" action to get oil producing countries to "increase their production in order to reduce tensions on the market" and to obtain "more reasonable" prices. It

The issue of oil prices is high on France's list of priorities because of its dependence of oil imports and the ever-increasing oil prices on the world market. On 6 June 2008, the price of oil reached a record level of USD138.54 per barrel, which is a surge by a third since the start of 2008 compared to USD65 per barrel in 2005. Trance has been on the losing end of these oil prices because it depends on producers from the Middle East, Africa, the North Sea, and Russia to ensure its supply. G8 countries have differing views as to the reasons behind the price increases. On 14 June 2008 at a meeting in Osaka, the G8 finance ministers argued that "the fundamental factor driving oil prices is the imbalance between rising global demand and supply constraint". France along with Germany and Italy put greater blame on market speculation.

Since the last G8 Summit, France has been a proponent of active political responses in order to alleviate high oil prices. During the week of 26 May 2008, in light of France's European Union (EU) Presidency beginning on 1 July, President Sarkozy said that EU countries should slash sales tax on fuel to help consumers face high oil prices when outlining his priorities. This call was reiterated by French Finance Minister Christine Lagarde in a letter sent out to three EU commissioners on 30 May 2008. Lagarde argued that "there needs to be a political response to the situation." Nevertheless, the French Proposal was struck down by Germany, Spain, and the Netherlands; they said that the EU should stick to a 2005 agreement to "maintain fuel taxes despite rising oil prices," thereby making it highly unlikely that the French proposal would be adopted.

¹¹² France wants G8 to urge oil producers to hike output: minister, AFP, (Paris), 29 May 2008. Date of Access: 11 June 2008. http://news.yahoo.com/s/afp/20080530/bs_afp/franceoilpriceg8.

France wants G8 to urge oil producers to hike output: minister, AFP, (Paris), 29 May 2008. Date of Access: 11 June 2008. http://news.yahoo.com/s/afp/20080530/bs_afp/franceoilpriceg8.

World Response needed to oil crisis: British PM, AFP, (London), 28 May 2008. Date of Access: 11 June 2008. http://news.yahoo.com/s/afp/20080528/wl_uk_afp/britainpoliticsenergyoil.

Le défi de l'énergie relevé avec succès, La documentation Française, (Paris). Date of Access: 11 June 2008. http://www.ladocumentationfrançaise.fr/dossiers/france-50-ans-transformations/defi-energie.shtml.

¹¹⁶ G8 raises alarm over rising oil prices, Associated Press, (Osaka), 14 June 2008. Date of access: 30 June 2008. http://news.yahoo.com/s/ap/20080614/ap_on_re_as/japan_g8

¹¹⁷ G8 raises alarm over rising oil prices, Associated Press, (Osaka), 14 June 2008. Date of access: 30 June 2008. http://news.yahoo.com/s/ap/20080614/ap_on_re_as/japan_g8

¹¹⁸ Sarkozy in Vienna to outline France's EU priorities, EU Business, (Vienna), 30 May 2008. Date of Access: 11 June 2008. http://www.eubusiness.com/news-eu/1212145323.46.

¹¹⁹ France asks skeptical EU nations to slash fuel tax, The Economic Times, (Frankfurt), 2 June 2008. Date of Access: 11 June 2008.

 $http://economic times.indiatimes.com/News/International_Business/France_asks_skeptical_EU_nations_to_slash_fuel_ta~x/articleshow/3093887.cms.$

¹²⁰ France asks skeptical EU nations to slash fuel tax, The Economic Times, (Frankfurt), 2 June 2008. Date of Access: 11 June 2008.

On 27 May 2008, President Sarkozy announced medium term measures to alleviate the effects of high oil prices domestically. He announced that the Value Added Tax (VAT) raised on petroleum products would be directed to a fund for those hardest hit by the crisis. ¹²¹

Scoring Guidelines

- **0** The G8 fails to address the issue of high oil prices.
- The G8 discusses the issue of oil prices but does not reach a "collective and coordinated" action plan on high oil prices AND rejects to call to push for an increase in oil production from oil producing countries.
- **0.50** The G8 agrees to a "collective and coordinated" action plan on high oil prices **OR** calls for an increase in oil production from oil producing countries.
- **0.75** The G8 comes up with an action plan to curtail oil consumption in home countries.
- The G8 asks oil producing countries within and outside the G8 to increase oil production through a "collective and coordinated" action plan.

Prospects

At the G8 Energy Ministers meeting on 8 June 2008, the consensus revolved around the need for consuming nations to temper their own demand by focusing on efficiency and conservation rather than asking the Organization of the Petroleum Exporting Countries (OPEC) to pump more oil. The French demand to obtain an increase in oil production has been resisted by OPEC which produces 40% of the world's oil. Furthermore, the Finance Minister of Canada, Jim Flaherty, is telling his counterparts that Canada, a G8 oil exporting country, has downplayed the idea of having the government intervene to curb oil prices. Therefore, the prospects for obtaining a price altering increase in oil production seem to be dim.

Postscript

The World Economy communiqué addresses energy security but does not call for the 'collective and coordinated' action plan that France was asking for leading to the summit. Instead, the final communiqué is in line with traditional G8 demands of monitoring developments on the oil markets. ¹²⁵ Indeed, the communiqué proposes a forum to obtain better "dialogue between producers and consumers" in addition to improving "collections and timely reporting of market data on oil." France did succeed in obtaining the G8 to ask oil suppliers to increase their production in the short term but this request was foreseeable prior to the summit and is unlikely to yield concrete

 $http://economic times.indiatimes.com/News/International_Business/France_asks_skeptical_EU_nations_to_slash_fuel_ta~x/article show/3093887.cms.$

ministre.gouv.fr/chantiers/croissance_847/prix_carburants_1150/un_fonds_pour_les_60094.html.

Opec rejects calls for more oil, Al-Jazeera, (Qatar), 9 June 2008. Date of Access: 11 June 2008. http://english.aljazeera.net/NR/exeres/4C9C8DC4-BEB8-4404-BEB9-81D0ECF931DD.htm.

¹²¹ Un fonds pour les Français les plus touchés par la hausse du coût du carburant, Portail du gouvernment, (Paris), 27 May 2008. Date of Access: 11 June 2008. http://www.premier-

¹²² G8 energy ministers look inward on oil, spare OPEC, Reuters, (Aomori), 8 June 2008. Date of Access: 11 June 2008. http://news.yahoo.com/s/nm/20080609/ts_nm/g8_energy_dc.

National: World markets set oil prices: Canada, Canwest News Service, (Ottawa), 30 May 2008. Date of Access: 11 June 2008. http://www.canada.com/ottawacitizen/news/story.html?id=8682303b-2ebd-42b2-8746-2ebcb52e4217.

France wants G8 to urge oil producers to hike output: minister, AFP, (Paris), 29 May 2008. Date of Access: 11 June 2008. http://uk.biz.yahoo.com/30052008/323/france-wants-g8-urge-oil-producers-hike-output-minister.html

¹²⁶ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.g8summit.go.jp/eng/doc/doc080709_01_en.html

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.g8summit.go.jp/eng/doc/doc080709_01_en.html

results that would reduce the price of oil. The final communiqué does not acknowledge the French belief that speculation on financial markets has been an important reason for the persistent increase in oil prices. Discussion was held on holding an energy forum which could have been in line with France's request for a 'collective and coordinated' action but no action was taken on such a proposal.

Analyst: Hugues Létourneau

Objective 2: Outreach and Expansion [0.25]

France will take a leading role in discussing the issue of G8 outreach and expansion at the Hokkaido Summit. Since the Evian Summit, where then-president Jacques Chirac invited 12 non-member states to participate in the Summit dialogue, France has maintained a clear and consistent policy of support for expanding G8 membership. Current President Nicolas Sarkozy has both inherited this policy and become its main proponent. France will seek admittance of the O5 nations – Brazil, China, India, Mexico, and South Africa – into the G8.

Meeting on the sidelines of the recent Food Summit in Rome in early June 2008, Japanese President Yasuo Fukuda and President Sarkozy both agreed that emerging economies must be included in the dialogue with G8 members at the upcoming Hokkaido Summit, particularly in a concerted effort to tackle major issues such as rising oil prices and a post-Kyoto framework against global warming. President Sarkozy, however, emphasized the necessity of expanding the G8 to reflect changes in the international environment, while the Japanese leader favored outreach over fundamental changes. On the one hand, Hokkaido will be the most inclusive G8 Summit to date, with an unprecedented number of outreach sessions before and during the Summit; yet it is still a step away from officially expanding the group as France would like to see.

At a press conference on 8 January 2008, President Sarkozy made known France's unequivocal position in support of G8 expansion. He concluded by saying,

"France will do her utmost to get the G8 to become the G13. Here too, listen, I was very astonished in Heiligendamm – I'm talking in terms of diplomacy – how come that we meet for two-and-a-half days without China, without India, without Brazil, without Mexico, without South Africa, ignoring a mere 2.5 billion people?... France says: we can't organize the twenty-first century world with the organization of the twentieth, it isn't possible."

Short of achieving full membership for the O5, France will likely push for procedural changes to allow more time for the non-member states to participate more fully in dialogue with G8 members.

Since the Heiligendamm Summit, President Sarkozy has reiterated this message of inclusion through various bilateral exchanges with the O5 nations. Specifically, his attention has been focused on Brazil and India. Addressing the India-France Economic Conference in January 2008, President Sarkozy said, "We can solve problems of the world by reorganising the G8. It is in the interest of the world to talk and engage India. I want to see India play an important role in the 21st century." He

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¹²⁸ Fukuda, Sarkozy meet in Rome, discuss G8, The Japan Times (Online), 4 June 2008. Date of Access: 8 June 2008. http://search.japantimes.co.jp/cgi-bin/nn20080604a6.html.

What Fukuda takes back home from Europe, Xinhua News Agency, 5 June 2008. Date of Access: 6 June 2008. http://news.xinhuanet.com/english/2008-06/05/content_8318146.htm.

Policy of Civilization, French Embassy in the United Kingdom Website, 8 January 2008. Date of Access: 8 June 2008. http://www.ambafrance-uk.org/President-Sarkozy-s-press,10159.html.

¹³¹Sarkozy backs India's entry into G8, The Hindu, 26 January 2008. Date of Access: 6 Jun 2008. http://global.factiva.com.myaccess.library.utoronto.ca/ha/default.aspx.

¹³² Sarkozy backs India's entry into G8, The Hindu, 26 January 2008. Date of Access: 6 Jun 2008. http://global.factiva.com.myaccess.library.utoronto.ca/ha/default.aspx.

went on to say, "I want that the next G8 Summit be converted into a G13 Summit." His policy was echoed by French Ambassador to India, Jerome Bonnafont. Speaking to The Hindu press on 9 May 2008 regarding a bilateral nuclear cooperation agreement, Bonnafont stated that France is supportive of a great role for India in global affairs, including expanding the G8 to a "G13 or G14." He did not, however, specify which country would make up the fourteenth entry. 134

In February, at a meeting with President Luiz Inacio Lula da Silva of Brazil in French Guiana, President Sarkozy again indicated that the G8 should be enlarged to incorporate the O5 nations. In a statement released by Brazil's state news agency Agencia Brasil, President Sarkozy said, "The emerging countries have an influence on the world's economy, as well as the eight countries that currently form the G8." 135

There is significant support among G8 members for expanding the organization. In his monthly press conference in January, UK Prime Minister Gordon Brown specifically referred to and supported President Sarkozy's plan to institutionally include the O5. PM Brown said, "The G8 plus 5 meets on a regular basis but only for a small amount of the time that the G8 comes together. Now there are proposals to extend that relationship and to broaden it so that India, China, South Africa, Mexico and Brazil are part of these discussions and that's something we favour also." ¹³⁶ UK can be counted on to support any bid that France makes at the Hokkaido Summit towards this end, along with Germany and most likely Russia. ¹³⁷

G8 expansion is part of an overall effort and desire by the Sarkozy administration to reform and expand major international organizations including the IMF, World Bank, and the UN Security Council. France supports India's bid to become a permanent member of the Security Council, along with Germany and Japan. ¹³⁸ Japan remains the primary obstacle to significant G8 expansion. Prime Minister Fukuda insisted that the G8 is a "precious and meaningful" forum for the leaders of "a few leading countries which bear common significant responsibilities for the world" to exchange ideas. As the Summit host, Japan can be expected to resist full fledged G8 expansion.

Scoring Guidelines

0 The G8 fails to significantly discuss the matter of expansion.

The G8 discusses the issue of expansion but does not come to a clear consensus **OR** does not endorse President Sarkozy's proposal of expanding the G8.

¹³³ Sarkozy backs India's entry into G8, The Hindu, 26 January 2008. Date of Access: 6 Jun 2008. http://www.thehindu.com/2008/01/26/stories/2008012657041500.htm.

¹³⁴ France for nuclear pact with India, The Hindu, 9 May 2008. Date of Access: 7 June 2008. http://www.hindu.com/2008/05/09/stories/2008050955161200.htm.

¹³⁵Sarkozy wants inclusion of India in G8, The Economic Times, 13 February 2008. Date of Access: 8 June 2008. http://economictimes.indiatimes.com/PoliticsNation/Sarkozy_wants_inclusion_of_India_in_G8/articleshow/2779714.cm

s.

136 Brown backs Sarkozy call to expand G8 to become G15, London South East, 8 January 2008. Date of Access: 8 June 2008

http://www.lse.co.uk/PoliticsNews.asp?ArticleCode=34hd35ti38cqwf1&ArticleHeadline=brown_backs_sarkozy_call_to expand 98 to become 915

_expand_g8_to_become_g15.

137 Brown backs Sarkozy call to expand G8 to become G15, London South East, 8 January 2008. Date of Access: 8 June 2008.

http://www.lse.co.uk/PoliticsNews.asp?ArticleCode=34hd35ti38cqwf1&ArticleHeadline=brown_backs_sarkozy_call_to expand g8 to become g15.

_expand_g8_to_become_g15.

138 Gordon Brown supports permanent seat for India on UN Security Council, The Times, 21 January 2008. Date of Access: 25 June 2008. http://www.timesonline.co.uk/tol/news/world/asia/article3221860.ece.

¹³⁹ What Fukuda takes back home from Europe, Xinhua News Agency, 5 June 2008. Date of Access: 6 June 2008. http://news.xinhuanet.com/english/2008-06/05/content_8318146.htm.

¹⁴⁰ What Fukuda takes back home from Europe, Xinhua News Agency, 5 June 2008. Date of Access: 6 June 2008. http://news.xinhuanet.com/english/2008-06/05/content_8318146.htm.

- **0.50** The G8 agrees to a more permanent position for the O5 in principle but does not extend official invitation of membership.
- The G8 extends membership to some but not all of the O5 **OR** extends membership to all but based on social, political, or macroeconomic standards that make membership in the short term difficult to achieve.
 - 1 The G8 adopts guidelines and sets a definite timeline for expanding its membership to the O5.

Prospects

Opposition by Japan, which holds the Summit Presidency, and traditionally by the US, against G8 expansion means that the issue will likely remain frozen despite strong support for President Sarkozy's proposal from both the UK and Germany. It is possible that an interim working plan may be agreed upon that extends and entrenches the Heiligendamm Process or that more clearly defines the relationship of the O5 to the main body as well as the substantive nature of their participation.

Postscript

President Sarkozy pushed for the expansion of the G8 by speaking out on the issue on multiple occasions leading up to the summit. However, this did not yield significant results. A single paragraph communiqué was published to address international institutions in general without explicit reference to G8 reform. This diluted communiqué reflects the lack of consensus on the issue and reflects the different priorities of G8 countries. For instance, Japan advocates Security Council reform before any G8 expansion is considered. Furthermore, the Canadian and American opposition to expansion resulted in a vague call to reform international institutions. President Sarkozy won a marginal victory because a communiqué was released that speaks of "reforming and adapting international institutions so that they be able to respond effectively"¹⁴¹ in the twenty-first century but this single paragraph reflects a large concession from the original objective of expanding the G8 to a G13 or G14.

Analyst: Helen Bao

Objective 3: Climate Change [0.50]

France will be an important contributor on the issue of climate change at the 2008 G8 Summit in Hokkaido, continuing to argue that binding emission reduction targets are necessary for the post-Kyoto framework. On 30 April 2008, at a meeting held with the Interministerial Committee on Europe, French Prime Minister Francois Fillon stated that "the ultimate goal is to reach the most ambitious agreement possible on climate change by the end of 2009." The French government also actively participated in discussions by the G8's environmental ministers on 27 May 2008, where it was agreed that rich countries should be leaders in the fight against global warming. Represented by Nathalie Kosciusko-Morizet, France, along with fellow G8 environment ministers, pressed their country leaders to commit to a 50% reduction in greenhouse gas emissions by 2050. 144

¹⁴¹ International Institutions, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230649.html

¹⁴² Climate, Energy and the CAP tackled at the Meeting of the Interministerial Committee on Europe, Portail du gouvernement, (Paris), 30 April 2008. Date of Access: 06 June 2008.

http://www.premier-ministre.gouv.fr/en/information/latest news 97/climate energy and the 59915.html.

¹⁴³ Kobe: G8 Environment wants a 50% reduction in emissions by 2050, Canoe News, (Kobe), 27 May 2008. Date of Access: 06 June 2008. http://cnews.canoe.ca/CNEWS/Environment/2008/05/25/5666481-ap.html.

¹⁴⁴ Kobe: G8 Environment wants a 50% reduction in emissions by 2050, Canoe News, (Kobe), 27 May 2008. Date of Access: 06 June 2008. http://cnews.canoe.ca/CNEWS/Environment/2008/05/25/5666481-ap.html.

France has ratified the Kyoto protocol and is among the G8 countries that have performed the best in recent years thus giving France additional credibility in climate change forums. In a study conducted in partnership between Allianz and the WWF, France was second among G8 countries and Outreach 5 with regards to progress in reaching Kyoto protocol objectives in 2008¹⁴⁵.

The French government's efforts as a prominent figure in battling climate change have not been limited to agreements with their G8 partners. On 22 April 2008, President Nicolas Sarkozy, alongside France's Minister of the Environment Jean-Louis Borloo, signed two cooperative agreements towards the development of clean energy with Romanian Prime Minister Calin Popescu-Tariceanu and Minister of Economy and Finance Varujan Vosganian. In a collaborative effort with their fellow G8 partners, President Sarkozy and Chinese Premier Hu Jintao signed a joint declaration on the importance of Chinese cooperation in multilateral efforts to tackle climate change on 27 November 2007. President Sarkozy stressed the importance of Chinese economic growth being "carbon-free."

Scoring Guidelines

- **0** The G8 fails to discuss climate change.
- **0.25** The G8 discusses the issue of climate change but no action plan is taken for the post Kyoto framework.
- **0.50** The G8 comes up with an action plan on climate change for the post Kyoto framework with tentative non binding targets of reducing emissions by 50% by 2050.
- The G8 comes up with an action plan to tackle climate change with targets below the suggested 50% reduction in greenhouse gas emission by 2050.
 - The G8 adopts a binding action plan targeting a reduction in greenhouse gas emission of 50% by 2050.

Prospects

G8 President Yasuo Fukuda has placed environmental concerns, specifically global warming, on the top of this year's agenda. Japan is also proposing a Cool Earth Programme which will be implemented through three parts, namely post Kyoto Framework, International Environment Cooperation and Innovation. Regardless of the high environmental stakes, rising cost of fuel, and France's efforts thus far in combating climate change, France will likely have difficulty in achieving success on their climate change agenda of pushing for binding commitments to be made by fellow G8 leaders for both short and long term emission goals because of opposition from the U.S. and Canada.

Postscript

The Climate Change and the Environment communiqué addresses the ultimate French priority of setting a long term reduction objective of reducing global emissions by 50% by 2050. Thus, the G8

¹⁴⁵ Changement Climatique: la France second meilleur élève du G8, mais pas de quoi pavoiser, Boursier.com, (Paris), 3 July 2008. Date of access: 4 July 2008. http://www.boursier.com/vals/ALL/changement-climatique-la-france-second-meilleur-eleve-au-sein-du-g8-mais-pas-de-quoi-pavoiser-news-290958.htm

Bucharest Wants to Develop Clean Energy with the Help of France, Développement Durable France, (Paris), 22 April 2008. Date of Access 06 June 2008. http://www.developpement-durable.gouv.fr/article.php3?id_article=3126.

¹⁴⁷ Declaration de Monsieur Nicolas Sarkozy, President de la Republique française, lors de la conference de presse conjointe avec Monsieur Hu Jinato, President de la Republique Populaire de la Chine, Presidence de la Republique. (Paris). 27 November 2007. Date of Access: 06 June 2008.

 $http://www.elysee.fr/documents/index.php?lang=fr\&mode=view\&cat_id=3\&press_id=712.$

¹⁴⁸ Declaration de Monsieur Nicolas Sarkozy, President de la Republique française, lors de la conference de presse conjointe avec Monsieur Hu Jinato, President de la Republique Populaire de la Chine, Presidence de la Republique. (Paris). 27 November 2007. Date of Access: 06 June 2008.

 $http://www.elysee.fr/documents/index.php?lang=fr\&mode=view\&cat_id=3\&press_id=712.$

sends out a message to the world and notably the Major Economies but this objective is not a binding one like France was hoping to obtain and many important questions such as choosing the base year remain unanswered. Indeed, G8 countries agreed to "consider and adopt...the goal of achieving at least 50% reduction of global emissions by 2050." This indicates increasingly harmonised positions from G8 countries over last year when they only agreed to "seriously consider" halving emissions by 50% for 2050. Such an agreement will only be met "by the contributions from all major economies," a position that was defended by the United States and Canada.

Analyst: Nikki Formosa

Objective 4: Food Security [0.75]

France is actively involved in creating solutions and providing funding towards the food security crisis. On 3 June 2008, at the High-Level Conference on food security organised by the (FAO), President Sarkozy stressed the urgency of the situation and the dire need for action to be taken. President Sarkozy said that "Every day, 25,000 human beings die of malnutrition. Every day, more than 850 million people go hungry. This is the situation. No one, in either North or South, can accept this situation. No one." Sarkozy stated that by 2050, food production must be doubled in an environmentally conscious way. The strategy which he will likely advocate at the upcoming G8 Summit in Hokkaido is to assist the poorest countries in the modernization of their agricultural sectors thereby "enabl[ing] them to provide themselves with enough food." Sarkozy argues that this is "the only possible strategic choice."

On 14 April, 2008, France's Agriculture Minister Michel Barnier created a working group on food security in partnership with France's ministers of foreign affairs, economy, industry, energy and sustainable development¹⁵⁵. The partnership will propose the following actions to mobilize France, Europe and the international community in three phases: "Immediate actions to support the people that are most affected by and exposed to malnutrition in the most vulnerable countries, Medium-term actions to supply markets in the coming months and prepare crops, as well as strengthening early-warning and food-crisis management systems, and long-term actions to support developing

¹⁴⁹ Environment and Climate change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

Critics: G8 climate goal needs firm base line, CV News, (Toronto), 8 July 2008. Date of Access: 8 June 2008. http://news.sympatico.msn.ctv.ca/abc/home/contentposting.aspx?isfa=1&feedname=CTV-

TOPSTORIES V3&showbyline=True&newsitemid=CTVNews%2f20080708%2fclimate change 080708

Address by Nicolas Sarkozy, President of the Republic, at the High-Level Conference on World Food Security (Excerpts), (Rome), 03 June 2008. Date of Access: 06 June 2008.

 $https://\bar{p} a stel. diplomatie.gouv.fr/editorial/actual/ael2/bulletin.gb. asp?liste=20080605.gb. html \& submit.x=6 \& submit.y=3 \& submit=consulter.$

¹⁵² Address by Nicolas Sarkozy, President of the Republic, at the High-Level Conference on World Food Security (Excerpts), (Rome), 03 June 2008. Date of Access: 06 June 2008.

 $https://\overline{p} a stel. diplomatie.gouv.fr/editorial/actual/ael2/bulletin.gb. asp?liste=20080605.gb. html \& submit.x=6 \& submit.y=3 \& submit=consulter.$

¹⁵³ Address by Nicolas Sarkozy, President of the Republic, at the High-Level Conference on World Food Security (Excerpts), (Rome), 03 June 2008. Date of Access: 06 June 2008.

https://pastel.diplomatie.gouv.fr/editorial/actual/ael2/bulletin.gb.asp?liste=20080605.gb.html&submit.x=6&submit.y=3&submit=consulter

¹⁵⁴ Address by Nicolas Sarkozy, President of the Republic, at the High-Level Conference on World Food Security (Excerpts), (Rome), 03 June 2008. Date of Access: 06 June 2008.

 $https://\bar{p}astel.diplomatie.gouv.fr/editorial/actual/ael2/bulletin.gb.asp?liste=20080605.gb.html\&submit.x=6\&submit.y=3\&submit=consulter.$

¹⁵⁵ France creates a Working Group on Food Security, Portail du government, (Paris), 14 April 2008. Date of access: 06 June 2008. http://www.diplomatie.gouv.fr/en/france-priorities_1/global-economy_1116/food-security_6234/creation-of-working-group-on-food-security-14.04.08_11144.html.

countries' public policies for their food security." ¹⁵⁶ Barnier also called for action to "boost food production after soaring prices of basic foodstuffs sparked unrest in developing countries." ¹⁵⁷

President Sarkozy agreed with the group's suggestions and met with Dr. Jacques Diouf, General of the Food and Agriculture Organization of the FAO to discuss the possibility of a global partnership towards ensuring food security on 22 April 2008. President Sarkozy proposed that both mid and long term actions need to be discussed as well as stressing the "need to think about innovative methods of financing" to combat the food shortage. ¹⁵⁸

Scoring Guidelines

- **0** The G8 fails to discuss food security.
- **0.25** The G8 discusses the issue of food security but no action plan is taken to alleviate food supply problems.
- **0.50** The G8 comes up with an action plan on food security that does not emphasize the need to develop home country modern agricultural sectors.
- **0.75** The G8 comes up with an action plan to tackle food security by developing modern agricultural sectors in less-developed countries with no timeline for such a program.
 - The G8 adopts an action plan on food security that stresses the development of modern agricultural sectors in poorer countries in addition to doubling food production in an environmentally conscious way by 2050.

Prospects

Japan has placed great emphasis on Climate Change and Development and Africa for their agenda at this year's G8 Summit. Food security has gained increasing importance over the last few months because of the significant increase in commodity prices. France can expect to find support in its pledge to help develop modern agricultural sectors but it is unlikely that a concrete action plan will be adopted to double food production by 2050.

Postscript

The G8 Leaders Statement on Global Food Security addresses most of the objectives that France had set prior to the summit, but it does not explicitly address the French desire to double food production by 2050. The communiqué acknowledges that "the international community needs a fully coordinated response and a comprehensive strategy," and adds that G8 countries "will work with the international community in forming a global partnership on agriculture and food." The French desire of stimulating the development of modern agricultural sectors in poorer countries is addressed in the communiqué through "the training of a new generation of developing country scientist... focusing on the dissemination of improved, locally adapted and sustainable farming

¹⁵⁶ France creates a Working Group on Food Security, Portail du government, (Paris), 14 April 2008. Date of access: 06 June 2008. http://www.diplomatie.gouv.fr/en/france-priorities_1/global-economy_1116/food-security_6234/creation-of-working-group-on-food-security-14.04.08_11144.html.

¹⁵⁷ France Seeks Action on Food Security, EU Business, (Paris), 14 April 2008. Date of Access: 06 June 2008. http://www.eubusiness.com/news-eu/1208167322.22.

Towards a Global Partnership for Food Security?, Ministère des affaires étrangères, (Paris), 22 April 2008. Date of Access: 06 June 2008. http://www.diplomatie.gouv.fr/en/france-priorities_1/global-economy_1116/food-security_6234/towards-global-partnership-for-food-security-22.04.08_11146.html.

¹⁵⁹ Food security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

¹⁶⁰ Food security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

technologies."¹⁶¹ Furthermore, the communiqué supports a "6.2% annual growth in agricultural productivity,"¹⁶² in addition to working "toward the goal of doubling production of key food staples in African countries."¹⁶³ Thus, France has succeeded in its objective in food security except for the explicit pledge to double food production by 2050.

Analyst: Nikki Formosa

Objective 5: African Development

For the G8 Summit in Hokkaido, France will be looking for a statement outlining the importance of the 'partnership for development' between G8 and African nations and the inclusion of emerging countries into these discussions. In addition, France will try to obtain a statement that reasserts the importance of the *Growth and Responsibility in Africa* document, released at the end of the Heiligendamm Summit. This document supported existing structures such as the New Partnership for African Development (NEPAD) and the African Partnership Forum (APF) and reasserted commitments to financing agreed upon at the 2005 Gleneagles Summit where they had pledged an increase from USD25 billion to USD50 billion in 2010. 164

On 5 April 2008, French development minister Alain Joyandet stressed the importance of including emerging countries in the ODA process in front of his G8 colleagues. On the subject of 'Partnership with Africa', he said that "France proposed that emerging countries should participate to the Forum for 'Partnership with Africa'." in order to discuss the changing nature of international aid with the arrival of countries like China among countries giving foreign aid with no conditions. 166

On 6 April 2008, G8 ministers and senior officials responsible for development co-operation met in Tokyo with other outreach countries and agencies to gain input and support for TICAD IV. Here the G8 affirmed their commitment to strengthen efforts for aid commitments and effectiveness after recognizing the validity of an OECD report that claimed that aid had declined in 2007 compared with 2006, despite Gleneagles targets.¹⁶⁷

France set an official development assistance objective of .47% of GNI for 2006 with a forecast of .5% GNI in 2007 and on target for .7% of GNI for 2015. These increases will primarily benefit francophone Africa and seven priority sectors including education, water and sanitation, health and the fight against AIDS, development of infrastructure for Sub-Saharan Africa, agriculture and food security, protection of the environment, and productivity. In an effort to increase financial aid and

 $http://afp.google.com/article/ALeqM5jQJe_YkkTPk9Wq_bvKUfnl0dnwjg$

http://www.diplomatie.gouv.fr/en/rubrique-imprim.php3?id_rubrique=2670.

¹⁶¹ Food security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

¹⁶² Food security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

¹⁶³ Food security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

¹⁶⁴ Country Analysis Part II: Assessment Reports 2007, G8 Research Group, June 2007, (Toronto). Date of Access: 7 June 2008. http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007countries-perf.pdf.

¹⁶⁵ Discours de M. Alain Joyandet, Ministere des Affaires Etrangeres, (Paris), 5 April 2008. Date of Access: 20 June 2008. http://www.diplomatie.gouv.fr/fr/actions-france_830/onu-organisations-internationales_1032/organisations-economiques-financieres_1124/g7-g8_2562/discours-m.-alain-joyandet-tokyo-5-avril-2008_61436.html.

¹⁶⁶ G8 to double aid to Africa by 2010, Agence France Presse, (Tokyo), 6 April 2008. Date of access:

¹⁶⁷Chair's Summary, G8 Development Ministerial, (Tokyo), 6 April 2008. Date of Access: 7 June 2008. http://www.g8.utoronto.ca/development/chair_summary_080406.html.

Pour une aide au développement renforcé, Ministere des Affaires Etrangeres, (Paris). 13 March 2008. Date of Access: 20 June 2008. http://www.diplomatie.gouv.fr/fr/actions-france 830/aide-au-developpement 1060/index.html.

¹⁶⁹ Introduction, Ministere des Affaires Etrangeres, (Paris). Date of access: 8 June 2008.

improve the efficacy of foreign aid, ¹⁷⁰ France continues to search for innovative international mechanisms to increase development funding. One such example is an airline tax adopted by 14 countries that will fund the International Drug Purchase Facility (IDPF). ¹⁷¹ Indeed, on 28 February 2008, during a visit to Africa, French President Nicolas Sarkozy launched an initiative to strengthen economic growth in Sub-Saharan Africa. The initiative aims to foster and develop private local businesses through widening access to funds by providing loans, guarantees, and equity. The initiative is implemented by the Agence France Développement (AFD) and has three targets: first, to create a EUR250 million African Investment Fund to foster African SME growth by providing long-term financial resources and management support; second, to set up a EUR250 million guarantee fund to give small enterprises access to bank loans and equity by sharing commercial risks with local banks; and thirdly, to double the AFD's loan and investment activities in Africa's private sector, especially through AFD's private arm, PROPARCO, so as to reach EUR2 billion over the next 5 years. ¹⁷² These targets should provide capital, employment, and stimulate growth.

Scoring Guidelines

- **0** The G8 fails to discuss African development.
- The G8 discusses the issue of African development but no statement is made on the steps needed to obtain concrete cooperation with emerging donors **AND** commitment to achieve Gleneagles pledges is not reiterated.
- **0.50** The G8 reiterates its commitment to attaining the goals set at the Gleneagles Summit **OR** vows to increase cooperation with emerging donors without an action plan.
- The G8 reiterates its commitment to attaining the goals set at the Gleneagles Summit **OR** reaches an action plan on the inclusion of emerging countries in 'Partnership with Africa' discussions.

The G8 reiterates its commitment to attaining the goals set at the Gleneagles Summit and reaches an action plan on the inclusion of emerging countries in 'Partnership with Africa'

discussions. They adopt a precise timeline on reaching Gleneagles financial pledges and comes up with an action plan to include emerging countries in discussions on foreign aid through 'Partnership with Africa'.

Prospects

The G8 will likely reaffirm its commitment to the Gleneagles pledge of doubling aid to Africa between 2005 and 2010. Furthermore, it is highly likely that the statement will include discussion on aid with developing countries because the US, the EU and Japan agree that aid must be given with conditions. ¹⁷³

Postscript

The African Development communiqué is in line with France's overall summit objectives. Although the greatest part of the communiqué deals with the health issue priorities of the United States, the communiqué does deal with the French priorities of expanding partnership for development, the G8 Action Plan for Private Sector Led Growth and a commitment to fulfill ODA pledges made at the

¹⁷⁰ Introduction, Ministere des Affaires Etrangeres, (Paris). Date of access: 8 June 2008.

http://www.diplomatie.gouv.fr/en/rubrique-imprim.php3?id_rubrique=2670.

171 Sixth Board Meeting of the International Drug Purchase Facility, UNITAID, Ministere des Affaires etrangeres, 6-7 December 2007. Date of Access: 8 June 2008. http://www.diplomatie.gouv.fr/en/france-priorities_1/development_2108/index_html

priorities_1/development_2108/index.html.

172 Growth Support Initiative in Africa, Agence Française de développement, (Paris), 28 February 2008. Date of Access 8

June 2008. http://www.afd.fr/jahia/Jahia/lang/en/home/Presse/Communiques/pid/4539.

¹⁷³ G8 to double aid to Africa by 2010, Agence France Presse, (Tokyo), 6 April 2008. Date of access: http://afp.google.com/article/ALeqM5jQJe_YkkTPk9Wq_bvKUfnl0dnwjg

Gleneagles Summit in 2005. The G8 believes that "cooperation between developing countries and joint efforts bringing together developing countries, emerging economies and developed countries into a partnership should also be promoted." Nevertheless, the promotion stops short of inviting emerging countries to participate in the forum 'Partnership with Africa'. The communiqué also gives strong language in support of increasing ODA by 2010 to USD50 billion a year and says the G8 countries "are firmly committed to working to fulfill [their] commitment on ODA made at Gleneagles." ODA

Analyst: Jen MacDowell

Objective 6: Regional Security [0.50]

At the Hokkaido G8 Summit, France will continue to highlight and reaffirm priority commitments made in Heiligendamm for peace and order in Lebanon and for security in Darfur. It is also likely to seek coordination and commitment in support of efforts in Afghanistan.

Lebanon

France has a long history of diplomatic and peacekeeping support of Lebanon. From October 2006 to April 2007, France provided forces that bolstered UN presence and contributed 1600 troops to UNIFIL and the United Nations Truce Supervision Organisation (UNTSO). On 7 June 2008, President Sarkozy led a high profile delegation including his Prime Minister, Minister of Foreign Affairs, and Defense Minister to Beirut to meet with newly-elected Lebanese President Michel Sleiman at the presidential palace. President Sleiman was elected as part of a deal achieved in Qatar in May to end a political impasse after former president Emile Lahoud departed in November. President Sarkozy said that, "President Sleiman has a big responsibility to achieve national reconciliation and it is essential for all political parties to translate into reality their commitment to hold dialogue." In addition, he stressed the importance of deepening unity and regional stability. Defense Minister Hervé Morin also traveled to southern Lebanon to visit French troops who continue their peacekeeping as part of UNIFIL.

The G8 can expect France to assert the importance of peaceful dialogue in Lebanon and in the Middle East in general. They may also offer support to newly elected President Sleiman in their efforts towards his goal.

Darfur

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¹⁷⁴ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html

¹⁷⁵ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html

¹⁷⁶National Defense, France in the United States, (Washington). Date of Access: 7 June 2008. http://www.ambafrance-us.org/spip.php?article514.

¹⁷⁷ A Beyrouth, Nicolas Sarkozy appelle les Libanais à la réconciliation nationale, Le Point, (Beirut), 7 June 2008. Date of Access: 8 June 2008.

http://www.lepoint.fr/actualites-monde/a-beyrouth-nicolas-sarkozy-appelle-les-libanais-a-lareconciliati/924/0/251258.
¹⁷⁸ A Beyrouth, Nicolas Sarkozy appelle les Libanais à la réconciliation nationale, Le Point, (Beirut), 7 June 2008.
Date of Access: 8 June 2008.

http://www.lepoint.fr/actualites-monde/a-beyrouth-nicolas-sarkozy-appelle-les-libanais-a-lareconciliati/924/0/251258.

A Beyrouth, Nicolas Sarkozy appelle les Libanais à la réconciliation nationale, Le Point, (Beirut), 7 June 2008. Date of Access: 8 June 2008.

http://www.lepoint.fr/actualites-monde/a-beyrouth-nicolas-sarkozy-appelle-les-libanais-a-lareconciliati/924/0/251258.

Sarkozy visits Lebanon to show support, CNN, (Beirut), 7 June 2008. Date of Access: 8 June 2008.

http://edition.cnn.com/2008/WORLD/meast/06/07/Lebanon.sarkozy/index.html.

France has been active in dealing with conflict in Darfur and the Chad/Sudan border. In 2005, French aircraft transported 700 tons of humanitarian aid to affected areas. ¹⁸¹ On 25 June 2007 Minister of Foreign and European Affairs, Bernard Kouchner headed a ministerial meeting to focus a contact group on the concrete application of the agreement to deploy a hybrid peacekeeping force and establish a map to direct reconstruction. ¹⁸² The Minister reiterated the need for a 26,000 strong hybrid force to take over for AMIS and to protect soldiers on 29 September 2007. ¹⁸³

This need was also acknowledged at the Heiligendamm Summit in 2007 where the G8 released a separate document urging Khartoum to allow the entry of a hybrid UN/AU peacekeeping force and to express support for any appropriate action taken by the Security Council.¹⁸⁴ Indeed, at his first press conference in Heiligendamm, President Sarkozy expressed concern over conflict in Sudan and potential effects this may have on neighbouring Chad.¹⁸⁵

France can be expected to advocate for the peaceful settlement of conflicts in Darfur in the G8's 2008 statements. France has also noted the importance of social factors in addition to military concerns and therefore may assert the need to support displaced persons and refugees as a means of peacebuilding and improving the investment climate of Sudan.

Afghanistan

France has been a contributor to efforts in Afghanistan since it commanded the International Security Assistance Force (ISAF) in 2004 and the Kabul region in 2006 and 2007. President Sarkozy has indicated that France will remain committed to operations in Afghanistan and would increase its military contribution. As of January 2008, four French Operational Monitoring and Liaison Teams (OMLT) were deployed with the Afghan army, three of them new, comprising a total of 200 soldiers. A fifth OMLT of 80 soldiers was deployed to support Dutch forces, while a joint French-German plan to set up Logistics and Engineering Afghan Military Schools is in the planning stages. France also took control for its fifth time the Navy Task Force 150 on 25 February 2008, which includes operations in the Indian Ocean in support of Operation Enduring Freedom.

At the NATO Summit in Bucharest on 2-4 April 2008, France also pledged 700 backup troops for Afghanistan at the NATO Summit in Bucharest such that the French contingency in Afghanistan will reach 2,200 soldiers. With a focus on the military, France pursued interoperability missions with

¹⁸¹ National Defense, France in the United States, (Washington). Date of Access: 7 June 2008. http://www.ambafrance-us.org/spip.php?article514.

¹⁸² Paris Brings Together the Parties to the Darfur Crisis, Government Portal, (Paris), 26 June 2007. Date of Access: 8 June 2008.

http://www.premier-ministre.gouv.fr/en/information/latest news 97/paris brings together the 56729.html.

¹⁸³ Sudan/Darfur attack against African Union soldiers, France Diplomatie, (Paris), 29 September 2007. Date of Access 8 June 2008. http://www.diplomatie.gouv.fr/en/country-files_156/sudan_248/france-and-sudan_5307/sudan-darfur-attack-against-african-union-soldiers-september-29-2007_10049.html.

Country Analysis Part II: Assessment Reports 2007, G8 Research Group, (Toronto), June 2007. Date of Access: 7 June 2008. http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007countries-perf.pdf.

¹⁸⁵ Country Analysis Part II: Assessment Reports 2007, G8 Research Group, (Toronto), June 2007. Date of Access: 7 June 2008. http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007countries-perf.pdf.

¹⁸⁶ France in Afghanistan, France in the United States, (Washington), January 2008. Date of Access: 7 June 2008. http://www.ambafrance-us.org/spip.php?article904.

¹⁸⁷ France in Afghanistan, France in the United States, (Washington), January 2008. Date of Access: 7 June 2008. http://www.ambafrance-us.org/spip.php?article904.

¹⁸⁸NATO SUMMIT: decisions taken to match the stakes, Government Portal, (Paris), 3 April 2008. Date of Access: 8 June 2008.http://www.premier-

 $ministre.gouv.fr/en/information/latest_news_97/nato_Summit_decisions_taken_59664.html.$

the US Navy. The French Navy undertook launch and recovery operations on a US aircraft carrier on 21 May 2008 and further co-training is scheduled for July 2008. 189

President Sarkozy has emphasized the civilian element alongside the military objective. He promoted his global vision for the country' reconstruction at the NATO Summit¹⁹⁰ and will reiterate this vision when he is co-chair at an international conference in support of Afghanistan with UN Secretary-General Ban Ki-moon and in conjunction with the Afghan authorities on 12 June 2008. The conference aims to focus the international community's commitment to Afghan people. This focus was also reiterated by Foreign and European Affairs Minister Bernard Kouchner at the International Civil Society and Private-Sector Forum in Paris on 24 May 2008. ¹⁹¹

At the Hokkaido Summit, France will work toward obtaining a statement that would encourage everyone in the international community, notably Pakistan to cooperate with forces in Afghanistan to eradicate the Taliban and al-Qaeda members that remain in the region. ¹⁹²

France can be expected to urge the G8 to reaffirm commitment to operations in Afghanistan and to suggest that both military and social commitments such as humanitarian, technological and infrastructural projects be supported by members as is necessary.

Scoring Guidelines

- **0** The G8 fails to discuss regional security.
- **0.25** The G8 discusses one of the Lebanese, Darfur or Afghan conflicts **AND** do not issue a statement regarding their position on the issue.
- **0.50** The G8 discusses one of the Lebanese, Darfur or Afghan conflicts **AND** issue a statement to reiterate their commitment to the stability of the regions without an action plan.
- 0.75 The G8 discusses Lebanon, Darfur and Afghanistan AND come up with an action plan with concrete steps for the resolution of the conflicts.
- The G8 discusses Lebanon, Darfur and Afghanistan **AND** commit an additional amount of troops in order to resolve the Afghan conflict.

Prospects

It is probable that all three regional issues will be discussed at the Summit, with Afghanistan receiving the largest share of attention. Action plans and commitments of additional troops, however, are unlikely to result from such discussions.

Postscript

The G8 leaders issued a statement on counter-terrorism where the predominant regional security issue addressed was Afghanistan. As predicted, the statement on Afghanistan addressed the need to strengthen "the coordination of [their] efforts in the border region in cooperation with the respective

¹⁸⁹ France in Afghanistan, France in the United States, (Washington), January 2008. Date of Access: 7 June 2008. http://www.ambafrance-us.org/spip.php?article904.

¹⁹⁰NATO SUMMIT: decisions taken to match the stakes, Government Portal, (Paris), 3 April 2008. Date of Access: 8 June 2008.http://www.premier-

ministre.gouv.fr/en/information/latest news 97/nato Summit decisions taken 59664.html.

¹⁹¹ International Conference in support of Afghanistan, France in the United States, (Paris), 30 May 2008. Date of Access: 7 June 2008. http://www.ambafrance-us.org/spip.php?article999.

¹⁹² G8 urges Pakistan to help promote Afghan stability, Reuters, (Kyoto), 26 June 2008. Date of Access: 29 June 2008. http://www.reuters.com/article/worldNews/idUST26478520080626.

countries, international organizations, and other donors"¹⁹³ which is in line with the French goal of promoting stability in the region. Furthermore, the French concern for social developments along with the military objectives is addressed through a reaffirmation of "the importance of economic and social development along with counter-terrorism measures in the Afghanistan-Pakistan border region"¹⁹⁴. However, there is no mention of Lebanon and the Darfur crisis in any communiqué, two regional conflicts that figured on the list of French priorities. The declaration on Zimbabwe, a topic which gained headway in the week leading up to the summit may have sidelined the Darfur crisis.

Analyst: Jen MacDowell

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¹⁹³ Counter-terrorism, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230513.html

Counter-terrorism, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230513.html

GERMANY [0.33]

Economic Data

Currency: Euro

Population: 82,369,548

Gross Domestic Product (official exchange rate): USD3.322 trillion

Gross Domestic Product per capita (PPP): USD34,200

Major Trading Partners: France, US, UK, Italy, Netherlands, Austria, Belgium, Spain, China

Political Data

Type of government: Federal Republic Date of Establishment: 23 May 1949

Legislature: Bicameral; Federal Assembly and Federal Council

Head of State: President Horst Koehler

Head of Government: Chancellor Angela Merkel

Background

The Federal Republic of Germany is entering the 2008 Hokkaido G8 Summit on the heels of a notably effective G8 presidency, marked by breakthrough measures on combating climate change and integrating emerging economies. As a leading industrialized state, Germany is the holder of an increasingly important international portfolio – as the largest market of Europe, the fifth largest economy in the world, a key player in the Balkans, Afghanistan and Iran negotiations, as well as a cornerstone of European integration. German Chancellor Angela Merkel's "cool leadership" has been largely credited for pushing through the 2050 target for cutting GHG emissions by half, launching the Heiligendamm process of G8 outreach to developing nations, as well as being the driving force behind the Lisbon Treaty of the EU to replace its failed constitution. 196

Furthermore, Germany is projected to be a dominant actor in climate change negotiations at Hokkaido. As such, the German delegation will press for setting definite interim targets for slashing GHG emissions. In addition to calling for a 25-40% cut in GHG emissions by 2020, Germany also seeks to consolidate the Heilengendamm commitment to halve GHG emissions by 2050. Supported by other European members of the G8 as well as developing countries, Germany will need to overcome resistance from both the US and Japan, who view the 2020 target as unattainable. Furthermore, being a strong advocate of biodiversity conservation and deforestation reversal, Germany will seek G8 acknowledgement of the vital importance of these efforts to combating climate change. Moreover, Germany is projected to push for financial contributions from its G8 partners to further biodiversity conservation, as it had itself allocated USD786.2 million by 2012 toward this cause. Since climate-related issues remain an area of contention among G8 members, Chancellor Merkel will be facing somewhat of a challenge in obtaining her desired objectives.

In addition to being a prominent player in Hokkaido's overarching climate change discussions, Germany will also press for a focus on food security. In particular, Germany will seek a solution to current food price crisis, progress toward setting international sustainable farming standards, establishing fair terms of trade in the agricultural sector, and mitigating the biofuel controversy.

¹⁹⁵ Country profile: Germany, BBC International, (London), 4 March 2008. Date of Access: 9 June 2008. http://news.bbc.co.uk/2/hi/europe/country_profiles/1047864.stm.

¹⁹⁶Country profile: Germany, BBC International, (London), 4 March 2008. Date of Access: 9 June 2008. http://news.bbc.co.uk/2/hi/europe/country_profiles/1047864.stm.

Chancellor Merkel's government has been a consistent advocate of a certification process for sustainable biofuels production, as well as stabilization of global food prices. Thus, it is likely that Germany wil take advantage of the Hokkaido Summit to press these issues.

Another point of importance for Germany at Hokkaido falls within the realm of energy security, with particular attention to oil sector speculation and inflation. The German government has long been concerned about the role of oil speculation and hedge fund manipulation in oil price hikes; Social Democrat Transport Chief Uwe Beckmeyer has called on G8 leaders to prohibit leveraged energy trading. Chancellor Merkel shares the agenda of increasing oil trade and supply transparency, and will likely push forward on this front at the G8 Summit. In addition, building on its focus on hedge funds during its 2007 G8 Presidency, Germany is expected to utilize the Hokkaido Summit to examine how the global financial crisis has arisen, focusing on seeking measures to curb tax evasion and tax havens.

At the 2007 Heiligendamm Summit Germany played a pivotal role in launching the Heiligendamm Process. The goal of the Process is to include largest emerging economies composed of Brazil, China, India, Mexico and South Africa, commonly referred to as the Outreach 5 (O5), in G8 decision-making on key issues, such as global economy, climate change and development aid. However, rather than expanding the G8 to the G13, the goal of the Heiligendamm Process is to foster cooperation and dialogue with the emerging economies, in anticipation of reaching consensus and agreement on crucial issues by 2009. As the architect of the Heiligendamm Process, Germany has been a strong advocate of the initiative, has notable interest in its success, and will be a key player in the release of the Heiligendamm Process progress report at the Hokkaido Summit. Germany is also expected by be a constructive dialogue partner to the O5 countries who will be present in Hokkaido.

Lead Analyst: Julia Muravska

Objective 1: Climate Change [0.25]

Building upon the momentum of its 2007 Presidency, Chancellor Merkel has managed to keep this crucial issue in the global spotlight. In particular, the German government has been a consistent advocate of setting a 2020 target for cutting GHG emissions by 25-40%. Germany, supported by European G8 members and developing nations, views this near term target as "very [scientifically] vital, very important for climate change." The German government supports this measure in addition to the goal of cutting emissions in half by 2050 – a target first set at the 2007 G8 Summit in Heiligendamm and affirmed by G8 Environment Ministers at their meeting in Kobe, Japan on 24-26 May 2008. This goal, however, will still need to be formalized at the Hokkaido Summit. ¹⁹⁸

Germany can also count on some support from the French President Nicolas Sarkozy. At the 9th French-German Ministerial Council, Chancellor Merkel and President Sarkozy agreed on a reduction strategy for carbon dioxide emissions created by European cars by 2020.¹⁹⁹ The lack of consensus among the ministers regarding a definite intermediate target has disappointed many climate change activists who view Kobe as failing to provide the necessary breakthrough needed speed up the lengthy G8 negotiations on climate change.²⁰⁰ The meeting was characterized by notable divisions

¹⁹⁷ Agreement on 2020 emissions target eludes G8 ministers, Associated Press, (Kobe), 26 May 2008. Date of Access: 28 May 2008. http://ap.google.com/article/ALeqM5gtgl4mxaG1vkmqxaxgaZ30-dGwcAD90TGB9O0.

¹⁹⁸ Major economies must take lead in climate battle –US, Reuters, (London), 17 June 2008. Date of Access: 13 June 2008. http://www.reuters.com/article/latestCrisis/idUSL17209158

Germany and France are fit for action, German Federal Government, (Berlin), 9 June 2008. Date of Access: 10 June 2008. http://www.bundesregierung.de/nn_6538/Content/EN/Artikel/2008/06/2008-06-09--deutsch-franz-ministerrat_en.html.

²⁰⁰ Agreement on 2020 emissions target eludes G8 ministers, Associated Press, (Kobe), 26 May 2008. Date of Access: 28 May 2008. http://ap.google.com/article/ALeqM5gtgl4mxaG1vkmqxaxgaZ30-dGwcAD90TGB9O0.

among the members, which are likely to be carried over into the summit itself. The US views Germany's 2020 benchmark as unrealistic, and in need of protracted negotiations. In addition, the United States' agreement to binding reduction targets will be conditional on the participation of rapidly growing economies--especially China and India growing at around 10 percent annually-proportional to their size. ²⁰¹ Japan also believes such a commitment is unsustainable, and champions its "sectoral" approach, involving sector-specific fuel efficiency targets. 202 Significantly, the Japanese Prime Minister Yasuo Fukuda acknowledged at a news conference on 23 June 2008 that an agreement on an interim target may not be possible.²⁰³ However, Prime Minister Fukuda also stressed that "some kind of common goal" is necessary.²⁰⁴ Thus, there is a high likelihood that, together with France, Germany will be a vociferous proponent of reaching consensus on a definite 2020 target, or at least achieving measurable progress toward that goal. Since the Japanese government has made climate change one of the focal points of the Summit, Germany's position will be a dominant feature in the climate change negotiations.

The German government has also used its G8 presidency to oversee significant initiatives aimed at conserving biodiversity and halting deforestation. In particular, Germany, in conjunction with the EC, has launched the Economics of Ecosystems and Biodiversity (TEEB) review, which was released at the 9th Convention on Biological Diversity (CBD) hosted by Germany in Bonn on 19-30 May 2008. The TEEB report focuses on some of the worst affected regions, such as Haiti. The issue of biodiversity conservation was underscored by the G8 Environment Ministers in a document issued at Kobe, stating that "biodiversity is the basis of human security," and highlighting the importance of protected areas. At the CBD itself, 60 states pledged to curb net deforestation by 2020.²⁰⁷ Chancellor Merkel hopes that the CBD will be a breakthrough in fulfilling the objectives of the UN Convention of Biodiversity by 2010. In addition, Germany has used it as an opportunity to announce its pledge to allocate USD786.2 million by 2012 towards forest conservation efforts.²⁰⁸ This pledge was praised by environmental groups for sending a powerful message of decisive action to other industrialized states.²⁰⁹ The issue of biodiversity conservation will most likely be raised at the G8 Summit in Hokkaido because sustainable forest management has been brought to the forefront by the Japanese G8 Presidency and G8 Environment Ministers have underlined the importance of the Millennium Development Goal of reaching a "significant reduction" in species loss by the end of the decade.²¹⁰

Scoring Guidelines

Germany makes no progress on moving the G8 towards setting an interim target for reducing 0 greenhouse gas emissions, but reiterates its support for the already-set 2050 target.

 $^{^{201}\} http://www.reuters.com/article/latestCrisis/idUSL17209158$

²⁰² Agreement on 2020 emissions target eludes G8 ministers, Associated Press, (Kobe), 26 May 2008. Date of Access: 28 May 2008. http://ap.google.com/article/ALeqM5gtgl4mxaG1vkmqxaxgaZ30-dGwcAD90TGB9O0.

²⁰³ Japan PM seeks climate change goal at G8, Associated Foreign Press (AFP), (Tokyo), 23 June

^{2008.}http://afp.google.com/article/ALeqM5ixdmBXfDhbjMRZ3eqrEvl2YIrv2g

²⁰⁴ Japan PM seeks climate change goal at G8, Associated Foreign Press (AFP), (Tokyo), 23 June 2008. Date of Access:

²³ June 2008. http://afp.google.com/article/ALeqM5ixdmBXfDhbjMRZ3eqrEvl2YIrv2g

Nature loss 'to hurt global poor,' BBC International, (London), 29 May 2008. Date of Access: 2 June 2008. http://news.bbc.co.uk/2/hi/science/nature/7424535.stm.

²⁰⁶ Nature loss 'to hurt global poor,' BBC International, (London), 29 May 2008. Date of Access: 2 June 2008. http://news.bbc.co.uk/2/hi/science/nature/7424535.stm.

²⁰⁷Nature loss 'to hurt global poor,' BBC International, (London), 29 May 2008. Date of Access: 2 June 2008. http://news.bbc.co.uk/2/hi/science/nature/7424535.stm.

²⁰⁸Germany pledges millions to save forests, Reuters India, (Bonn), 28 May 2008. Date of Access: 1 June 2008. http://in.reuters.com/article/environmentNews/idINL2873254120080528?pageNumber=2&virtualBrandChannel=0. ²⁰⁹Germany pledges millions to save forests, Reuters India, (Bonn), 28 May 2008. Date of Access: 1 June 2008. http://in.reuters.com/article/environmentNews/idINL2873254120080528?pageNumber=2&virtualBrandChannel=0. ²¹⁰Biodiversity: Germany pledges 500 million euros at UN talks, AFP, (Bonn), 29 May 2008. Date of Access 1 June 2008. http://afp.google.com/article/ALeqM5izgD89Dr1TFD9bihhhAq0wfoEp4g.

- Germany achieves G8 consensus on the need to set an interim target for reducing greenhouse gas emissions, or otherwise makes progress towards this goal, but does not produce exact figures.
- **0.50** Germany achieves a G8-set interim 2020 target for reducing greenhouse gas emissions.
- **0.75** Germany achieves a G8-set interim 2020 target for reducing greenhouse gas emissions and enacts measures for conserving biodiversity (especially financial contributions).
 - Germany achieves a G8-set interim 2020 target for reducing greenhouse gas emissions, enacts measures for conserving biodiversity (especially financial contributions), and enacts measures on halting deforestation.

Prospects

In its push for a definite near term 2020 target, Germany will need to overcome resistance from both the US and Japan. This may be difficult, especially in the case of the US, which is the only leading industrialized nation not to have ratified the Kyoto Protocol. However, Chancellor Merkel may have a unique advantage in the bargaining position vis-a-vis the US, since US President George W. Bush views her as "one of his closest allies in Europe." The two leaders met on 11 June 2008 at the Meserberg palace in Germany as part of President Bush's farewell tour of Europe. At their joint press conference on 12 June 2008, Chancellor Merkel stated that US-German talks were characterized by a "constructive dialogue ... on virtually all issues." Merkel also stated that the Hokkaido Summit will feature a meeting of the major GHG emitters. However, regardless of the level of consensus reached between the Chancellor, other European states and President Bush, the success of implementing and meeting a 2020 target will largely depend on the state of German relations with the new US administration.

Differences of opinion between Germany and Japan could be repaired at Hokkaido by the positive outcome of Japanese Prime Minister Yasuo Fukuda's meeting with Chancellor Merkel in Germany on 1 June 2008. Having discussed climate change, the two leaders agreed on the need to cooperate with developing economies in order to reach the goal of slashing carbon dioxide exhaustion by half by 2050. One of Germany's most significant challenges at the Summit may likely be persuading its G8 counterparts to earmark tangible financial resources towards biodiversity conservation efforts.

Postscript

Germany received a score of 0.25 on its objective within the area of climate change. It is crucial to note, however, that since Germany's individual role in the discussions was not specified at the Summit, Germany's performance was evaluated based on the results contained within the G8 Communiqué on Climate Change. The German government concludes the 2008 G8 Summit having achieved G8 consensus on the necessity to set a mid-term target for reducing GHG emissions. As stated in the G8 Communiqué in Climate Change released on 8 July 2008, the G8 leaders committed to implement "ambitious economy-wide mid-term goals in order to achieve absolute emissions reductions." However, neither a definite reduction target nor deadline was specified, leaving such determination to the arbitrary judgment of each respective G8 member. The G8 members also

²¹¹ Bush in Germany for talks on oil price and Iran, Reuters UK, (Berlin), 11 June 2008. Date of Access: 11 June 2008. http://uk.reuters.com/article/oilRpt/idUKL1054878020080610.

Text of Bush-Merkel news conference, Associated Press, (Meseberg), 12 June 2008. Date of Access: 12 June 2008. http://ap.google.com/article/ALeqM5hgDUrsoU_TYTWcJb-6OUXzNXmxnwD917SA003.

²¹³Text of Bush-Merkel news conference, Associated Press, (Meseberg), 12 June 2008. Date of Access: 12 June 2008. http://ap.google.com/article/ALeqM5hgDUrsoU_TYTWcJb-6OUXzNXmxnwD917SA003.

²¹⁴ Japanese PM meets German Chancellor, Xinhua News, (Berlin), 1 June 2008. Date of Access: 1 June 2008. http://news.xinhuanet.com/english/2008-06/02/content_8297897.htm.

²¹⁵Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

formalized the structure of achieving "at least" ²¹⁶ a 50% reduction of GHG emissions by 2050—placing the global adoption of this goal within the framework of UNFCCC negotiations, however. In addition, the Japanese sectoral approach to dealing with climate change—at odds was also rhetorically incorporated into the G8 consensus. The G8 leaders acknowledged that "sectoral approaches are useful tools among others for achieving national emission reduction objectives...through dissemination of existing and new technologies." ²¹⁷ Moreover, the G8 governments called on the IEA to improve data collection and business initiatives in order to make progress on voluntary sectoral indicators. ²¹⁸

Germany was also able to raise the issue of preventing deforestation and conserving biodiversity. However, Germany was not able to move the G8 toward specifying an action plan for doing so. In particular, the resulting G8 Communiqué on Climate Change emphasized the G8 support of already existing initiatives working toward these goals.²¹⁹

Analyst: Julia Muravska

Objective 2: Food Security [0.50]

Germany aims to ensure that food security remains a focus for the Hokkaido Summit. Germany will seek a comprehensive strategy with both short and long-term initiatives addressing immediate needs and ensuring a lasting solution to the food price crisis. From the German point of view, this would entail setting international sustainable farming standards, establishing fair terms of trade in the agricultural sector, and addressing the biofuel controversy.

Food security is not a stand-alone issue and the German government has acknowledged the intricate ties between rising food and oil prices, international trade standards, poverty and development. At the High-Level Conference on World Food Security in Rome on 3-5 June 2008, German Development Minister Heidemarie Wieczorek-Zeul stated that there is a "need to adopt a two-pronged approach in our search for a lasting solution to the crisis." She stressed that such an approach would focus on boosting the farming sector while continuing the Doha trade round talks to establish development-friendly terms of trade. ²²¹

German officials have voiced support for the implementation of the measures proposed by the World Bank catering to the needs of those most hard hit by the crisis. In particular, Germany supports World Bank President Robert Zoellik's proposal for sovereign wealth funds to be involved in the food crisis efforts.²²²

²¹⁶ Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008http://www.mofa.go.jp/u_news/2/20080708_143446.html

²¹⁷ Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008http://www.mofa.go.jp/u_news/2/20080708_143446.html

²¹⁸ Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008http://www.mofa.go.jp/u_news/2/20080708_143446.html

²¹⁹ Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008http://www.mofa.go.jp/u_news/2/20080708_143446.html

²²⁰ Address by Development Minister Heidemarie Wieczorek-Zeul at the High-Level Conference on World Food Security, Federal Ministry for Economic Cooperation and Development, (Bonn), 3 June 2008. Date of Access: 9 June 2008. http://www.bmz.de/en/press/speeches/ministerin/statement_20080603.html.

Address by Development Minister Heidemarie Wieczorek-Zeul at the High-Level Conference on World Food Security, Federal Ministry for Economic Cooperation and Development, (Bonn), 3 June 2008. Date of Access: 9 June 2008. http://www.bmz.de/en/press/speeches/ministerin/statement 20080603.html.

Address by Development Minister Heidemarie Wieczorek-Zeul at the High-Level Conference on World Food Security, Federal Ministry for Economic Cooperation and Development, (Bonn), 3 June 2008. Date of Access: 9 June 2008. http://www.bmz.de/en/press/speeches/ministerin/statement_20080603.html.

Regarding the controversy over the link between biofuel production and food shortages, Germany rejected the claim that fuel crops were causing a global hike in food prices. Germany's Agriculture Minister Horst Seehofer placed emphasis on population increases and the heightened demand for food in emerging economies. As such, the German government has strongly advocated for a certification process for the sustainable production of biofuels and will likely use the Hokkaido Summit as a venue to push forward on this front. ²²⁴

During her Latin American tour in May 2008, Chancellor Merkel met with Mexican President Felipe Calderon on 19 May 2008. The two leaders developed a joint initiative on the stabilization of global food prices which will be presented at Hokkaido. It is likely that the initiative will reflect Germany's campaign for a food security strategy that addresses both short and long-term concerns.

Scoring Guidelines

- Germany only presents cursory support for the objective by reiterating the Rome Food Summit declaration OR pursues a strategy addressing the issue of food security that differs completely from that which was first adopted.
- **0.25** Germany commits to short-term emergency measures AND discusses long-term strategies involving sustainable farming, fair terms of trade and sustainable biofuel production.
- Germany commits to short-term emergency measures AND discusses long-term strategies **0.50** involving sustainable farming, fair terms of trade and sustainable biofuel production, AND sets standards in one of these three areas.
- Germany commits to short-term emergency measures AND discusses long-term strategies involving sustainable farming, fair terms of trade and sustainable biofuel production, AND sets standards in two of these three areas.
 - Germany commits to short-term emergency measures AND sets international sustainable farming standards, resumes the Doha round talks and establishes fair terms of trade in the agricultural sector, AND puts into motion a certification process for the sustainable production of biofuels.

Prospects

US Treasury Undersecretary David McCormick recently stated that the Hokkaido Summit talks will focus on the need to halt restrictions on food exports and conclude the World Trade Organization's Doha round. Following WTO Director General Pascal Lamy's announcement of the end of July deadline to make a breakthrough in the area of agriculture and industrial goods, UK Prime Minister Gordon Brown is also actively lobbying to conclude the Doha trade talks. These announcements suggest that Germany's campaign to resume talks on fair and development-friendly terms of trade will have support in Hokkaido.

With regards to biofuels and renewal energy sources, there is still much controversy as to the origin of the current food crisis as reflected by the global rise in food prices. As such, prospects for a full

²²³Germany Defends Biofuels, Hedges Bets on Energy Goals, Deutsche Welle (English), 7 May 2008. Date of Access: 9 June 2008. http://www.dw-world.de/dw/article/0,2144,3316860,00.html.

²²⁴ Opinion: We Can't Afford to Lose the Fight Against Hunger, Deutsche Welle (English), 5 June 2008. Date of Access: 9 June 2008. http://www.dw-world.de/dw/article/0,2144,3391185,00.html.

Launching an initiative for affordable food, German Federal Government, (Berlin), 19 May 2008. Date of Access: 1 June 2008. http://www.bundesregierung.de/nn_6538/Content/EN/Artikel/2008/05/2008-05-19-merkel-calderon-merking.en.html

G8 meeting to focus on easing energy, food woes: US, Agence France Presse (English), (Washington), 10 June 2008. Date of Access 11 June 2008. http://findarticles.com/p/articles/mi kmafp/is 200806/ai n25496903.

WTO deal is within reach, Brown insists, The Guardian, 26 June 2008. Date of Access: 29 June 2008. http://www.guardian.co.uk/world/2008/jun/26/wto.economy.

agreement on biofuel production standards may be difficult to achieve within the summit's short timeframe. Nevertheless, the High-Level Conference on World Food Security held 3-5 June 2008 in Rome has created a large amount of international momentum heading into the G8 Summit. With climate change remaining high on the agenda, the interconnectedness of environmental issues, energy and agriculture is gaining international recognition and as such, it is likely that Summit talks on the food crisis will take into account this consortium of inter-related issues.

Postscript

Germany received a score of 0.5 on its objective on food security. It is crucial to note, however, since Germany's individual role in the discussions was not specified at the Summit, Germany's performance was evaluated based on the results contained within the G8 Communiqué on Food Security. Germany was able to raise the issue of short-term measures to aid those most severely affected by the food crisis. In particular, these will involve a G8 commitment to "look for opportunities to help build up local agriculture by promoting local purchase of food aid."²²⁸ However, the G8 leaders specified neither the nature of these opportunities, nor any benchmarks for their success. In addition, Germany was able to engage the G8 leaders in the discussions of long-term strategies involving sustainable farming, fair terms of trade and sustainable biofuel production. In particular, in order to stimulate world food production and increase investment in agriculture, the G8 leaders declared their intention to "reverse the overall decline of aid and investment in the agricultural sector."229 However, the mechanism of achieving this objective was not specified, nor were any standards set for measuring its success. Regarding the sub-issue of ensuring fair terms of trade, Germany was able to participate in G8 discussions concluding with a stated G8 intention to achieve the "urgent and successful conclusion of an ambitious, comprehensive and balanced Doha Round."230 The G8 leaders also stressed the importance of removing export restrictions and expediting present WTO negotiations on these restrictions. ²³¹ Significantly, Germany concluded the food security discussions with a G8 call on food stock-possessing countries to "make available a part of their surplus for countries in need, in times of significantly increasing prices" and in a non-trade distorting manner. 232 Although containing no definition of the terms such as "significantly" and "in a way not to distort trade," this call constitutes the setting of a standard in this issue area. Finally, Germany was able to raise the issue of sustainable biofuel use and production, reflected in the G8 leaders' commitment to ensure the compatibility of biofuel policies with food security. Moreover, the G8 leaders committed to "accelerate development and commercialization of sustainable secondgeneration biofuels."233 However, no standards by which to measure the effectiveness or success of these measures were set.

Analyst: Victoria Long

Objective 3: Energy Security [0.25]

With regards to energy security, Germany will seek a G8 commitment to enhance developments on energy technology and further discussions on integrated energy policy. Germany will also seek to

²²⁸ Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

²²⁹ Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

²³⁰ Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

²³¹ Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

²³² Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

²³³ Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

put oil sector speculation and inflation high on the Hokkaido agenda. In particular, Chancellor Merkel has made it explicit that Germany is seeking greater transparency in the oil sector in an effort to curb recent jumps in oil prices.²³⁴

In an effort to enhance energy supply policy, German State Secretary at the Federal Environment Ministry, Matthias Machnig, has urged the OECD countries to tap into the environmental technology and innovation market.²³⁵ In 2007, the German cabinet adopted the EC's Meseberg integrated energy and climate programme, which has as its three guiding objectives of security of supply, economic efficiency and environmental protection.²³⁶ This may be seen as adherence to the G8's 2006 St. Petersburg Plan of Action on Global Energy Security, which called upon G8 members to address the challenges of oil price volatility, the growing demand for energy and protecting the environment.²³⁷ These actions suggest that Germany will likely use the Hokkaido Summit as a forum to push for further development in the areas of integrated energy efficiency policy and environmental technologies.

With regards to oil markets, Germany will push for increased transparency. Going into the G8 Finance Ministers Meeting, held from 13-14 June 2008, German Deputy Finance Minister Thomas Mirow expressed the need for the recent European Central Bank inflation concerns to be taken "very seriously." In particular, Minister Mirow called for investigation into the extent to which speculation has played a role in price formation. This echoes the concerns of German political leaders over hedge fund manipulation and crude oil price hikes. For instance, Social Democrat Transport Chief Uwe Beckmeyer has called upon G8 leaders to prohibit leveraged trading on energy grading. In light of these concerns, Merkel stated that she "will support anything that moves in the direction of more transparency in terms of the trade and supply of oil."

Scoring Guidelines

- **Order** Germany does not address the issue of environmental technology innovation NOR raises the issue of oil sector transparency.
- Germany raises the issue of developing energy technologies and furthering integrated energy policy but the G8 only discusses these topics peripherally AND Germany raises the issue of speculation in oil price setting but the G8 only refers to the commissioned IMF report its commission without further discussion.
- Germany raises the issue of developing energy technologies and furthering integrated energy policy and the G8 engages in thorough discussions in these areas AND Germany raises the issue of oil speculation and the G8 members discusses the role oil speculation plays in price formation.
- Germany engages the G8 in thorough discussions over energy technologies and integrated energy policy and the G8 issues a commitment to either one of these topics AND Germany raises the issue of oil speculation and the G8 issues a statement calling for greater

²³⁴ Merkel Calls for Action on Food, Oil Crisis, Deutsche Welle, 2 June 2008. Date of Access 8 June 2008. http://www.dw-world.de/dw/article/0,,3378306,00.html?maca=en-rss-en-ger-1023-rdf.

Matthias Machnig: Tapping the gold mine of environmental and energy technology markets worldwide, (Berlin), 20 September 2007. Date of Access: 29 June 2008. http://www.bmu.de/english/current_press_releases/pm/40072.php.

²³⁶Costs and benefits of the German government's energy and climate package, (Berlin), October 2007. Date of Access: 29 June 2008. http://www.bmu.de/english/climate/downloads/doc/40412.php.

²³⁷ St. Petersburg Plan of Action Global Energy Security, G8 Information Centre. Date of Access: 29 June 2008. http://www.g7.utoronto.ca/Summit/2006stpetersburg/energy.html.

²³⁸Germany flags inflation concerns ahead of G8 meet, Reuters, (Berlin), June 10, 2008. Date of Access 8 June 2008. http://resources.alibaba.com/topic/304230/Germany_flags_inflation_concerns_ahead_of_G8_meet.htm.

Germany in call for ban on oil speculation, Telegraph, 27 May 2008. Date of Access 9 June 2008.

http://www.telegraph.co.uk/money/main.jhtml?xml=/money/2008/05/26/cnoil126.xml.

²⁴⁰Merkel Calls for Action on Food, Oil Crisis, Deutsche Welle, 2 June 2008. Date of Access 8 June 2008. http://www.dw-world.de/dw/article/0,,3378306,00.html?maca=en-rss-en-ger-1023-rdf.

transparency in the oil sector.

Germany engages the G8 in thorough discussions over energy technologies and integrated energy policy and the G8 issues a commitment in both of these areas AND Germany raises the issue of oil speculation and the G8 motions to set standards for oil sector transparency.

Prospects

While the topic of energy security encompasses a broad range of issues, current international protests over high oil prices is likely to take centre stage during energy security discussions. The recent oil talks in Jeddah, Saudi Arabia yielded a promise by the host country to increase production by 200,000 barrels a day; however, this is not expected to make a significant impact on the global oil market. With regards to Germany's specific push for an investigation into oil speculators as a means to stabilize the market, Germany will find support from Italy and Canada which have both called for more transparency. Conversely, the US and the UK posit that the solution is to urge for more supply and increase in energy efficiency. In any case, G8 Finance Ministers have agreed to commission the IMF to conduct a study on the impact that speculation might be having on the price of already tight supplies of oil. 243

The German objective of bolstering the environmental technology market will likely be met given that renewable energy and energy efficiency have been placed high on the agenda by the Japanese Presidency. Furthermore, Japan and the EU have recently agreed to cooperate on the development of new energy technologies. The 2008 G8 Energy Ministers' meeting involved engaged energy security discussions with China, India and the Republic of Korea, committing to foster international dialogue on energy matters. Such international dialogue suggests that there is momentum towards developing more integrated energy policy.

Postscript

Germany received a score of 0.25 on its energy security objective. It is crucial to note, however, since Germany's individual role in the discussions was not specified at the Summit, Germany's performance was evaluated based on the results contained within the G8 Communiqué on World Economy. Thus, Germany was able to raise the issue of developing energy technologies and furthering integrated energy policy, but the G8 discussed these topics peripherally; in particular, within the context of the world economy talks. During these, the G8 leaders proposed holding an energy forum with a focus on energy efficiency and new technologies, with the aim of bolstering the dialogue between energy producers and consumers. ²⁴⁷

Analyst: Victoria Long

²⁴¹ G8 focus shifts to oil and food prices, United Press International, (Tokyo), 26 June 2008. Date of Access: 29 June 2008. http://upiasiaonline.com/Economics/2008/06/26/g8_focus_shifts_to_oil_and_food_prices/7047.

²⁴² Oil speculators under fire; Canada joins call for stable fuel prices at Saudi Arabia Summit, Calgary Herald, (Calgary), 23 June 2008. Date of Access: 29 June 2008. http://www.canada.com/edmontonjournal/news/story.html?id=d19a940a-eb49-4cfc-96b0-4274e27c9c14.

²⁴³ Discord over impact of oil speculation, Financial Times, (Osaka), 16 June 2008. Date of Access: 29 June 2008. http://www.ft.com/cms/s/0/2d08513a-3b3e-11dd-b1a1-0000779fd2ac.html.

²⁴⁴ Japan, EU to join up on new energy technologies, Kyodo News, 17 June 2008. Date of Access: 17 June 2008. http://search.japantimes.co.jp/rss/nb20080617a3.html.

²⁴⁵ Joint Statement by G8 Energy Ministers, (Amori), 8 June 2008. Date of Access 29 June 2008. http://www.g8.utoronto.ca/energy.

²⁴⁶ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html

Objective 4: World Economy [0.25]

During its 2007 G8 Presidency, Germany made a concerted effort to make hedge funds a topic of discussion under the rubric of "Growth and Responsibility." While Germany will continue to seek greater transparency for the hedge fund industry as an objective in Hokkaido, it will also seek a G8 examination of how the global financial crisis has developed.

Commenting on the financial market crisis, Deputy Finance Minister Thomas Mirow suggests that there is a mixed global financial picture given that structured securities are displaying a recovery while interbank rates continue to be high.²⁴⁸ In an effort to affect greater financial stability, Germany is calling for greater transparency in oil markets and will be seeking comprehensive discussion on these inter-related trends.

Recent talks between Germany and France unveiled joint concern over tax dodging. Having launched a probe on suspected tax evasion by Germans in Liechtenstein, Germany intends to go into G8 discussions seeking to address what further steps could be taken to curb tax evasions in tax havens.²⁴⁹

Scoring Guidelines

- Germany does not engage the G8 in discussions over the roots of the global financial crisis

 AND does not address the issue of hedge fund industry transparency. No mention of tax evasion is made.
- Germany engages the G8 in discussions over the roots of the global financial crisis and peripherally refers to either the issue of hedge fund industry transparency or of tax evasion.
- **0.50** The G8 engages in discussions over the roots of the global financial crisis and refers to both issues of hedge fund industry transparency and of tax evasion.
- The G8 engages in discussions over the roots of the global financial crisis and discussions over either issue of hedge fund transparency or tax evasion take place.
 - The G8 engages in discussions over the roots of the global financial crisis and suggestions on how to improve hedge fund transparency and tackle the tax evasion results from engaged discussion.

Prospects

Germany's push on international capital market transparency during its G8 Presidency was met with resistance from the US and the UK at the 2007 Heiligendamm Summit. However, recent reporting indicates that France and Italy share in Germany's concerns that speculators have been a key driving force behind recent record-high oil prices of nearly USD140 a barrel on the futures market. Furthermore, G8 Finance Ministers have agreed to commission the IMF to conduct a study on the impact that speculation might be having on the price of already tight supplies of oil. Given several

²⁴⁸ Germany's Mirow says G8 to discuss more transparency in oil markets UPDATE AFX International Focus (English),10 June 2008. Date of Access 10 June 2008.

http://www.forbes.com/afxnewslimited/feeds/afx/2008/06/10/afx5098781.html.

²⁴⁹ Germany flags inflation concerns ahead of G8 meet, Reuters, (Berlin), 10 June 2008. Date of access 10 June 2008. http://resources.alibaba.com/topic/304230/Germany_flags_inflation_concerns_ahead_of_G8_meet.htm.

²⁵⁰ G8 Summit Analysis Part I: Issue Objectives Reports, G8 Information Centre, June 2007. Date of Access: 29 June 2008. http://www.g7.utoronto.ca/evaluations/index.html#2007.

²⁵¹ G8 Focuses On Strains From Costly Commodities, Avoids FX Talk, Dow Jones Chinese Financial Wire, (Osaka), 15 June 2008. Date of Access: 29 June 2008.

http://www.fundsupermart.com/main/research/viewSector.tpl?articleNo=10001.

²⁵²Discord over impact of oil speculation, Financial Times, (Osaka), 16 June 2008. Date of Access: 29 June 2008. http://www.ft.com/cms/s/0/2d08513a-3b3e-11dd-b1a1-0000779fd2ac.html.

G8 members' concerns over ties between speculation and oil market prices, hedge fund manipulation may indeed enter the Hokkaido discussions.

In May, French President Sarkozy urged the EU to suspend part of the value-added tax in an effort to counter record-high prices.²⁵³ While Chancellor Merkel did not commit to this proposal, the French initiative to coordinate industrialized nations' approach to the oil price crisis is a welcomed asset to Germany's financial stability objective.

While France has expressed similar concerns, Germany's concern over tax evasion is in large part a Eurocentric issue and has only been mentioned sparingly in the media. The extent to which this issue will appear on the Hokkaido agenda is unknown and remains to be seen.

Postscript

Germany received a score of 0.25 on its world economy objective. It is crucial to note, however, since Germany's individual role in the discussions was not specified at the Summit, Germany's performance was evaluated based on the results contained within the G8 Communiqué on World Economy. In particular, the G8 leaders peripherally referred to the issue of tax evasion, urging all states that have not completed the implementation of OECD standards of "effective exchange of information in tax matters" to do so promptly, also encouraging the OECD to strengthen its anti-tax evasion efforts, commissioning it to report back in 2010. However, no mention of the roots of the current financial crisis was made, as originally predicted in the Scoring Guidelines.

Analyst: Victoria Long

Objective 5: Outreach and Expansion [0.50]

Germany has made progressive moves towards establishing an 'outreach and expansion' program during its G8 Presidency. The G8 hopes to include the "Outreach-5," also referred to as O5 or G5, comprising of the five largest emerging economies: Brazil, China, India, Mexico and South Africa²⁵⁵ in fostering stronger and more representative decisions for the global economy, climate change and development aid.

During the Heiligendamm Summit, Chancellor Merkel announced the establishment of the 'Heiligendamm Process' in which the institutionalization of discourse between the G8 and the O5 would be employed. G8 meetings with the O5 focus on the issues of global economy, climate protection and development aid. The first meeting took place in Heiligendamm on 8 June 2007 "under the auspices of the OECD." Germany's agenda during the Heiligendamm summit focused on advertising the O5 as capable of projecting an increasing amount of influence on the global economy, and as such need to "take on more responsibility for global issues." However, it should

²⁵³ Germany's Mirow says G8 to discuss more transparency in oil markets UPDATE, Thomson Financial News, (Berlin), 10 June 2008. Date of access 10 June 2008.

http://www.forbes.com/afxnewslimited/feeds/afx/2008/06/10/afx5098781.html.

²⁵⁴ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html

²⁵⁵ What the G5 Expects from Dialogue with the G8 – Joint Position Paper for the Heiligendamm Process, World Economy & Development, (Luxembourg), 13 September 2007. Date of Access: 30 June 2008. http://weltwirtschaft-undentwicklung.org/cms_en/wearchiv/042ae699aa0ae2e01.php.

²⁵⁶ Dialogue with Emerging Economies, The Federal Government of Germany, (Berlin). Date of Access: 9 June 2008. http://www.g-8.de/Webs/G8/EN/G8Summit/Participants/Outreach/outreach.html.

²⁵⁷German G8 Presidency 2007, Department of Foreign Affairs (Auswartiges Amt), (Berlin). Date of Access: 9 June 2008. http://www.auswaertiges-amt.de/diplo/en/Aussenpolitik/InternatOrgane/G8/G8-Praesidentschaft.html.

²⁵⁸ Dialogue with Emerging Economies, The Federal Government of Germany, (Berlin), 17 June 2007. Date of Access: 9 June 2008. http://www.g-8.de/Webs/G8/EN/G8Summit/Participants/Outreach/outreach.html.

be highlighted that Germany's objective is not to foster the creation of a G13, but instead to "build co-operation with the emerging economies in the form of a topic-oriented dialogue." ²⁵⁹

The goal of the Heiligendamm Process is to reach tangible results by 2009 on the following global issues: protection of innovation, fair investment conditions, responsible development cooperation (particularly with a view to Africa) and promoting climate-friendly and energy-efficient technologies. A progress report will be presented during Hokkaido Summit and the final report will be released at the 2009 Summit in Italy. ²⁶¹

Scoring Guidelines

- Germany fails to achieve any measurable results with respect to fostering O5 dialogue since its initiative at the Heiligendamm Summit.
- **0.25** Germany makes unilateral progress in engaging in dialogue with O5 leaders pertaining to issues of global governance: global economy, climate change and development aid.
- **0.50** Germany participates in G8 dialogue with O5 leaders pertaining to issues of global governance: global economy, climate change and developmental aid.
- **0.75** Germany participates in notable G8 concessions, decisions and agreements relating to the discussions of the Heiligendamm Process.
- Germany participates in G8-released communiqués or makes statements committing to an action plan that is highly aligned with the country's Heiligendamm Process objective.

Prospects

The increasingly prominent global role of the O5 nations makes them an inevitable voice at future G8 Summits. As such, the O5 nations will be highly involved at the Hokkaido G8 Summit and will seek to further cement and legitimize their presence and inclusion in the fostering of a strong global voice.

Postscript

Germany received a score of 0.5 on outreach and expansion, centering on the progress of the Heiligendamm Process. It is crucial to note, however, since Germany's individual role in the discussions was not specified at the Summit, Germany's performance was evaluated based on the results contained within the G8 Communiqué on World Economy, as well as in a one-hour morning meeting with the O5 leaders on 9 July 2008. In particular, Germany engaged in G8 dialogue with 05 leaders on the issues of global economy, climate change and developmental aid. In the G8 Communiqué on World Economy, the G8 leaders reiterated their commitment to the Heiligendamm Process.

Analyst: Magda Parniak

²⁵⁹ Dialogue with Emerging Economies, The Federal Government of Germany, (Berlin). Date of Access: 9 June 2008. http://www.g-8.de/Webs/G8/EN/G8Summit/Participants/Outreach/outreach.html.

²⁶⁰German G8 Presidency 2007, Department of Foreign Affairs (Auswartiges Amt), (Berlin), 17 June 2007.Date of Access: 9 June 2008. http://www.auswaertiges-amt.de/diplo/en/Aussenpolitik/InternatOrgane/G8/G8-Pracidentschaft html

²⁶¹ Heiligendamm Process, The Federal Government of Germany, (Berlin). Date of Access: 9 June 2008. http://www.g-8.de/Content/EN/Artikel/_g8-Summit/2007-06-08-heiligendamm-prozess__en.html.

ITALY [0.46]

Economic Data

Currency: Euro

Population: 58, 145, 321

Gross Domestic Product (official exchange rate): USD2.105 trillion

Gross Domestic Product per capita (PPP): USD31, 000

Major Trading Partners: Germany, France, US, Spain, UK, Netherlands, China, Belgium

Political Data

Type of government: Republic Date of Establishment: 2 June 1946

Legislature: Bicameral; Chamber of Deputies and Senate

Head of State: President Giorgio Napolitano

Head of Government: Prime Minister Silvio Berlusconi

Background

The 2008 G8 Summit in Hokkaido presents Italy with the opportunity to prove itself as the nation with either the strongest or the shakiest position within the G8. On the one hand, Italy will be hosting the next Leaders' Summit in Sardinia in summer 2009. On the other hand, Italy is facing a number of challenges, domestically and internationally, that may very well derail the country's attempt to portray itself as a leading nation in world affairs. Italy has the second highest debt-to-GDP ratio, the second lowest per capita GDP, and the lowest projected growth rate of all the G8 nations. The depressed state of Italian economic power within the G8 is compounded by the recent snap election, held 13-14 April 2008, which brought Prime Minister Silvio Berlusconi's right-wing coalition back to power. The government, which took power mid-May 2008, is now forced to establish its political program while it clarifies its priorities for the upcoming Summit in Japan.

Italian priorities for the Hokkaido Summit will incorporate issues of prominence for the international community, while also addressing topics of importance for the domestic electorate. In particular, Prime Minister Berlusconi will seek to carry over the discussion on food security and inflation in agricultural products stemming from the Food and Agriculture Organization's (FAO) meeting in Rome between 3-5 June 2008. Although hunger and poverty are popular topics of discussion in the international community, they are often overshadowed in the Italian media by other issues of greater concern to domestic public opinion. For this reason, Italy will also seek to garner international support for initiatives to manage migration, particularly those involving human flows from the developing to the developed world. After the two top priorities of food and migration, the Italian delegation will seek G8 consensus on the importance of energy security and diversification, while encouraging a stronger G8 statement on climate change, relative to previous years. Italy's stance on energy and climate change is broadly in line with European norms, which may result in a joint push by the European countries rather than a uniquely Italian initiative.

To signal its shift back towards the North Atlantic centre of influence, Italy will introduce issues not specifically related to its priorities. In particular, Prime Minister Berlusconi will work with the other G8 leaders to secure support for various regional conflicts in the Horn of Africa and Lebanon. He is ideally placed to bridge the divide between the American stance on Lebanon, which excludes Hezbollah, and the French position of inclusive dialogue. Finally, Italy will endeavour to secure statements in support of expanding its Afghan mission and its role in non-proliferation talks with

Iran. The former issue will help Italy mend relations with Canada, which were damaged in a bilateral dispute over the Italian government's 2005 decision to extend parliamentary representation to Italian citizens living in Canada. The latter priority, on the other hand, is in direct confrontation with Germany's position, and is characteristic of the strained relationship between German Chancellor Merkel and Prime Minister Berlusconi.

Lead Analyst: Michael Erdman

Objective 1: Food Security [0.50]

The Italian government has been extremely vocal on the related topics of poverty and rising food prices. In particular, Italian officials have explicitly stated that the G8 is an adequate forum for discussing solutions to the mounting food crisis. Italian Foreign Minister Franco Frattini promised that food security would remain a priority for the G8 over the next year. In an interview with *Il Gazzetino*, the Minister said that "poverty, the food crisis and climate change should not remain off the [G8] agenda, relegated to the 'Alternative G8." In the same interview, however, Minister Frattini revealed that the new government has few plans, for proposing a concrete solution to the problem. Instead, the Minister called on the G8 nations to listen to "organizations, agencies and social components."

He stressed that the FAO's failure to agree on concrete measures to address the food crisis clearly reflected the difficulties confronting the main actors grappling with issues of "hunger, home, global security." Despite this, Minister Frattini suggested that the G8 should "target speculators" to make them pay for the volatility in global food prices. He reserved his strongest words for petroleum companies, which he accused of "realizing enormous profits and leaving the tab to be paid by those who die of hunger." ²⁶⁵

Given its perspective that market speculation was the principle amplifier of rampant food price inflation, Italy will likely encourage the G8 to endorse its proposal for a "Grain Bretton Woods." Such an institution would act as an agricultural World Bank, providing both emergency food aid and technical support for agricultural productivity improvements and related policy reforms. The proposal, explained by Minister Frattini in an article written for *La Repubblica*, would create an international organization (IO) similar to the IMF or World Bank, but within the United Nations system, bringing together other IOs, national governments, and private donors. While the Minister acknowledged that G8 nations remain committed to discussing solutions to the food crisis, it is unclear whether the Italian government has received explicit support for its food bank project. The lack of international enthusiasm notwithstanding, the Italian Foreign Ministry announced on 20 June

²⁶² Articolo del Ministro Frattini: "Una banca del cibo contro le speculazioni", Ministero degli Affari Esteri, (Rome), 4 June 2008. Date of Access: 10 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080604_Frattini_banca_cibo.htm

²⁶³ Intervista al Ministro Frattini: "Espellare chi delinque, lo vuole l'Europa", Ministero degli Affari Esteri, (Rome), 8 June 2008. Date of Access: 10 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala Stampa/Interviste/2008/06/20080609 Espellere.htm

²⁶⁴ Intervista al Ministro Frattini: "Espellare chi delinque, lo vuole l'Europa", Ministero degli Affari Esteri, (Rome), 8 June 2008. Date of Access: 10 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala Stampa/Interviste/2008/06/20080609 Espellere.htm

²⁶⁵ Intervista al Ministro Frattini: "Espellare chi delinque, lo vuole l'Europa", Ministero degli Affari Esteri, (Rome), 8 June 2008. Date of Access: 10 June 2008.

 $http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080609_Espellere.htm$

²⁶⁶ Articolo del Ministro Frattini: "Una banca del cibo contro le speculazioni", Ministero degli Affari Esteri, (Rome), 4 June 2008. Date of Access: 10 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080604_Frattini_banca_cibo.htm

²⁶⁷ Articolo del Ministro Frattini: "Una banca del cibo contro le speculazioni", Ministero degli Affari Esteri, (Rome), 4 June 2008. Date of Access: 10 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala Stampa/Interviste/2008/06/20080604 Frattini banca cibo.htm

2008 that Italy would be announcing its plans for increasing aid to Africa throughout 2008 at the Hokkaido Summit, and that "the increase is directed almost entirely at food aid."²⁶⁸ The Ministry also promised that Minister Frattini would put forward his plans for reforms of the international system to support agricultural development, and that food security would remain a topic of priority through the Italian Presidency of the G8 in 2009.²⁶⁹

Scoring Guidelines

- **0** The G8 does not create an agricultural IO in the final documentation of the Leaders' Summit.
- **0.25** The G8 shows little initiative in addressing global poverty and the food crisis.
- **0.50** The G8 discusses global poverty and the food crisis but does not advance a proposed solution.
- **0.75** The G8 is successful in cooperative dialogue towards the creation of an agricultural IO or proposes a mutually-agreed solution.
 - The G8 creates an agricultural IO in the final documentation of the Leaders' Summit.

Prospects

All G8 countries have expressed concern over rising food prices, and thus it is highly likely that the topic will feature prominently in discussions. The United States and the United Kingdom, however, have demonstrated their disapproval of attempts to impose blanket controls on futures and other derivative markets related to food and energy. It is therefore less likely that Italian efforts to endorse new organizations to control supply and demand will be successful.

Postscript

Leaders reaffirmed their commitment to the St. Petersburg Global Energy Security Principles and the implementation of its Plan of Action and invited other countries to embrace its Principles. During the G8 Working Lunch, Leaders proposed holding an energy forum to focus on energy efficiency and new technologies. In regards to nuclear energy, Leaders proposed a Japan-led initiative on 3-S (safeguards, safety, and security) based nuclear energy infrastructure. Additionally, at the MEM Leaders' Meeting on Energy Security and Climate Change, energy conservation, energy efficiency, disaster reduction, and water and natural resource management technologies were deemed of high importance. Leaders at the Meeting agreed to promote the uptake and use of such technologies including renewable, cleaner and low-carbon technologies, and, for those members interested, nuclear power. The same meeting produced a statement of leaders' resolve to accelerate enhanced action on technology development, transfer, financing, and capacity building to support mitigation and adaptation efforts.

Analyst: Michael Erdman and Marko Adamovic

Objective 2: Energy Security [0.50]

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²⁶⁸ Programma italiano di interventi al favore della sicurezza alimentare, della lotta alla povertà e dello sviluppo agricola, Ministero degli Affari Esteri, (Rome), 20 June 2008. Date of Access: 29 June 2008.

 $http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Comunicati/2008/06/20080623_G8_ImpegniAliment.htm$

²⁶⁹ Programma italiano di interventi al favore della sicurezza alimentare, della lotta alla povertà e dello sviluppo agricola, Ministero degli Affari Esteri, (Rome), 20 June 2008. Date of Access: 29 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Comunicati/2008/06/20080623_G8_ImpegniAliment.htm

²⁷⁰ World Economy, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. date of access: 8 july 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html

Environment and Climate Change, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, the Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008. Date of access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html

Italy will focus on nuclear energy investments and renewable energy at Toya-ko, reflecting the country's longstanding goal of reducing dependence on scarce carbon-based energy sources.

Whereas Japanese Prime Minister Yasuo Fukuda will propose a global goal of improving energy efficiency by 30% by 2020, ²⁷³ Italy is likely to be hesitant on this point. The country will rely on new technological efficiencies in nuclear power production to meet this goal and it must also account for the fact that building a nuclear power plant takes approximately 10 years from application to power production. ²⁷⁴ Although there was a phasing-out of nuclear power plants following a 1987 referendum, ²⁷⁵ 58 % of Italians now recognize the need for nuclear energy. ²⁷⁶ Minister of Economic Development Claudio Scajola noted that "before the end of this legislature, we will take the first step in constructing a new generation of nuclear plants in our country." Nuclear energy will thus be central to the Italian energy agenda. Prime Minister Silvio Berlusconi will likely seek a G8 endorsement of nuclear power as a clean and efficient alternative to hydrocarbon energy.

Italy will also seek a G8 statement on energy source diversification, as it imports more than 75% of its energy requirements²⁷⁸ and is the world's largest importer of electricity.²⁷⁹ Accordingly, Italy is pursuing nuclear power both to promote its energy security goals and to limit greenhouse gas emissions.

Scoring Guidelines

- **0** The G8 does not produce a clear and substantive statement on the issue.
- **0.25** The G8 shows little initiative in raising the issue of nuclear power as a viable alternative to petroleum and gas.
- **0.50** The G8 discusses nuclear power but does not advance a proposed solution.
- **0.75** The G8 is successful in cooperative dialogue and advances a proposed solution.
 - The G8 successfully bridges divides between proponents and opponents of nuclear power to produce a clear and substantive statement on the issue.

Prospects

It is highly likely that the G8 leaders will provide some sort of endorsement of nuclear power. Japanese Prime Minister Yasuo Fukuda is said to be in favour of expanding energy generation by nuclear power plants. France has also been a strong proponent of nuclear power, and indeed has long supplied Italian electricity needs from its own nuclear power stations.

Postscript

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²⁷³ Japan targets climate change with \$10 billion fund, Reuters News, (New York), 26 January 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html

²⁷⁴ FORATOM Position Paper on PINC, European Atomic Forum, (Brussels), 22 September 2006. Date of Access: 8 June 2008. http://www.foratom.org/index.php?option=com_docman&task=doc_download&gid=1726&Itemid=123
²⁷⁵ The nuclear relaunch in Europe, European Atomic Forum, (Brussels), 16 November 2006. Date of Access: 8 June 2008. http://www.foratom.org/index.php?option=com_docman&task=doc_download&gid=1755&Itemid=1236
²⁷⁶ Nucleare, una scelta obbligata per fare ripartire davvero il paese; Il Messaggero; (Rome); 26 May 2008. Date of Access: 8 June 2008. http://rassegna.governo.it/rs_pdf/pdf/I7M/I7MGA.pdf

²⁷⁷ Italian government set to reintroduce nuclear energy, World Nuclear News, (London), 23 May 2008. Date of Access: 8 June 2008. http://www.world-nuclear-news.com/NP-Italian_government_set_to_reintroduce_nuclear_energy-

²⁷⁸ Italy, CIA World Factbook, Central Intelligence Agency, (Langley, U.S.), 15 May 2008. Date of Access: 8 June 2008. https://www.cia.gov/library/publications/the-world-factbook/geos/it.html

The nuclear relaunch in Europe, European Atomic Forum, (Brussels), 16 November 2006. Date of Access: 8 June 2008. http://www.foratom.org/index.php?option=com_docman&task=doc_download&gid=1755&Itemid=1236

G8 Leaders commended the leadership of the UN and Bretton Woods institutions in convening the High Level Task Force on the Global Food Crisis. They pledged to work with the international community in forming a global, multilateral partnership, facilitated by the UN. Leaders also called for countries with sufficient food stocks to make part of their surplus available in times of crisis, although not in a way which distorts trade. Lastly, they pledged to explore the possibility of building a 'virtual' internationally-coordinated reserve system for humanitarian purposes, possibly facilitated by the World Bank.²⁸⁰

Analyst: Daniel Gatto

Objective 3: Climate Change [0.75]

Climate change is an issue of top priority at this year's G8 Hokkaido Toya-ko Summit and Italy will be a cooperative actor in working toward a sustainable global society. The Italian government will cooperate with G8 members to effectively respond to climate change and will welcome any opportunities for collaboration in order to tackle this issue.

In regards to measurable climate change commitments made from 1987 to 2006, Italy is a below-average performer with a compliance rate of +28%. ²⁸¹Despite its weak environmental policies and slow implementation of national measures to address its commitments under the Kyoto Protocol, the former Italian government has undertaken new measures to increase awareness of the seriousness of climate change. The most recent Budget takes into consideration several climate-related initiatives and includes the promotion of climate mitigation policies as a means to address energy security. ²⁸² The current government is trying to generate a well-rounded response to climate change by setting new emissions reduction targets; announcing a short-term policy target for acquiring 25% of its energy from renewable sources by 2012; and by taking comprehensive actions across a range of sectors and policy areas, such as establishing a financial fund for financing public awareness campaigns to promote energy efficiency among Italian citizens. ²⁸³

The Italian government hopes to see the G8 Leaders arrive at a meaningful deal at the Toya-ko Summit. It is highly probable that Italy will propose to establish a climate regime that goes beyond the Kyoto agreement. During this year's G8 Environment Ministers Meeting in Kobe, Italy helped build momentum for the Toya-ko Summit. Italian Environment Minister Stefania Prestigiacomo agreed to the long-term goal of halving greenhouse gas emissions by 2050 and joined the call for developing countries with rapidly increasing emissions to curb the rate of increase. Minister Prestigiacomo also acknowledged the calls for midterm emissions reduction goals for 2020 but stopped short of pledging any firm commitments.

²⁸⁰ G8 Leaders Statement on Food Security, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html

²⁸¹ Compliance with Climate Change Commitments: The G8 Record, 1975–2007, (Toronto), June 5, 2008. Date of Access: 13 June 2008. http://www.g8.utoronto.ca/evaluations/compliance-climate_080605.pdf.

²⁸² The G8 and Climate Change since Heiligendamm, Interim Compliance Report for

the G8 and Outreach Five Countries, (Toronto), 31 March 2008. Date of Access: 13 June 2008.

http://www.g8.utoronto.ca/oxford/g8rg-ox-interim-2007.pdf.

The G8 and Climate Change since Heiligendamm, Interim Compliance Report for

the G8 and Outreach Five Countries, (Toronto), 31 March 2008. Date of Access: 13 June 2008.

http://www.g8.utoronto.ca/oxford/g8rg-ox-interim-2007.pdf.

²⁸⁴ Prospects for the 2008 G8 Hokkaido Toyako Summit: Key Messages for the Future of Summitry, G8 Information Centre, (Toronto), 21 May 2008. Date of Access: 13 June 2008. http://www.g8.utoronto.ca/scholar/kirton_080521.html. ²⁸⁵ G8 Environment Ministers Agree on 2050 Climate Goal, (Kobe), 27 May 2008, Date of Access: 13 June 2008.

http://www.ens-newswire.com/ens/may2008/2008-05-27-04.asp.

²⁸⁶G8 Environment Ministers Agree on 2050 Climate Goal, (Kobe), 27 May 2008, Date of Access: 13 June 2008. http://www.ens-newswire.com/ens/may2008/2008-05-27-04.asp

Italy will therefore seek a strong statement from the G8 on the need to arrive at a post-2012 agreement on emissions. The Italian government may also look to include developing nations, given Minister Prestigiacomo's call on all emitters to sign up to an agreement. Italy will not, however, seek a comprehensive plan or agreement on emissions, preferring to wait until it can exert greater influence over the climate agenda when it assumes the G8 presidency in January 2009.

Scoring Guidelines

- The G8 does not produce any statement regarding the mitigation of climate change, emissions reduction targets, or the establishment of a post-Kyoto framework.
- **0.25** The G8 shows little initiative concerning the mitigation of climate change, emissions reduction targets and the establishment of a post-Kyoto Protocol framework.
- **0.50** The G8 discusses climate change but does not advance a proposed solution.
- **0.75** The G8 is successful in cooperative dialogue and advances a proposed solution.
 - 1 The G8 produces statements on the mitigation of climate change, emissions reduction targets, and the establishment of a post-Kyoto Protocol framework.

Prospects

Italy's cooperative diplomacy at the Heiligendamm Summit makes it unlikely that the Italian government will voice any strong opposition to any proposals from the G8. Furthermore, it is very likely that Italy will be actively involved in discussions due to the fact that it will host the Environment Ministers Meeting in 2009.

Postscript

Leaders committed to the successful conclusion of the UNFCCC. Furthermore, they stressed a long-term emissions reduction goal of 50% by 2050. However, Leaders stated that in order to ensure an effective post-2012 climate regime, all major economies, and specifically larger polluters (i.e.China, India), will need to commit to an international agreement, slated to be finalized by the end of 2009. Leaders also proposed a Japan-led initiative on 3-S (safeguards, safety, security) based nuclear energy infrastructure. No post-2012 framework was established, though the MEM outreach meetings did provide resolve towards mitigation –related technology, within specific economic sectors, *inter alia*. 288

Analyst: Netila Demneri

Objective 4: Regional Security [0]

In recent years, Italy has sought to expand its influence in the resolution of regional conflicts and crises. This is particularly true of areas in which Italy has a historic interest, such as the Horn of Africa, although Italian efforts have also focused on political crises in the Eastern Mediterranean.

With respect to the Horn of Africa, Italy will seek to bring the political instability in Somalia and tensions between Eritrea and its neighbours back into the G8 forum. At the very least, Italy will seek a statement of support for the Somali government in Mogadishu; at most, the Italian government will

²⁸⁷ Environment and Climate Change, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

²⁸⁸ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, the Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008. Date of access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html

try to include financial, logistical, and/or military support to stabilize Somalia. Foreign Minister Frattini has expressed concern over the crisis in that country at European gatherings. ²⁸⁹

The origins of Italian involvement in Lebanon are far more recent. In 2007, then Foreign Minister Massimo D'Alema, together with the French and Spanish Foreign Ministers, attempted to broker an agreement between rival parties aimed at finally electing a President. The joint Italian-French-Spanish effort failed, but in May 2008, Qatar and the Arab League succeeded in ending the protracted dispute over Lebanon's presidency.

Nevertheless, current Foreign Minister Franco Frattini believes that Italy's prominent position in the United Nations Interim Force In Lebanon II (UNFIL II) gives it special access to both members of the government, composed of the primarily Sunni Future Movement and the Maronite Phalange Party, as well as representatives of the opposition forces, which include Hezbollah Orthodox Christian groups and Michel Aoun's Maronite faction. Minister Frattini is now calling for a concerted international effort to help Lebanon, Syria, and Israel to agree to clearly defined and recognized borders as a means of depriving the Lebanese resistance movement of a reason for the continued presence of militias outside of the Lebanese armed forces. ²⁹¹

As commander of the UNIFIL II, Italy will seek a G8 statement supporting the full implementation of UNIFIL II's mandate, including the disarmament of all militias. Italy may also pursue a G8 commitment to train and equip the Lebanese Armed Forces, a priority identified by Foreign Minister Frattini. Finally, the Italian delegation may look to secure G8 support for an international commission to help demarcate borders between Lebanon, Israel, and Syria.

Scoring Guidelines

- **0** The G8 does not discuss Somalia or Lebanon.
- **0.25** The G8 makes mention of Somalia or Lebanon within the context of Regional Security.
- **0.50** The G8 discusses Somalia and/or Lebanon but advance no statements of support.
- **0.75** The G8 issues statements of support for Somalia or Lebanon, but not both.
 - The G8 manages to bridge differences between the parties on all three regional issues and succeeds in securing statements of support on Somalia and Lebanon, or pledges material support for the Lebanese Army.

Prospects

All G8 nations have an interest in supporting Somalia, given the rise in piracy off the Horn of Africa, and thus Italy is likely to succeed on this front. A political statement on Lebanon is likely to emerge from the Summit, but material support for the military is less certain, especially as American allies Saudi Arabia and the United Arab Emirates are looking to support the growth of anti-Hezbollah militias among pro-Western Sunni factions. The US has, however, given its explicit support for talks

²⁸⁹ Esiti Consiglio Affari Generali e Relazioni Esterne, Ministero degli Affari Esteri, (Rome), 27 May 2008. Date of Access: 15 June 2008. http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/News/2008/05/20080527_CAGRE

²⁹⁰ Intervista al Ministro Frattini: "Missioni all'estero, modello Italia funziona", Ministero degli Affari Esteri, (Rome), 24 June 2008. Date of Access: 29 June 2008.

 $http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080624_MissioniModelloItalia.htm$

²⁹¹ Intervista al Ministro Frattini: "Missioni all'estero, modello Italia funziona", Ministero degli Affari Esteri, (Rome), 24 June 2008. Date of Access: 29 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080624_MissioniModelloItalia.htm

²⁹² Întervista al Ministro Frattini: "În Italia solo chi impara la nostra lingua", Ministero degli Affari Esteri, (Rome), 8 June 2008. Date of Access: 9 June 2008.

 $http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080609_Quattro_Giornali.htm$

on border demarcation, and it is likely that the other G8 members will support a call for the creation of an international commission on this topic.

Postscript

No mention of Somalia or Lebanon was made at Hokkaido Toyako.

Analyst: Michael Erdman and Marko Adamovic

Objective 5: Afghanistan [0.50]

Italy currently has 2400 troops in Afghanistan. Former Italian Prime Minister Romano Prodi was reluctant to change Italy's policy on Afghanistan during his last months in office, despite continuous pressure from the International Security Assistance Force (ISAF) to relocate troops to more dangerous areas. The Italian troops are stationed away from combat zones, in Heart and Kabul. ²⁹³ In May 2008, after a change in government, Foreign Minster Franco Frattini hinted that some of Italy's troops may be redeployed to the south in order to fight the Taliban if requested by NATO. Both Minister Frattini and Minister of Defense Ignazio La Russa have signaled Italy's willingness to remove caveats on troop deployments, although Minister La Russa warned against expectations that Italy would agree to all the demands made by other ISAF members. ²⁹⁴

Prime Minister Berlusconi attributes the change of heart to the need for solidarity amongst allies. A strong ally of US President George W. Bush, Prime Minister Berlusconi promised in June that Italy will take a more frontline military role in Afghanistan. This decision may reflect a desire for US support to include Italy in the 5+1 team (France, Germany, China, Russia, the United States and the United Kingdom) that is negotiating with Iran over its nuclear program. Nevertheless, in a recent interview, Minister Frattini claimed that the "Italian model" for engagement in Afghanistan, which is borne from decades of domestic experience with anti-terrorist tactics, has been thoroughly successful in the regions where it is employed, and that this model must now be "diffused" to other regions. The Minister recognized that Italy's strategy was similar to the one used by Canada, implying that the change in Italian stance on Afghanistan may in fact be the product of improving relations with other G8 member-states, and not just the United States.

Italy is therefore likely to seek a G8 promise on supporting the stabilization of Afghanistan and on the need for all ISAF members to increase troop levels in the South. While Prime Minister Berlusconi is anxious to demonstrate Italy's renewed commitment to the North Atlantic alliance, he intends to downplay perceptions of deference to US foreign policy by seeking a strong multilateral endorsement of the mission in Afghanistan in order boost domestic support.

Scoring Guidelines

0 The G8 does not discuss Afghanistan.

²⁹³ Italy rethinks Afghanistan troop deployment: Berlusconi, Yahoo News. 29 May 2008. Date of access: 13 June 2008. http://news.yahoo.com/s/afp/20080529/wl_sthasia_afp/italycanadadiplomacynatounafghanistan

²⁹⁴E La Russa fa un regalo alla Difesa Aumenterò i fondi all'Esercito, La Repubblica, (Rome), 2 June 2008. Date of Access: 15 June 2008. http://ricerca.repubblica.it/repubblica/archivio/repubblica/2008/06/02/230e.html

²⁹⁵ Italy's Foreign Minster to be tough on Iran-report, Yahoo News, 16 May 2008. Date of Access: 11 June 2008. http://sg.news.yahoo.com/rtrs/20080515/tbs-italy-iran-0b94ddd.html

²⁹⁶Intervista al Ministro Frattini: "Missioni all'estero, modello Italia funziona", Ministero degli Affari Esteri, (Rome), 24 June 2008. Date of Access: 29 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080624_MissioniModelloItalia.htm

²⁹⁷ Intervista al Ministro Frattini: "Missioni all'estero, modello Italia funziona", Ministero degli Affari Esteri, (Rome), 24 June 2008. Date of Access: 29 June 2008.

 $http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080624_MissioniModelloItalia.htm. Also in the control of the control of$

- **0.25** The G8 shows little initiative in discussing Afghanistan.
- **0.50** The G8 discusses Afghanistan, but does not advance a general agreement on Afghanistan.
- **0.75** The G8 is successful in cooperative dialogue on Afghanistan and advances a general agreement on Afghanistan.
 - 1 The G8 issues a statement of support for the Afghan government and increasing troop levels in the south of the country.

Prospects

Italy has already voiced its intention to study increases in the number of troops it devotes to the South of Afghanistan, and the country's pre-Summit diplomacy on the issue has been warmly received. Given similar changes in French policy on the issue, it is highly likely that Italy will be successful.

Postscript

Leaders welcomed the G8 Foreign Ministers' Statement on Afghanistan and reaffirmed the importance of economic and social development along with counter-terrorism measures in the Afghanistan-Pakistan border region, which can play a critical role in bringing lasting peace, stability and security to this region. To this end, they committed to further strengthen the coordination of efforts in the border region in cooperation with the respective countries, international organizations, and other donors. There was no mention of a specific deployment of troops to the south of the region.

Analyst: Anna Okorokov

Objective 6: Non-Proliferation [0.25]

The major Italian energy firm, Eni, has refused to cut investments in Iran, despite two rounds of UN sanctions and US-European threats of further penalties against firms that do business with Iran.²⁹⁹ Italy is Iran's primary trading partner in the EU and is also a non-permanent member of the United Nations Security Council (UNSC). In May 2008, Iranian Foreign Ministry spokesman Mohammad-Ali Hosseini stated that Iran "expect[s] the Italian government to adopt a realistic view towards Iran's peaceful nuclear program."³⁰⁰ Iran has expressed the hope that an understanding between the two countries could lead to future bilateral cooperation in regional and international issues.³⁰¹ Italian Foreign Minister Franco Frattini has expressed Italy's desire to join the US and its allies in opposing Iran's nuclear program and facilitating a dialogue between Iran and the US. Minister Frattini declared that Italy will not be sidelined by the US and EU members.³⁰² Italy possesses close commercial ties with Iran, an asset that Foreign Minster Frattini hopes to exploit in negotiations over the Iranian nuclear crisis.³⁰³ In June 2008, the Minister stated that if the financial incentives offered

²⁹⁸ G8 Leaders' Statement on Counter-Terrorism, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230513.html

²⁹⁹ Italy's ENI to ignore US over Iran, Persian Journal, 14 November 2007. Date of Access: 13 June 2008. http://www.iranian.ws/cgi-bin/iran_news/exec/view.cgi/35/23219

³⁰⁰ Iran urges Italy not to be influenced by false reports, Islamic Republic News Agency, (Tehran), 19 May 2008. Date of Access: 3 June 2008. http://www2.irna.ir/en/news/view/line-22/0805197035160759 htm

Access: 3 June 2008. http://www2.irna.ir/en/news/view/line-22/0805197035160759.htm ³⁰¹ Iran urges Italy not to be influenced by false reports, Islamic Republic News Agency, (Tehran), 19 May 2008. Date of Access: 3 June 2008. http://www2.irna.ir/en/news/view/line-22/0805197035160759.htm

³⁰² Italy's Foreign Minster to be tough on Iran-report, Yahoo News, 16 May 2008. Date of Access: 11 June 2008. http://sg.news.yahoo.com/rtrs/20080515/tbs-italy-iran-0b94ddd.html

³⁰³ Italy's Foreign Minster to be tough on Iran-report, Yahoo News, 16 May 2008. Date of Access: 11 June 2008. http://sg.news.yahoo.com/rtrs/20080515/tbs-italy-iran-0b94ddd.html

to Iran at talks between the EU and Iran in Rome are not accepted, tougher sanctions must be imposed. 304

At a meeting between Prime Minister Berlusconi and US President George W. Bush in early June, Prime Minister Berlusconi reassured President Bush that Italy will use its extensive trade links to put more pressure on Iran. The Prime Minister is hoping to increase Italy's participation in international diplomatic efforts to curb Iran's nuclear program. The Prime Minister is specifically looking to include Italy in discussions between the 5+1 group and Iran. President Bush called Prime Minister Berlusconi "an international leader" and has explicitly supported Italy's bid for membership in the 5+1. Furthermore, Minister Frattini has revealed that Italian representatives are already involved in the "technical stages" of the 5+1, and thus, even now, it is more accurate to speak of a "5+2" grouping. In the event that the latest package of incentives is rejected, Minister Frattini claims that "the efficiency of that model and whether it is ideal will be discussed." Italy will therefore look to the Toyako Summit to secure G8 support for its inclusion in negotiations with Iran. Given that five members of the 5+1 are members of the G8, and the sixth, China, will also be present in Toya-ko, Italy may even seek an explicit invitation to join the next round of negotiations with Iranian representatives.

Scoring Guidelines

0 The G8 does not discuss non-proliferation.

- **0.25** The G8 shows little initiative in discussing non-proliferation.
- **0.50** The G8 condemns Iranian enrichment programs, but does not pursue new means of confronting Iran's programs.
- **0.75** The G8 advances options for increased international participation in the Iranian nuclear crisis.
 - The G8 includes language in a final document on the need to study increased international participation in negotiations with Iran, possibly through an enlargement of the 5+1 group.

Prospects

Although US President George Bush was initially warm to the idea of increasing Italian participation in the 5+1, he has not been as receptive to the idea of late. Iran's most recent rejection of the 5+1's incentive package may radically change the nature of discussions on the issue at the G8, making Italy's plans to call for an endorsement of its participation doubtful.

Postscript

At, Hokkaido Toyako, Leaders expressed "serious concern at the proliferation risks posed by Iran's nuclear programme and Iran's continued failure to meet its international obligations." They urged Iran to fully comply with UNSCRs 1696, 1737, 1747 and 1803 without further delay, and in

Bush expresses regrets about divisions over Iraq, Yahoo News, 11 June 2008. Date of Access: 12 June 2008. http://ca.news.yahoo.com/s/reuters/080611/us/politics_bush_europe_dc&printer=1.

³⁰⁵ Italian premier offers more assistance to Bush, The Italy News, 12 June 2008. Date of Access: 13 June 2008. http://www.theitalynews.net/story/370276.

³⁰⁶ Italian premier offers more assistance to Bush, The Italy News, 12 June 2008. Date of Access: 13 June 2008. http://www.theitalynews.net/story/370276.

³⁰⁷ Bush: "Sì all'Italia nel 5+1", La Repubblica, (Rome), 7 June 2008. Date of Access: 15 June 2008.

http://www.corriere.it/esteri/08_giugno_07/bush_italia_iran_berlusconi_ffede2dc-34bc-11dd-befe-00144f02aabc.shtml ³⁰⁸ Intervista al Ministro Frattini: "Missioni all'estero, modello Italia funziona", Ministero degli Affari Esteri, (Rome), 24 June 2008. Date of Access: 29 June 2008.

http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080624_MissioniModelloItalia.htm

³⁰⁹ Intervista al Ministro Frattini: "Missioni all'estero, modello Italia funziona", Ministero degli Affari Esteri, (Rome), 24 June 2008. Date of Access: 29 June 2008.

 $http://www.esteri.it/MAE/IT/Stampa/Sala_Stampa/Interviste/2008/06/20080624_MissioniModelloItalia.htm. A contraction of the co$

particular to suspend all enrichment-related activities. Moreover, they also urged Iran to fully cooperate with the IAEA, including by providing clarification of the issues contained in the latest report of the IAEA Director General. Further, G8 Leaders urged Iran to respond positively to their offer delivered on 14 June 2008. 310

Analyst: Anna Okorokov

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 $^{^{310}}$ Political Issues, The Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008. Date of access: 8 July 2008. $http://www.mofa.go.jp/u_news/2/20080708_230251.html$

JAPAN [0.80]

Economic Data

Currency: Yen

Population: 127,288,419

Gross Domestic Product (official exchange rate): USD4.384 trillion

Gross Domestic Product per capita (PPP): USD33,600

Major Trading Partners: US, China, South Korea, Taiwan, Hong Kong, Saudi Arabia, UAE,

Australia, Indonesia

Political Data

Type of government: Constitutional monarchy

Date of Establishment: 3 May 1947

Legislature: Bicameral Diet: House of Representatives and House of Councillors

Head of State: Emperor Akihito

Head of Government: Prime Minister Yasuo Fukuda

Background

The 2008 Hokkaido Summit is of great importance to Japan. While Japan remains the second largest economy in the world, it faces significant challenges in the face of China's rapid economic rise, which is shifting the political economic dynamic of the Asia-Pacific region. The Hokkaido Summit presents a pivotal opportunity for Japan to demonstrate to its fellow G8 members and Asia-Pacific neighbours that it remains a powerful country, which can exert influence in multilateral forums. Japan has identified climate change, the world economy, African development, and non-proliferation as primary themes for the Hokkaido Summit. Of these issues, climate change is the key priority, as Japan seeks agreement on a post-Kyoto framework.

Japan has a proven record of G8 performance, as it has hosted four previous summits in 1979, 1986, 1993, and 2000, which according to Nicolas Bayne's grading framework (2005) were all successful. Scores for the six dimensions of summit performance produced by John Kirton also support this claim. Kirton (2008) contends that the Hokkaido Summit promises to be a summit of special significance and substantial success, as recent shocks in finance, energy, food, and ecology have shown G8 members the need to come together to form far reaching collective responses to pressing global issues. Despite some promising indications of success on the international stage, Japan faces domestic challenges that could affect its summit performance.

The Hokkaido Summit will be the first for Prime Minister Yasuo Fukuda, who came to power in September 2007 after his predecessor Shinzo Abe abruptly resigned from office following a historic

³¹¹ Main Themes at Hokkaido Toyako summit and Japan's objectives. Official website of the G8 Hokkaido Toyako Summit (Tokyo) Date of Access 11 June 2008. http://www.g8summit.go.jp/eng/info/theme.html

³¹² "Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum-Congress Center, Davos Switzerland", The Ministry of Foreign Affairs of Japan, 26 January 2008, Date of Access: 2 May 2008, http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html

³¹³ Bayne, N. (2005), Staying Together: The G8 Summit Confronts the 21st Century, 1st ed. Ashgate: Aldershot.

³¹⁴ Kirton, J. (2008). Prospects for the 2008 G8 Hokkaido Toyako Summit" G8 Research Group. http://www.g8.utoronto.ca/scholar/kirton 080521.html

³¹⁵ Kirton, J. (2008). Prospects for the 2008 G8 Hokkaido Toyako Summit" G8 Research Group http://www.g8.utoronto.ca/scholar/kirton_080521.html

Upper House election loss for the Liberal Democratic Party (LDP), which left the opposition Democratic Party of Japan (DPJ) with a ruling majority. The LDP continues to control the lower house, but the opposition's majority rule in the upper house has allowed it to block a series of government proposals, throwing Japan into political gridlock. As a result, Fukuda's approval rating fell to 19% according to a 20 May 2008 Asahi newspaper poll, which is even lower than that of Abe when he resigned. 316

On 11 June 2008, the Upper House voted to censure Fukuda over an unpopular healthcare plan for the elderly in an attempt to pressure an early lower house election.³¹⁷ This censure motion is the first to be approved by the Japanese diet under the 1947 constitution. While this motion is unprecedented, it carries no legislative power, and Fukuda has indicated that he will not call an election immediately.³¹⁸ Nonetheless, the censure serves as an embarrassment for Fukuda ahead of the Hokkaido summit, and highlights the precarious situation the LDP currently finds itself in.

Fukuda's latest approval ratings have risen to 25% according to a Kyodo News opinion poll conducted on 13 June 2008. This rise is believed to be due in part to Fukuda's leadership in reaching a compromise with the DPJ to enact a 6 June 2008 law to reform the bureaucracy. However, Fukuda still faces significant pressure to exhibit leadership in Hokkaido amidst speculation that the LDP will oust him from office before the next lower house election slated for September 2009. Thus, it is crucial for Japan to perform well at the 2008 Hokkaido summit in order to prevent further domestic political instability and demonstrate that it is still a leading world power.

Lead Analyst: Masashi Crete-Nishihata

Objective 1: Climate Change [0.50]

Climate change will be the top priority for Japan at the 2008 Hokkaido Summit. In May 2007, former Prime Minister Shinzo Abe proposed Cool Earth 50 initiatives that aimed to half global greenhouse gas (GHG) emissions by 2050.³²¹ In order to implement this proposal, Prime Minister Fukuda has outlined the Cool Earth Promotion Programme, which is composed of three parts: a post-Kyoto framework, international environmental cooperation, and technological innovation.³²²

Reaching agreement on a post-Kyoto framework is the core of Japan's climate change agenda. In his address to the World Economic Forum, Prime Minister Fukuda stressed that all major emitters should participate in setting national emissions targets to achieve mid-term reduction goals by 2020

³¹⁶ Cabinet support rate at 19%, Asahi Shimbun, (Tokyo) 21 May 2008. Date of Access 11 June 2008. http://www.asahi.com/english/Herald-asahi/TKY200805210065.html

³¹⁷ "Japan PM censured in Upper House, unlikely to quit", Reuters, 11 June 2008. Date of access 11 June 2008. http://www.alertnet.org/thenews/newsdesk/T346805.htm

³¹⁸ "Japan PM says no snap election after censure", Forbes (11 June 2008) Date of access 11 June 2008. http://www.forbes.com/afxnewslimited/feeds/afx/2008/06/11/afx5103441.html

³¹⁹ "Public approval ratings for Fukuda, LDP turn up", The Japan Times, (Tokyo), 14 June 2008. Date of Access 14 June 2008. http://search.japantimes.co.jp/cgi-bin/nn20080614a2.html

³²⁰ "PM-wannabes jockey for position", Daily Yomiuri, (Tokyo) 21 May 2008. Date of Access 11 June 2008. http://www.yomiuri.co.jp/dy/summit/20080604dy0e.htm

³²¹ Invitation to "Cool Earth 50": 3 Proposals, 3 Principles," The official website of the Prime Minister of Japan and his Cabinet, (Tokyo). Date of Access: 2 May 2008. http://www.kantei.go.jp/foreign/abespeech/2007/05/24speech_e.html ³²² Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum-Congress Center, Davos Switzerland, The Ministry of Foreign Affairs of Japan, (Tokyo), 26 January 2008. Date of Access: 2 May 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html

and long-term goals by 2050.³²³ In terms of Japan's own long-term goal, Fukuda announced on 9 June 2008 that the country will strive to reduce emissions by 60-80% by 2050.³²⁴

With regards to setting mid-term targets, Japan has proposed a sectoral approach that sets country-specific goals for reducing GHG emissions based on numeric targets for individual industries. The Japanese government has started talks on introducing its own version of a cap-and-trade system with mandatory emission limits, a system already in place in Europe. The European Union (EU) had introduced a cap-and-trade system and proposed global emission reductions of 25% to 40% by 2020 from 1990 levels. Although emission trading has become a rapidly growing market in the EU and is becoming increasingly popular in a number of US states and municipalities, Japan has yet to announce specific mid-term targets for itself. Environment Minister Ichiro Kamoshita has mentioned that Japan should seek an ambitious mid-term target and introduce a cap-and-trade plan in a post-Kyoto climate deal. 327

The second component of Fukuda's proposed program calls for international cooperation, including technology transfers and a new financial mechanism, which will set a global target of 30% improvement of energy efficiency by 2020. ³²⁸ Japan has already made progress in the technology transfers initiative, as it provided energy conservation technology to Asian countries, and granted an Official Development Assistance (ODA) loan to support the construction of a wind power plant in Zafarana, Egypt. The United Nations Clean Development Mechanism (CDM) Committee registered the Zarfarana project as a CDM on 22 June 2007. ³²⁹ Furthermore, Japan and China held a forum on 27 September 2007, in which they discussed energy saving and the environment, and agreed to cooperatively engage in several projects. ³³⁰ Other developing countries and EU nations have also expressed interest in the transfer of energy conservation technology. ³³¹

The other pillar of international cooperation is a new USD10 billion fund labelled the Cool Earth Partnership. This fund will set aside up to USD8 billion for assistance in climate change

³²⁹ Environment: Japan's Action, Egypt: Zafarana Wind Power Plant Project, The Ministry of Foreign Affairs of Japan, (Tokyo), 19 November 2007. Date of Access: 20 May 2008.

http://www.mofa.go.jp/policy/oda/sector/environment/action.html

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³²³ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum-Congress Center, Davos Switzerland, The Ministry of Foreign Affairs of Japan, (Tokyo), 26 January 2008. Date of Access: 2 May 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html

Fukuda targets cutting carbon emissions by 60-80 percent by 2050, Mainichi Shimbun, (Tokyo), 9 June 2008. Date of Access: 9 June 2008. http://mdn.mainichi.jp/national/news/20080609p2a00m0na024000c.html

³²⁵ Japan seeks to design post-Kyoto emissions-trading program, Herald Tribune, 11 March 2008. Date of Access: 9 June 2008. http://www.iht.com/articles/2008/03/11/business/emit.php

³²⁶ G8 to kick off climate talks, news24, 24 May 2008. Date of Access: 20 June 2008. http://www.news24.com/News24/World/News/0,,2-10-1462_2328281,00.html.

³²⁷ Japan seeks to design post-Kyoto emissions-trading program, Herald Tribune, 11 March 2008. Date of Access: 9 June 2008. http://www.iht.com/articles/2008/03/11/business/emit.php

³²⁸ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum-Congress Center, Davos Switzerland, The Ministry of Foreign Affairs of Japan, (Tokyo), 26 January 2008. Date of Access: 2 May 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html

³³⁰ Nihonkokuseifu to Chukajinminkyowakokuseifu niyoru kikohendomondai o taishotoshitakagakugijutsu kyoryoku no issono kyoka nikansuru kyodoseimei (Joint-statement between the Government of Japan and the Government of the People's republic of China concerning further reinforcement of technological cooperation in global climate change, The Ministry of Foreign Affairs Japan, (Tokyo), 28 December 2007. Date of Access: 2 January 2008. http://www.mofa.go.jp/mofaj/area/china/ks_0712.html

Japan has compiled a sector-specific approach on reducing greenhouse gas emissions for a post-Kyoto Protocol framework, but critics say the plan would be ineffective because it is too lenient on industries, The International Herald Tribune. 7 March 2008.

³³² Japan preparing to allay worries over Tokyo-led carbon-cap method. Kyodo News. 16 March 2008.

mitigation, and up to USD2 billion for grants, aid, and technical assistance for countries switching to clean energy.³³³

The third component of the Cool Earth Promotion Programme is innovation, which includes developing innovative technologies and promoting a shift to a "low-carbon society". Through this program, Japan plans to develop zero CO2 emitting coal-fired power plants, solar power technology, and Green IT. ³³⁴ Both Japan and the US are currently developing clean technologies and deploying them in key industrial sectors including low-carbon fossil power generation, transportation, land use, and near-zero carbon energy. ³³⁵

In addition, Japan will establish a new financial mechanism amounting to approximately USD10 billion that will aid developing countries in their efforts to address climate change. In response to this initiative, the World Bank is planning to raise at least USD5.5 billion this year with the US, UK, and Japan for a climate change fund, which will help developing nations use clean technology and tackle global warming. Katherine Sierra, the World Bank vice-president for sustainable development, stated, "We are hoping that initially the clean technology fund may begin with USD5 billion and the other one may be USD500 million for climate resilience." Furthermore, the World Bank reported that representatives of forty developing and industrialized countries agreed to create the Clean Technology Fund (CTF) and Strategic Climate Fund (SCF). Australia, France, Germany, Norway, Spain, Sweden, and the Netherlands will all contribute to the fund, which will be launched at the Hokkaido Summit.

At the Hokkaido Summit, Japan will achieve success if it is able to reach climate change agreements with other G8 members that include setting binding emissions targets for all major emitters, new financial mechanisms, and technology transfers.

Scoring Guidelines

The G8 fails to address the setting of emissions targets/timelines or the creation of a financial mechanism.

0.25 The G8 discusses emission targets/timetable and a financial mechanism, but does not reach an agreement over emissions targets/timetable for a post-Kyoto framework.

The G8 releases a statement regarding emissions targets/timelines, and financial mechanisms, but is the statement is highly-diluted and seems rather ineffective.

0.75 The G8 collectively recommends mid-term reduction targets and the creation of a new climate fund but binding commitments on major emitters are neglected.

³³³ Japan targets climate change with \$10 billion fund, Reuters News, 26 January 2008. Date of Access: 2 June 2008. http://in.reuters.com/article/worldNews/idINIndia-31608920080126

³³⁴Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum-Congress Center, Davos Switzerland, The Ministry of Foreign Affairs of Japan, (Tokyo), 26 January 2008. Date of Access: 2 May 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html

³³⁵ Climate Change since Heiligendamm: Interim Compliance Report for the G8 and Outreach Five Countries, The G8 Research Group-Oxford, 31 March 2008, 89p. Date of Access: 20 May 2008.

http://www.g8.utoronto.ca/oxford/g8rg-ox-interim-2007.pdf

Fact Sheet: U.S.-Japan Cooperation on Energy Security, Clean Development, and Climate

Change, whitehouse.gov, 16 November 2007. Date of Access: 22 May 2008.

http://www.whitehouse.gov/news/releases/2007/11/20071116-4.html.

³³⁶World Bank, U.S., Britain and Japan Take On Warming, The New York Times, (New York), 26 May 2008. Date of Access: 28 May 2008. http://www.nytimes.com/2008/05/26/business/worldbusiness/26bank.html.

³³⁷ G8 Climate Chiefs Urge Leaders To Agree To 2050 CO2 Cut Target, The World Bank, Date of Access: 2 June 2008. http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,date:2008-05-

^{26~}menuPK:34461~pagePK:34392~piPK:64256810~theSitePK:4607,00.html.

³³⁸ World Bank, U.S., Britain and Japan Take On Warming, The New York Times, (New York), 26 May 2008. Date of Access: 28 May 2008. http://www.nytimes.com/2008/05/26/business/worldbusiness/26bank.html.

The G8 sets mid-term reduction targets/timetables, creates a new climate fund, and takes further steps towards establishing binding commitments for all major emitters.

Prospects

Japan's climate change agenda faces domestic and international obstacles. Domestically, politically powerful industries such as the steel sector do not favour plans to bind Japan by numerical targets under a post Kyoto Protocol treaty.³³⁹ On the international scene Japan will encounter a number of challenges that may hinder the possibility of achieving its ambitious climate change objectives. It is highly unlikely that any consensus will be reached on a post-Kyoto framework or mid-term emissions targets, as sharp divisions persist between G8 members and major emitter such as China and India. The US and Canada have indicated that a new climate change treaty must include major emitters, ³⁴⁰ while China and India are likely to argue that such frameworks will encumber economic development. Such divisions show that the G8 may not be the proper forum for discussing such targets. Indeed, on 17 June 2008 Prime Minister Fukuda, stated "The G8 is not a venue to reach an agreement" for a medium-term carbon-capping target." However, Fukuda noted that the G8 needs to engage in "constructive discussions to achieve specific results including a long-term target". It is likely that the G8 will reaffirm Heiligendamm commitments to halve emissions by 2050. However, disagreements over the scale and date for new long-term emissions cuts are probable. Japan's technology initiatives have more positive prospects. The business daily Nikkei claims it has obtained a draft of a joint statement on economic policy to be adopted at the summit, which includes an agreement to invest more than USD10 billion dollars a year on research and development of technology to combat global warming. 342

Postscript

Japan has received a score of 0.5 on climate change given the underwhelming progress made on issue at the 2008 Hokkaido Toyako summit. No numerical medium-term targets or new financial mechanisms were agreed upon. The major announcement of a 50% greenhouse gas GHG reduction cut by 2050 is highly problematic given the ambiguities surrounding it such as the lack of a clear baseline year.

The G8 reaffirmed the Heiligendamm long-term climate target, as they committed to "consider and adopt... the goal of achieving at least 50% reduction in global emissions by 2050". ³⁴³ The G8 stated that they would seek to meet this target in the UNFCCC with contributions from "all major economies" consistent with the principle of "common but differentiated responsibilities and respective capabilities". ³⁴⁴

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³³⁹"Status quo may block climate pact", The Japan Times, (Tokyo), 24 May 2008, Date of Access 28 May 2008. http://search.japantimes.co.jp/cgi-bin/nn20080524a6.html

³⁴⁰ "G8 climate-change treaty in Canada's sights; Don't exclude major emitters, Harper says ahead of Japan summit", Edmonton Journal, 3 July 2008. Date of Access 3 July 2008. http://g8live.org/2008/07/03/g8-climate-change-treaty-in-canadas-sights-dont-exclude-major-emitters-harper-says-ahead-of-japan-summit

³⁴¹ "G-8 unlikely to set 2020 emissions cut target at July summit: Fukuda", Kyodo News, (Tokyo), 17 June 2008. Date of Access June 17 2008. http://g8live.org/2008/06/17/g-8-unlikely-to-set-2020-emissions-cut-target-at-july-summit-fukuda

³⁴² "Major G8 tech investment to fight global warming, report says", Agence France Presse, (Paris), 29 June 2008. Date of Access 29 June 2008. http://g8live.org/2008/06/29/major-g8-tech-investment-to-fight-global-warming-report-says ³⁴³ Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

³⁴⁴ Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

This long-term goal agreement is heavily diluted and does not appear to hold much substance, as the target is non-binding, the G8 did not set a clear baseline, and also failed to obtain the inclusion of other Major Economies Meeting (MEM) and Outreach 5 (O5) participating countries at the Summit.

No numerical targets were set for the more pressing issue of medium-term GHG reduction targets for 2020. Instead the G8 simply stated the "we acknowledge our leadership role and each of us will implement ambitious economy-wide mid-term goals in order to achieve absolute emissions reductions and, where applicable, first stop the growth of emissions as soon as possible, reflecting comparable efforts among all developed economies, taking into account differences in their national circumstances". 345

Similarly, the Major Economies Meeting (MEM), which took place on 9 July 2008 ended with no numerical GHG reduction targets set. Nations did recognised that "deep cuts on global emissions will be necessary", but failed to give specific details.³⁴⁶

On financial mechanisms, the G8 leaders reaffirmed support for the "establishment of the Climate Investment Funds (CIF) including the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF), administered by the World Bank". However, no new financial mechanisms were announced.

In MEM statement issue on 9 July 2008, the G8 committed to implement the UNFCC by accelerating "enhanced action on technology development, transfer, financing, and capacity building to support mitigation and adaptation efforts". 348

Analyst: Soomee Kim

Objective 2: Energy Security [1]

Energy security has emerged as a crucial issue for the 2008 Hokkaido Summit, as the recent rise in oil prices to a peak of over USD140 billion marks the fastest and largest increase in oil market history. During the 2008 G8 energy ministers meeting in Aomori, the eleven participating countries expressed a sense of crisis regarding current oil prices, declaring, "Current high oil prices are unprecedented and against the interest of either consuming or producing countries." ³⁴⁹

Oil prices are an important issue for resource-scarce Japan, as it imports 82% of its total primary energy supply. Historically, Japan's reliance on foreign energy has compelled the country to reduce its dependency through energy conservation, the development of nuclear energy, and new technologies. These efforts have brought some success to Japan, as it has managed to reduce its oil

³⁴⁵ Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

³⁴⁶ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html

Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

³⁴⁸ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html

Joint Statement by Energy Ministers of G8, The People's Republic of China, India and The Republic of Korea, (Aomori), 8 June 2008. Date of Access: 8 June 2008. http://www.enecho.meti.go.jp/topics/g8/g8_3sta_eng.pdf.

350 As oil soars, Japan's plan makes a lot more sense, The Globe and Mail, 22 May 2008. Date of Access: 23 May 2008. http://www.theglobeandmail.com/servlet/story/GAM.20080521.IBASIA21/TPStory/TPComment.

imports to approximately 4.12 million barrels a day in 2007 from 5 million in 1973.³⁵¹ Japan's record of domestic energy efficiency will form the basis of its approach to energy security at the 2008 Hokkaido Summit, as it will promote its strategy of energy efficiency, diversification, and conservation as a model for others to follow.

At the Hokkaido Summit, Japan will directly relate energy security issues to climate change. During the G8 energy ministers meeting, Japanese Economy, Trade, and Industry Minister Akira Amari stated, "Needless to say, climate change and energy issues are two sides of the same coin...it is essential that we solve the issues in a comprehensive manner." Strategies similar to those presented in Japan's Cool Earth Promotion Programme will be applied to energy security, including the advocacy of international cooperation, sectoral approaches, and technological innovation.

Japan's interests in energy security include showcasing new renewable technologies such as wind turbines and hybrid cars, as well as persuading other G8 members to increase investment in a new generation of nuclear technology developed by Japanese firms, which is touted as being more reliable, safer, and cleaner. In statements made to the media on 3 June 2008, Minister Amari stressed that consumer countries should devote themselves to energy efficiency and invest in new technologies. Amari noted that Japan can provide assistance in these sectors, as it possesses "energy-saving technologies, knowledge, and experts in these fields and...can contribute to other countries in different ways." In the sectors of the sectors

Amari's focus on energy efficiency appears to be shared by other G8 energy ministers. During the Aomori meeting, the importance of domestic efficiency was emphasized over pressuring Organization of the Petroleum Exporting Countries (OPEC) to increase production of crude oil. S55 A joint statement released by the ministers declared, Promotion of energy efficiency in both energy supply and demand chains in a cost-effective manner is a necessary prerequisite for addressing energy security and climate change while supporting economic growth. In order to achieve greater energy efficiency the ministers noted that they particularly appreciate the International Energy Agency's (IEA) twenty-five recommendations for promoting energy efficiency and will set national goals and objectives as well as formulate country specific plans, in which they will maximize implementation of the recommendations and publicly report on their progress. In addition, the ministers agreed to set up the International Partnership for Energy Efficiency Cooperation (IPEEC), a forum to promote international cooperation for the improvement of energy efficiency.

The importance of energy diversification and technological development was also addressed at the meeting, as the 11 countries declared, "together with energy efficiency, energy diversification to encourage greater use of lower-carbon energy is a key for addressing energy security and climate

³⁵¹ As oil soars, Japan's plan makes a lot more sense, The Globe and Mail, 22 May 2008, Date of Access: 23 May 2008. http://www.theglobeandmail.com/servlet/story/GAM.20080521.IBASIA21/TPStory/TPComment.

³⁵²G8 nations agree to create international energy-saving framework, The Japan Times, (Tokyo), 9 June 2008. Date of Access: 9 June 2008. http://search.japantimes.co.jp/rss/nn20080609a2.html .

Aomori G8 talks face nuclear-energy nudge, The Japan Times, (Tokyo), 5 June 2008. Date of Access: 5 June 2008. http://search.japantimes.co.jp/cgi-bin/nn20080605f1.htm.

³⁵⁴Food, Oil woes Worry Amari, The Japan Times, (Tokyo), 3 June 2008. Date of Access: 4 June 2008. http://search.japantimes.co.jp/cgi-bin/nb20080603a1.html.

³⁵⁵G8 energy ministers look inward on oil, Reuters UK, 8 June 2008. Date of Access: 8 June 2008. http://uk.reuters.com/article/businessNews/idUKT28571420080608.

³⁵⁶ Joint Statement by G8 Energy Ministers, (Aomori), 8 June 2008. Date of Access 8 June 2008. http://www.energy.gov/media/G8JMSfinal June082008.pdf.

³⁵⁷ Joint Statement by G8 Energy Ministers, (Aomori), 8 June 2008. Date of Access 8 June 2008. http://www.energy.gov/media/G8JMSfinal June082008.pdf.

³⁵⁸ Declaration International Partnership for Energy Efficiency Cooperation, (Aomori), June 6 2008. Date of Access: June 8 2008. http://www.enecho.meti.go.jp/topics/g8/ipeecsta_eng.pdf.

change."³⁵⁹ The eleven countries also recognized the "critical role of innovative energy technology research, development and demonstration in realizing energy security and addressing climate change in the long-term."³⁶⁰

At the Hokkaido Summit, Japan will achieve success if it is able to reach agreements with other G8 members that energy efficiency, diversification, and technological innovation should be adopted as the primary means for addressing rising oil demand and related energy security issues.

Scoring Guidelines

- **0** The G8 fails to address energy security concerns such as rising oil prices.
- The G8 discuss issues surrounding energy security and oil prices, but fail to come to an agreement on any coordinating policies.
- The G8 releases a statement committing to resolve current oil prices, and related energy security issues but it appears highly diluted and rather ineffective.
- The G8 discusses policies related to energy security and oil prices, and highlights the importance of energy efficiency, diversification, and technological innovation as primary strategies, but does not enact specific initiatives.
- The G8 coordinates policies related to energy security and oil prices that include energy efficiency, diversification, and technological innovation as primary strategies.

Prospects

The recent shocks in the oil market have motivated G8 countries to realize the need to form a collective response. Thus, energy security will receive close attention during the Hokkaido Summit with particular focus placed on combating the current level of oil prices. It appears likely that Japan will successfully promote its approach to energy security, as the agreements and statements made at the 2008 G8 Energy Ministers Meeting show that other nations seem open to Japan's strategies of energy efficiency, diversification, and technological innovation. However, despite this general consensus, the promotion of nuclear power may prove difficult for Japan, as apprehensions surrounding its use remain.

Postscript

Japan received a full score of 1 for energy security. G8 communiqués included energy efficiency, diversification, and technological innovation as primary strategies for addressing energy security, and announced specific polices related to Japan's energy efficiency objectives such as the launch of Japan's proposed International Initiative on 3S-based Nuclear Energy Infrastructure.

The G8 expressed "strong concerns about the sharp rise in oil prices, which poses risks to the global economy", and stated that "Concerted efforts are needed to address the underlying causes for the benefit of all". Energy efficiency, diversification, and technological innovation were mentioned as important strategies in addressing the underlying causes of oil prices. Specifically, the G8 stated that on the demand side "it is important to make further efforts to improve energy efficiency as well as pursue energy diversification". The G8 also proposed to hold "an energy forum to focus on energy

³⁵⁹ Joint Statement by Energy Ministers of G8, The People's Republic of China, India and The Republic of Korea, (Aomori), 8 June 2008. Date of Access: 8 June 2008. http://www.enecho.meti.go.jp/topics/g8/g8_3sta_eng.pdf.

Joint Statement by Energy Ministers of G8, The People's Republic of China, India and The Republic of Korea, (Aomori), 8 June 2008. Date of Access: 8 June 2008. http://www.enecho.meti.go.jp/topics/g8/g8_3sta_eng.pdf.

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

³⁶² World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

efficiency and new technologies, which could also contribute to dialogue between producers and consumers". 363

The 9 July 2008 MEM declaration made similar statements, as it highlighted the "critical role of technology and technological breakthroughs in meeting the interlinked global challenges of energy security and climate change". The MEM nations underlined "energy conservation, [and] energy efficiency" as particularly important. 365

A summit communiqué on climate change also made reference to energy efficiency and conservation. Specifically, the leaders expressed that they would "maximize implementation of the IEA's 25 recommendations on energy efficiency". The G8 welcomed the decision made at the G8 ministers meeting to "establish the International Partnership for Energy Efficiency Cooperation (IPEEC), of which the terms of association will be determined by the end of this year, as a high level forum for enhancing and coordinating our joint efforts to accelerate the adoption of sound energy efficiency improvement practices". 366

Specific policies initiatives related to Japan's energy efficiency objectives were enacted as the leaders announced that an "international initiative proposed by Japan on 3S-based nuclear energy infrastructure will be launched" in order to ensure the peaceful use of nuclear energy.³⁶⁷

Analyst: Masashi Crete-Nishihata

Objective 3: World Economy [0.75]

Japan will play a vital role in discussing the state of the world economy as the host of the Hokkaido Summit. Prime Minister Fukuda has indicated that financial stability, and issues such as the recent sub-prime crisis and credit crunch will be addressed. In his speech to the World Economic Forum (WEF), Prime Minister Fukuda noted that he will present Japanese strategies towards "market liberalization, including reforms in the areas of foreign direct investment, trade procedures, and the financial and capital markets" during the Hokkaido Summit. 368

According to the figures published by the Financial Services Agency (FSA) on 6 June 2008, the aggregate loss of Japanese banks from sub-prime related products is limited to JPY725 billion, which is significantly smaller than that of US and Europe. However, Prime Minister Fukuda is concerned that "the risk of the global economy taking a downward turn is increasing against the backdrop of the sub-prime mortgage loan problem in the United States," and seeks to coordinate policies with other

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

³⁶⁴ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html

³⁶⁵ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html

³⁶⁶ Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

Environment and Climate Change. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

³⁶⁸ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum, Ministry of Foreign Affairs Japan, (Tokyo), 26 January 2008. Date of Access: 4 June 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html.

Exposures of Japanese deposit-taking institutions to sub-prime related products, Financial Services Agency, 6 June 2008. Date of Access: 7 June 2008. http://www.fsa.go.jp/en/news/2008/20080606/01.pdf.

G8 nations to escape this danger.³⁷⁰ Fukuda believes that a "swift response [to a 21st century-style crisis] is absolutely imperative" and that "it is critical to nip in the bud potential credit crunches resulting from diminished capitalization among financial institutions."³⁷¹

Regarding Japanese economic reform and growth, on 6 June 2008, the Diet passed the Bill for Amendment of the Financial Instruments and Exchange Act. This legislation, originally passed on 21 December 2007, seeks to raise the competitiveness of Japan's markets by: 1) creating reliable and vibrant markets; 2) putting in place a business environment that vitalizes the financial services industry and promotes competition; 3) improving the regulatory environment; and 4) improving the broader environment surrounding the markets. At the WEF, Fukuda stated that "Japan's major financial institutions now stand on solid financial ground," and he is expecting the recent economic reform to provide good investment opportunities to the financial assets held by Japan's household sector, which will result in increased capital investment and sustainable economic growth over the long term. 374

On 11 April 2008, the G7 finance ministers and Central Bank governors met in Washington to discuss challenges to the world economy and the international financial system. Through the ministerial meeting, the G7 nations reaffirmed their "shared interest in a strong and stable international financial system." The G7 ministers came to an agreement to resolve the underlying weaknesses in the financial system by implementing recommendations by the Financial Stability Forum and by endorsing the International Monetary Fund (IMF) in securing global financial stability. The G7 ministers came to an agreement to resolve the underlying weaknesses in the financial system by implementing recommendations by the Financial Stability.

On 14 June 2008, the G8 finance ministers met in Osaka, Japan. Through the meeting, the ministers affirmed their commitment to: "1) take appropriate actions to secure stability and growth; 2) enhance the transparency and risk awareness in the financial system; 3) strengthen the resilience of the financial system including implementing recommendations by the FSF; and 4) an open investment policy and acknowledges that international investment is fundamental to global prosperity." 377

Japan will achieve success on its world economy objectives if it is able to coordinate policies with other G8 countries to limit the effect of a global economic slowdown from the fallout in US subprime mortgages. Furthermore, Japan hopes to make progress towards a stronger and more stable international financial system.

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³⁷⁰ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum, Ministry of Foreign Affairs Japan, (Tokyo), 26 January 2008. Date of Access: 4 June 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html.

³⁷¹ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum, Ministry of Foreign Affairs Japan, (Tokyo), 26 January 2008. Date of Access: 4 June 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html.

³⁷² Statement FSA Statement following the enactment of the Bill for Amendment of the Financial Instruments and Exchange Act, Financial Services Agency, 6 June 2008. Date of Access: 8 June 2008. http://www.fsa.go.jp/en/refer/measures/20080606.html.

³⁷³ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum, Ministry of Foreign Affairs Japan, (Tokyo), 26 January 2008. Date of Access: 4 June 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html.

³⁷⁴FSA publishes the Plan for Strengthening the Competitiveness of Japan's Financial and Capital Markets, Financial Services Agency, 21 December 2007. Date of Access: 3 June 2008. http://www.fsa.go.jp/en/news/2007/20071221.html. ³⁷⁵ Statement of G7 Finance Ministers and Central Bank Governors, (Washington), 11 April 2008. Date of Access: 3 June 2008. http://www.g7.utoronto.ca/finance/fm080411.htm.

Statement of G7 Finance Ministers and Central Bank Governors, (Washington), 11 April 2008. Date of Access: 3 June 2008. http://www.g7.utoronto.ca/finance/fm080411.htm.

³⁷⁷ G8 Finance Ministers Meeting, Osaka Statement, Jun 14, 2008, (Osaka), 14 June 2008. Date of Access: 22 June 2008. http://www.g7.utoronto.ca/finance/fm080614-statement.pdf.

- The G8 fails to address financial stability and issues such as the recent sub-prime crisis and credit crunch.
- **0.25** The G8 discusses issues surrounding the financial stability but fail to come to an agreement on any coordinating policies.
- **0.50** The G8 releases a statement committing to resolve issues related to a global economic slowdown but it is highly diluted and seems rather ineffective.
- The G8 coordinates policies to limit the effect of a global economic slowdown but the issue of creating a more secure, transparent, and resilient financial system is neglected.
- The G8 coordinates policies to limit the effect of a global economic slowdown and takes steps towards building a more secure, transparent, and resilient financial system.

Prospects

Since it is in the best interest of all G8 countries to tackle the problems surrounding financial stability and economic growth, it is likely that the G8 will succeed in coordinating policies to limit the effect of a global economic slowdown and building a more secure, transparent, and resilient financial system.

Postscript

The G8 leaders recognized that "serious strain still exists" in the financial market and urged "private-sector players, national supervisory authorities and international bodies to rapidly implement all FSF recommendations to strengthen the resilience of the financial system;" however, they did not coordinate any specific actions to resolve the subprime mortgage crisis, and therefore received a score of 0.75³⁷⁸

Analyst: Kenta Hatamochi

Objective 4: African Development [1]

Japan has indicated that African development is one of the main themes of the Hokkaido Summit. The 2008 Summit marks the mid-point of three Millennium Development Goals (MDGs). Therefore, the issues of health, water, and education in Africa will receive high priority at the upcoming Summit amid concerns that the MDGs will not be met. Japan will lead the promotion of international efforts towards the achievement of these goals.³⁷⁹ Additional priority issues include economic growth and peace building.

On 28 May 2008 at the opening session of the Fourth Tokyo International Conference on African Development (TICAD IV), Prime Minister Fukuda emphasized the issue of human security in Africa, specifically in the areas of health, water, and education. Of these issues, health is a primary concern for Japan. In a 27 November 2007 address, Foreign Affairs Minister Koumura stated that it is of "vital importance that we not only focus on the health of individuals and protect them, but also strive to empower individuals and communities through health system strengthening." Japan

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

³⁷⁹ G8 Hokkaido Toyako Summit, Ministry of Foreign Affairs of Japan, (Tokyo), Date of Access: 2 June 2008. http://www.g8Summit.go.jp/eng/info/theme.html.

³⁸⁰ Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan's Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. http://www.mofa.go.jp/policy/health_c/address0711.html.

intends to shore up G8 support to develop a plan of action for Africa that balances a "disease specific approach" with a "comprehensive approach" to improve health care in Africa. Minister Koumura stressed that it is essential to promote a comprehensive approach in order to address the root of health problem "including…the promotion of research and development and strengthening of health systems including human resource development and retention."³⁸¹

In his WEF address, Fukuda reiterated his commitment to contribute USD560 million to the Global Fund to Fight AIDS, Tuberculosis, and Malaria starting in 2009. In addition, Japan is considering a partnership between Japanese researchers and African institutions that would facilitate engagement between researchers from both countries to find solutions for various issues.³⁸²

On 29 February 2008, Japan contributed USD184 million to the Global Fund. With that contribution Japan met its goal of contributing USD500 million to the fund, pledged by former Prime Minister Junichiro Koizumi in June of 2005. In total, Japan's contribution to the Global Fund has reached approximately USD850 million

Promoting access to water is also a focus for the Hokkaido Summit. During TICAD IV, Prime Minister Fukuda announced that Japan will be organizing a new technical assistance corps of water specialists, the Water Security Action Team (W-SAT), to be dispatched to work in African nations. By sending in specialists to work on accessing underground water resources, Japan hopes to provide water access to as many Africans as possible. 383

With regards to education, Japan plans to discuss the Dakar Education for all goals, as well as vocational training, secondary and higher education. On 23 April 2008, Minister Koumura announced that over the next five years Japan will construct approximately 1,000 schools in Africa that will provide enough classrooms for 400,000 children. In addition, Japan will provide assistance towards improving the teaching methods of 100,000 teachers in Africa. 384

Economic growth and self reliance are also key objectives on the Japanese African agenda. In his address to the WEF, Prime Minister Fukuda stated, "for eradication of poverty in Africa it will be essential for us to boost Africa's economic growth and support African self-reliance." TICAD IV outlined specific actions aimed toward boosting economic growth in the next five years. Initiatives included financial and technical support of regional transport and power infrastructure, enhanced involvement of regional institutions, and the promotion of public-private partnerships. Drawing from

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Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan's Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. http://www.mofa.go.jp/policy/health_c/address0711.html.

³⁸¹ Address by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan: Global Health and Japan's Foreign Policy – From Okinawa to Toyako, Ministry of Foreign Affairs of Japan, (Tokyo), 25 November 2007. Date of Access: 17 June 2007. http://www.mofa.go.jp/policy/health_c/address0711.html.

³⁸² Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan at the Opening Session of the Fourth Tokyo International Conference on African Development (TICAD IV), Ministry of Foreign Affairs of Japan, (Tokyo), 28 May 2008. Date of Access: 8 June 2008.

http://www.mofa.go.jp/region/africa/ticad/ticad4/pm/address.html.

Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan at the Opening Session of the Fourth Tokyo International Conference on African Development (TICAD IV), Ministry of Foreign Affairs of Japan," (Tokyo), 28 May 2008. Date of Access: 8 June 2008. http://www.mofa.go.jp/region/africa/ticad/ticad4/pm/address.html.

MOFA: Policy Speech by Mr. Masahiko Koumura, Minister for Foreign Affairs of Japan, Ministry of Foreign Affairs of Japan, (Tokyo), 23 April 2008. Date of Access: 1 May 2008. http://www.mofa.go.jp/announce/fm/koumura/speech0804.html.

³⁸⁵ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum, Ministry of Foreign Affairs of Japan, (Tokyo), 26 January 2008. Date of Access: 7 June 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html.

the experience of Asian economies, Japan will also make efforts to promote trade and attract foreign investment in order to boost economic growth in Africa. 386

Fukuda has also stressed that peace is a prerequisite for development. He noted that Japan has already been working towards the cooperation for countries' rehabilitation and reconstruction and added that it will be extending assistance to Peacekeeping Operation centres in Africa in order to enhance their own peacekeeping capacities. At TICAD IV Japan also emphasized the importance of the role of the United Nations, the Security Council and the Peace-building Commission in contributing to peacekeeping operations. Security Council and the Peace-building Commission in contributing to peacekeeping operations.

At the Hokkaido Summit, Japan will achieve success on its African development agenda if it is able to coordinate policies that promote human security in Africa with the goal of meeting the MDGs, boosting economic growth and self reliance, and providing support for peace building efforts.

Scoring Guidelines

- The G8 fails to address concerns related to African development such as meeting the Millennium Development Goals, boosting economic growth, and peace building.
- **0.25** The G8 discusses issues regarding African development but fail to come to an agreement on specific policies.
- **0.50** The G8 makes statements committing to an action plan on African development but it is unspecific, heavily diluted, and unrelated to Japan's objectives for Africa.
- The G8 makes statements committing to an action plan regarding African development that is related to Japan's specific goals in the area, but Japan has compromised with respect to its objectives of meeting the Millennium Development Goals, boosting economic growth, and supporting peace building.
- The G8 makes statements committing to an African development action plan that is directly related to Japan's objectives to meet the Millennium Development Goals, boost economic growth, and support peace building.

Prospects

Japan has positive prospects for achieving its African development objectives. During their meeting in Tokyo, G8 Development Ministers acknowledged the "pressing need for reinvigorating [G8] efforts and renewed [G8] commitments to continue to assist the developing world to achieve these [Millennium Development] Goals." On health Japan is likely to receive favourable responses from its G8 counterparts. In particular, the US has indicated that health is a top African development issue. President Bush has prioritized health development at previous summits including Heiligendamm, St. Petersburg and Gleneagles, and given that the Hokkaido summit will be his last it is probable that Bush will strongly push for action on the issue. Overall, given the consensus achieved at the G8 Development Ministers' meeting it is probable that Japan will be able to coordinate policies that meet its stated African development objectives.

Postscript

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³⁸⁶ TICAD IV Yokohama Action Plan, Ministry of Foreign Affairs of Japan, (Tokyo), 30 May 2008. Date of Access: 7 June 2008. http://www.mofa.go.jp/region/africa/ticad/doc/action.html#2.

³⁸⁷ Special Address by H.E. Mr. Yasuo Fukuda, Prime Minister of Japan On the Occasion of the Annual Meeting of the World Economic Forum, Ministry of Foreign Affairs of Japan, (Tokyo), 26 January 2008. Date of Access: 7 June 2008. http://www.mofa.go.jp/policy/economy/wef/2008/address-s.html,

³⁸⁸ Yokohama Declaration – Towards A Vibrant, Ministry of Foreign Affairs, (Tokyo), 30 May 2008. Date of Access: 7 June 2008. http://www.mofa.go.jp/region/africa/ticad/ticad4/doc/declaration.pdf.

Japan received a full score of 1 for its African development objectives. At the 2008 Hokkaido Summit, G8 leaders committed to an African development action plan that directly addressed Japan's specific objectives on the issue of human security, economic growth, and peace building. In particular the G8 made progress on Japan's declared human security goals of health, water, and education.

On health the G8 committed to ensuring that disease-specific and comprehensive health systems approaches are balanced and contribute to the goal of meeting the health Millennium Development Goals (MDGs). These initiatives reflect Japan's health objectives for Africa.

On water the G8 agreed to "accelerate the achievement of the internationally agreed goals on water and sanitation," and committed to reinvigorating its efforts to implement the *Evian Water Action Plan* and review it on the basis of a progress report prepared by G8 water experts at the 2009 Maddalena Summit. The leaders supported efforts to improve the governance of the water and sanitation sector by ensuring monitoring and reporting and the improvement of water delivery institutions. These water initiatives directly align with Japanese objectives outlined at TICAD IV.

The G8 also recommitted to *Education for All* and the agencies that implement it and "support the efforts of the efforts of the Fast Track Initiative (FTI) for universal primary education."³⁹² The G8 will mobilize bilateral and multilateral resources to meet the shortfalls of FTI-endorsed countries estimated at approximately USD1 billion for 2008. The importance of a holistic approach to the education systems was stressed, with priority given to the completion of universal primary education by boys and girls, while balancing "primary and post-primary education."³⁹⁴

In terms of economic growth the G8 agreed to a number of important points for Africa including the development of road and power networks.³⁹⁵

The G8 leaders noted that peace and security are fundamental to sustainable development and expressed their support for the African Union.

Analysts: Julia Kulik and Masashi Crete-Nishihata

Objective 5: Non-proliferation [1]

Japan's unique status as the only country to have suffered the devastation of atomic bombings makes the issue of nuclear non-proliferation a central concern for the country. Japan has indicated that during the Hokkaido summit it will "send a strong message toward strengthening the non-proliferation regime" and place new pressure on defiant states such as North Korea and Iran to abandon their nuclear ambitions. ³⁹⁶ In statements made during a June 2008 visit to Israel, Japan's

³⁸⁹ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

³⁹⁰ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008.http://www.mofa.go.jp/u_news/2/20080708_173847.html.

³⁹¹ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

³⁹² Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

³⁹³ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

³⁹⁴ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

³⁹⁶ Main themes at Hokkaido Toyako Summit and Japan's objectives, G8 Hokkaido Toyako Summit, (Tokyo), 2008. Date of Access: 9 June 2008. http://www.g8Summit.go.jp/eng/info/theme.html.

deputy minister to Israel, Kuninori Matsuda, noted that allegations made by US intelligence that accuse Syria of possessing a clandestine nuclear program will also be discussed if International Atomic Energy Agency (IAEA) inspectors are able to visit Syria and publish a report by the time of the Summit.³⁹⁷

The denuclearization of North Korea is a central focus for Japan, given its history of tense relations with the rogue nation, recently intensified with the North Korean announcement of successfully testing a nuclear weapon in 2006. As a 2008 white paper entitled *Japan's Disarmament and Non-Proliferation Policy* states, "the path towards realizing denuclearization on the Korean Peninsula remains long." The paper describes Pyongyang's recent nuclear and missile tests as a "serious threat" to East Asia and the world and calls for expanding global cooperation to cut off support for the North's nuclear programs. ³⁹⁹

Concerns over North Korea were also expressed during the 27 June 2008 G8 foreign minister's meeting. The chairman's statement from the meeting urged North Korea to "abandon all nuclear weapons and existing nuclear programs as well as ballistic missile programs and return to full compliance with its [non-proliferation Treaty] obligations." On 26 June 2008, North Korea handed in a six month overdue declaration of its nuclear assets to China in compliance with the Six-Party Talks (SPT) agreement. The G8 foreign ministers welcomed this recent development as an important step in achieving the goals of the SPT, but stressed the importance of verifying the declaration and emphasized the need to accelerate "the Six-Party Talks toward the full implementation of the Joint Statement of September 19, 2005 including the abandonment of all nuclear weapons and existing nuclear programs by North Korea."

The ministers also called for an early resolution of issues regarding North Korea's abduction of Japanese nationals in the 1970s and 80s. The Ministry of Foreign Affairs of Japan has indicated that the issue will be added to the agenda for the Hokkaido Summit. Adding this issue is crucial, because Japan is concerned that its efforts to trace abducted nationals may be marginalized if North Korea is lifted from the US list of state sponsors of terrorism, which the US has agreed to do if the recently submitted declaration is found to be complete. Hokkaido Summit presents an opportunity for Japan to aggressively push the abduction issue, and seek support from other G8 members.

In a 28 June 2008 press conference, Foreign Minister Koumura noted that his G8 counterparts and delegates from the EU, European Council, and European Commission expressed support for Japan's

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³⁹⁷ Japan puts denuclearization at center of G8 Summit, Ynet News, (Tel Aviv), 8 June 2008. Date of Access: 8 June 2008. http://www.ynetnews.com/articles/0,7340,L-3552592,00.htm.

 ³⁹⁸ Japan to lead discussions on North Korea, Iran nuclear issue at July's G8, BBC Monitoring Asia Pacific. 1 April 2008.
 ³⁹⁹ Japan to lead discussions on North Korea, Iran nuclear issue at July's G8, BBC Monitoring Asia Pacific. 1 April 2008.

⁴⁰⁰ G8 Foreign Minister's Meeting (Kyoto, June 27, 2008) Chairman's Statement, The Ministry of Foreign Affairs of Japan, (Kyoto), 27 June 2008. Date of Access 27 June 2008.

http://www.mofa.go.jp/policy/economy/Summit/f_kyoto08/statement.html.

⁴⁰¹N Korea hands over nuclear data, BBC World News, (London), 26 June 2008. Date of Access: 26 June 2008. http://news.bbc.co.uk/2/hi/asia-pacific/7474952.stm.

⁴⁰²G8 Foreign Minister's Meeting (Kyoto, June 27, 2008) Chairman's Statement, The Ministry of Foreign Affairs of Japan, (Kyoto), 27 June 2008. Date of Access 27 June 2008.

http://www.mofa.go.jp/policy/economy/Summit/f_kyoto08/statement.html. do 3 G8 Summit Chair's Summary to Address Abduction Issue: Komura, Jiji Press English News Service, 24 June 2008. Date of Access: 24 June 2008. http://g8live.org/2008/06/24/g-8-Summit-chairs-summary-to-address-abduction-issue-

⁴⁰⁴ N Korea hands over nuclear data, BBC World News UK, (London), 26 June 2008. Date of Access: 26 June 2008. http://news.bbc.co.uk/2/hi/asia-pacific/7474952.stm.

call for strong action towards resolving the North Korean abduction issue. 405 In particular, US Secretary of State Condoleezza Rice stated, "The US has told North Korea that the abduction issue is not just an issue for Japan. It is also an issue for the US and is an international human rights issue." 406

Japan has also expressed concern regarding Iran's nuclear ambitions. As the 2008 white paper *Japan's Disarmament and Non-Proliferation Policy* notes, "It is extremely regrettable that despite calls by Japan and the rest of the international community, Iran continues to expand its uranium enrichment activities." This comment reflects official statements made by Minister Koumura on 4 March 2008, which labelled the Iranian refusal to comply "deplorable," and "urges Iran to accept such requirements and return to the negotiation." 408

These concerns were echoed in the chairman's statement from the G8 foreign ministers meeting. The ministers expressed, "serious concern over the proliferation risks posed by the Iranian nuclear program and Iran's failure to comply with its international obligations under successive UNSCRs, including UNSCR 1803 adopted on March 3, 2008, as well as the fact that Iran has expanded its enrichment program."

The ministers strongly urged Iran to "cooperate fully with the IAEA, in particular by answering all of the IAEA's questions without further delay, and to comply with its international obligations, in particular to suspend all enrichment-related activities."

The ministers noted they remain committed to a diplomatic solution through the dual track approach, and urged Iran to engage in negotiations and respond to the updated incentives package in a constructive manner.

Japan will achieve success on its non-proliferation objectives if it is able to coordinate policies that strengthen the international non-proliferation framework and encourage G8 nations to cooperatively use diplomatic means to pressure North Korea and Iran to comply with demands from the international community regarding their nuclear programs.

Scoring Guidelines

- The G8 fails to achieve any measurable results with respect to Japan's objectives of strengthening the non-proliferation framework, and the denuclearization of Iran and North Korea
- **0.25** The G8 discuss issues regarding non-proliferation but fails to come to an agreement on specific policy.
- **0.50** The G8 makes statements committing to an action plan on non-proliferation but it is highly-diluted and seems rather ineffective.
- The G8 makes statements regarding strengthening the non-proliferation framework, but fails to encourage cooperation on North Korean and Iranian denuclearization initiatives, and makes no mention of the North Korean abduction issue.

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⁴⁰⁵ G8 calls on DPRK to help verify N-report / Ministers say N-facilities must be disabled, Daily Yomiuri, (Tokyo), 28 June 2008. Date of Access: 28 June 2008. http://g8live.org/2008/06/28/g-8-calls-on-dprk-to-help-verify-n-report-ministers-say-n-facilities-must-be-disabled.

⁴⁰⁶ Verifying North report crucial: G8, Japan Times, (Tokyo), 28 June 2008. Date of Access: 28 June 2008. http://search.japantimes.co.jp/cgi-bin/nn20080628a2.html.

⁴⁰⁷ Japan to lead discussions on North Korea, Iran nuclear issue at July's G8, BBC Monitoring Asia Pacific. 1 April 2008. ⁴⁰⁸ Statement by Mr. Masahiko Koumura, Minister for Foreign Affairs, on the Adoption of United Nations Security Council Resolution 1803 concerning Iran's Nuclear Issue, The Ministry of Foreign Affairs of Japan, (Tokyo), 4 March 2008. Date of Access: 1 June 2008. http://www.mofa.go.jp/announce/announce/2008/3/1178441_990.html.

⁴⁰⁹ G8 Foreign Minister's Meeting (Kyoto, June 27, 2008) Chairman's Statement, The Ministry of Foreign Affairs of Japan, (Kyoto), 27 June 2008. Date of Access 27 June 2008.

http://www.mofa.go.jp/policy/economy/Summit/f_kyoto08/statement.html.

⁴¹⁰ G8 Foreign Minister's Meeting (Kyoto, June 27, 2008) Chairman's Statement, The Ministry of Foreign Affairs of Japan, (Kyoto), 27 June 2008. Date of Access 27 June 2008.

 $http://www.mofa.go.jp/policy/economy/Summit/f_kyoto08/statement.html.$

The G8 coordinates policies that commit to strengthening the international non-proliferation framework, and applying pressure to North Korea and Iran to comply with demands from the International community regarding their nuclear programs. A statement is also made that seeks an early resolution to the North Korean abduction issue.

Prospects

Japan is likely to succeed in its objectives regarding non-proliferation, as the chairman's statement from the G8 foreign ministers meeting demonstrates that all members share concerns regarding nonproliferation and the nuclear programs of Iran and North Korea. It is highly probable that a statement will be made regarding Iran's nuclear program that will urge G8 members and Iran to engage in a diplomatic solution. Recent declarations by G8 members in other venues demonstrate the likelihood of such a statement. For example, on 10 June 2008 the EU and US released a draft deceleration on Iran, which stated, "We affirm the dual track strategy on this issue which was reinforced by the incentives package and reiterate our belief that a mutually satisfactory, negotiated solution remains open to Iran."411 While diplomacy is the current focus, the US did not rule out the use of force in comments made on 11 June 2008. US President George W. Bush noted, "all options are on the table, but the first choice is to solve this problem by working closely together."⁴¹² Japan will advocate a diplomatic solution to the Iranian situation and will likely find consensus with other G8 members. Progress should also be made in regards to North Korea, as the US is expected to work closely with Japan in stressing the importance of verifying the accuracy of the rogue state's recent declaration of its nuclear activities, and ensuring the Six-Party Talks move forward. Japan will place strong emphasis on pressuring North Korea to resolve the abduction issue and appears to have the support of its G8 counterparts on this matter.

Postscript

Japan received a full score of 1 for non-proliferation. At the 2008 Hokkaido Toyako Summit, the G8 made progress towards strengthening the non-proliferation framework and strongly urged North Korea and Iran to abandon their nuclear ambitions. An important addition to official G8 communiqués from the Japanese perspective is a direct reference to the Abduction issue, which marks the first time the issue has been addressed in a G8 leader's declaration. The reference to the abduction issue is an important success for Japan, and should reassure the country that its G8 counterparts stand behind it on this sensitive domestic issue.

On North Korea, the G8 stated, "Noting the progress made through the Six-Party process since last year, we welcome, though long overdue, the Democratic People's Republic of Korea (DPRK)'s provision of a declaration as a step toward the full implementation of the Joint Statement". 413

The G8 leaders stressed the importance for comprehensive verification of the declaration, and urged the DPRK "to fully cooperate in the verification process, including its effective implementation". 414

In the chair's summary given by Prime Minister Fukuda on 9 July 2008, he stated that the G8 "urge DPRK, in accordance with the Joint Statement of September 19, 2005 and UNSCRs 1695 and 1718,

⁴¹¹ Text of US-EU Summit Statement, Associated Press, 10 June 2008. Date of Access: 10 June 2008. http://www.forbes.com/feeds/ap/2008/06/10/ap5101200.html.

⁴¹²Bush warns 'all options' open on Iran, AFP, 11 June 2008. Date of Access: 11 June 2008. http://afp.google.com/article/ALeqM5iEARLXEytT0ErWcFsw3jB5AV7n3w.

⁴¹³ Political Issues, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008 http://www.mofa.go.jp/u_news/2/20080708_230251.html

⁴¹⁴ Political Issues, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008 http://www.mofa.go.jp/u_news/2/20080708_230251.html

to abandon all nuclear weapons and existing nuclear programs as well as ballistic missile programs and return to full compliance with its NPT obligations". 415

The G8 leaders also strongly urged the "DPRK to take prompt actions to address other security and human rights/humanitarian concerns including the early resolution of the abduction issue". In an 8 July 2008 media briefing, Press Secretary Kazuo Kodama noted that the leaders "whole heartedly expressed their support for the resolution of the abduction issue". 416

On Iran, the G8 expressed "serious concern at the proliferation risks posed by Iran's nuclear programme and Iran's continued failure to meet its international obligations". ⁴¹⁷ The leaders urged Iran to fully comply with UN Security Council Resolutions 1696, 1737, 1747 and 1803, and suspend all enrichment-related activities. The G8 also called on Iran to "fully cooperate with the IAEA, including by providing clarification of the issues contained in the latest report of the IAEA Director General". Support was given for the "efforts by China, France, Germany, Russia, the United Kingdom and the United States supported by the High Representative of the EU to resolve the issue innovatively through negotiation" and Iran was urged to "respond positively to their offer delivered on 14 June 2008". ⁴¹⁸

Analyst: Masashi Crete-Nishihata

Objective 6: Afghanistan [0.50]

As Summit chair, Japan intends to address the issue of Afghanistan. In March 2008 remarks made before the United Nations Security Council (UNSC), Japanese Ambassador Yukio Takasu stated, "Japan, in its capacity as Chair of the G8, will pursue synergy between the discussion in the G-8 Summit process and those reviews and discussions taking place in the U.N. and other forums, so that we may better support the efforts to consolidate peace and stability in Afghanistan." Japan is particularly concerned by the deteriorating security situation in Afghanistan underlined by the rise of suicide bombings and insurgent activities in the southern and eastern areas of the war-torn country. At the Hokkaido Summit, Japan will promote international support for Afghanistan and the provision of developmental aid to areas on the Afghanistan-Pakistan border.

Afghanistan has been an issue of consensus for the G8 in the past. During the 2007 Heiligendamm Summit, G8 leaders agreed to work together on an economic strategy for development in the Afghanistan-Pakistan border region. Thus, Japan's focus at the 2008 Hokkaido summit is to consolidate existing processes in the area.

The Japanese government has been a major donor to Afghanistan, pledging USD1.25 billion dollars since the fall of the Taliban in late 2001. In February 2008, Japan hosted the Joint Coordination and Monitoring Board meeting, and announced it will extend an additional USD110 million in aid to Afghanistan. In May 2008, Japan demonstrated further initiative on this issue, when Foreign Minister

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⁴¹⁵ Chair's Summary, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html

⁴¹⁶ Press Conference on G8 Working Dinner. G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako) 8 July 2008.

⁴¹⁷ Political Issues, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008 http://www.mofa.go.jp/u_news/2/20080708_230251.html

⁴¹⁸Political Issues, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008 http://www.mofa.go.jp/u_news/2/20080708_230251.html

⁴¹⁹ Government eyes G-8 joint statement on assistance to Afghanistan, Daily Yomiuri, 19 May 2008.

⁴²⁰ Japan may send troops to Afghanistan: PM, AFP, 1 Jun 2008. Date of Access: 3 June 2008. http://afp.google.com/article/ALeqM5hidTzbZMT60CBsjJHUVJE0II263Q.

Koumura visited Afghanistan and Pakistan, and proposed G8-led development initiatives for border areas, which Japanese officials claim were welcomed by both sides. 421

On 26 June 2008, G8 foreign ministers issued a joint statement on Afghanistan, pledging to increase aid and reform activities in areas near the Afghanistan-Pakistan border, which have been a hotbed of insurgent violence. The ministers also endorsed more than 150 projects currently planned or implemented in the region by G8 countries, worth approximately USD4 billion dollars in total, and called for neighbouring countries to play key roles in stabilizing conditions in Afghanistan. 422

Japan's advocacy of international support for Afghanistan coincides with domestic debates on the expansion of Japan's role in the region. On 13 June 2008, Japan extended its refuelling mission in the Indian Ocean until January 2009, citing the need to provide continued assistance to US led antiterrorism operations in and around Afghanistan. Further involvement is also being considered, as on 10 June 2008 a team of Japanese officials went to Afghanistan to explore the possibility of sending Japanese Self-Defence Forces (SDF) to the country on an assistance mission. 424

At the Hokkaido Summit, Japan will achieve success if it is able to coordinate policies with other G8 members that provide financial assistance for stabilizing Afghanistan.

Scoring Guidelines

0 The G8 fails to address Afghanistan

- **0.25** The G8 discusses Afghanistan, but fail to come to an agreement on any coordinating policies.
- **0.50** The G8 releases a statement committing to assist Afghanistan, but it is highly-diluted and seems rather ineffective.
- **0.75** The G8 coordinates policies to assist Afghanistan, but issues regarding peace-building in Afghanistan are neglected.
- The G8 coordinates policies to assist Afghanistan, and takes further steps towards contributing to the peace-building effort in Afghanistan.

Prospects

Given the history of G8 consensus on Afghanistan, and the high priority that the US and Canada will give the issue at the Hokkaido Summit, Japan is likely to coordinate policies to financially assist Afghanistan and to contribute to the peace-building efforts in the country

Postscript

Japan received a score of 0.5 for Afghanistan. The G8 reaffirmed "the importance of economic and social development along with counter-terrorism measures in the Afghanistan-Pakistan border region", and expressed commitment to further strengthening the coordination of our efforts in the border region in cooperation with the respective countries, international organizations, and other donors".

⁴²¹ G8 diplomats renew vow to stabilize Afghanistan, The Japan Times, (Tokyo), 27 June 2008. Date of Access: 27 June 2008. http://g8live.org/2008/06/27/g-8-diplomats-renew-vow-to-stabilize-afghanistan.

⁴²² G-8 offers plan to fight Afghanistan terrorism, Daily Yomiuri, 27 June 2008.

⁴²³ Cabinet extends overseas missions of SDF, The Japan Times, (Tokyo), 14 June 2008. Date of Access: 14 June 2008. http://search.japantimes.co.jp/rss/nn20080614a5.html.

Team off to assess SDF Afghan role, The Japan Times, (Tokyo), 10 June 2008. Date of Access: 10 June 2008. http://search.japantimes.co.jp/rss/nn20080610b1.html.

⁴²⁵ Political Issues, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 8July 2008 http://www.mofa.go.jp/u_news/2/20080708_230251.html

Leaders noted that they support the strengthened mandate of UNAMA and Special Representative of UN Secretary-General Kai Eide in their key role as overall coordinator, and appreciate the role being played by ISAF and Operation Enduring Freedom, including its maritime component, in support of this effort.

Leaders also agreed to strengthen assistance to the Afghanistan / Pakistan border. However, no specific policies were coordinated and therefore Japan received a half mark of 0.5 on the issue.

Analyst: Soomee Kim

RUSSIA [0.62]

Economic Data

Currency: Ruble

Population: 140,702,094

Gross Domestic Product (official exchange rate): USD1.286 trillion

Gross Domestic Product per capita (PPP): USD14,600

Major Trading Partners: Netherlands, Italy, Germany, China, Ukraine, Japan, South Korea

Political Data

Type of government: Federation

Date of Establishment: 12 December 1993

Legislature: Bicameral; Federal Council and State Duma

Head of State: President Dmitry Medvedev

Head of Government: Prime Minister Vladimir Putin

Background

President Dmitry Medvedev will be attending his first G8 Summit at Hokkaido Toyako. President Medvedev's predecessor Vladimir Putin attended eight G8 Summits from 2000 to 2007. Throughout this period, Russia has developed a more assertive foreign policy on both economic and political fronts.

The Hokkaido- Toyako Summit will provide President Medvedev an opportunity to expand Russia's political and economic relations with other G8 member states and present Russia as a state committed to protecting economic rights, strengthening the rule of law, and diminishing corruption. At the International Economic Forum in St. Petersburg on 7 June 2008, President Medvedev made note of Russia's "Four I's" development concept: "institutions, infrastructures, investments, and innovations." Despite aiming for further global leadership, Russia is still subject to international criticism for its perceived restraints on political parties, non-governmental organizations, and media outlets. 427

In Hokkaido Toyako, Russia will look to find further common ground with its fellow G8 members, especially those from the EU. Russia's relations with the UK deteriorated due to the Alexander Litvinenko poisoning scandal, the two-way expulsions of diplomats, and the closing of British Council regional offices in Russia. A side meeting is planned between President Medvedev and British Prime Minister Gordon Brown at the Hokkaido Toyako Summit to "repair ties." President Medvedev's visit to Germany on 5 June 2008 demonstrated Russia's interest in seeking common ground prior to the Hokkaido Toyako Summit, especially in the areas of energy security, trade, and regional security. President Medvedev will also have to address a number of unresolved security disagreements with the US, including those on potential NATO expansion in Ukraine and the Caucasus, as well as US plans for a missile defence system in Eastern Europe.

⁴²⁶ Speech at 12th Petersburg International Economic Forum, President of Russia, (Moscow), 7 June 2008. Date of Access: 29 July 2008. http://kremlin.ru/eng/speeches/2008/06/07/1338_type82914type127286_202288.shtml.

G8 Country Analysis Part I: Objectives and Data Reports, G8 Information Centre, (Toronto), June 2007. Date of Access: 9 June 2008. http://www.g8.utoronto.ca/evaluations/2007heiligendamm/2007countries-obj.pdf.

⁴²⁸ Russian ambassador says Russia and Britain can repair ties, Reuters UK, (London), 16 May 2008. Date of Access: 9 June 2008. http://uk.reuters.com/article/domesticNews/idUKL1643651520080516.

⁴²⁹ Medvedev 'worried' by tensions with West, AFP, (Berlin), 5 June 2008. Date of Access: 9 June 2008. http://afp.google.com/article/ALeqM5gv_c9ZF27K9e1gFSacPPaTfaeSbg.

As the world's largest exporter of natural gas, Russia will most prominently advance energy security questions at the Hokkaido Toyako Summit. Russia will also attempt to steer the non-proliferation and regional security discussions. Russia will also be looking to maintain its prior level of high involvement with the issue of African development. Finally, Russia will look to solidify its status as one of the foremost actors in global governance.

Lead Analyst: Egor Ouzikov

Objective 1: Energy Security [0.75]

At the Hokkaido Toyako G8 Summit, Russia is likely to identify energy security as its priority issue. Russia will continue to push for energy security under the framework of the 2006 Global Energy Security Action Plan created during the St. Petersburg G8 Summit. This framework defines energy security as encompassing "all links of the technological chain, from the exploration of energy resources, to energy production, to the transportation of energy products."

Russia's pursuit of energy security demonstrates their explicitly politicized approach to energy issues, evidenced by past gas price disputes with both the Ukraine and Georgia as well as the issue of the creation of the Russian-German Baltic sea gas pipeline deal, which would have the effect of removing the involvement of transit states. Thus, for Russia, the energy security strategy at Hokkaido Toyako will primarily involve asserting that it does not need facilitators in its energy dialogue with the states on the supply side (i.e. the EU), and that the presence of intermediaries poses a security challenge. According to the Director of the National Energy Security Fund Konstantin Simonov the oil and gas sector in Russia constitutes more than half of federal budget revenues, thereby playing an important role in both domestic and foreign policy.⁴³¹

Aside from continuing to politicize the issue of energy security in the attempt to demonstrate the importance of natural resources to the revival of national economy, Russia will maintain its strategy of separating the issue of energy security from energy transparency. Russian oil reserve data is kept a state secret and the country continues to collect data in a different manner than those proscribed by international standards. For example, in 2007, Russia declined to participate in the Extractive Industry Transparency Initiative (EITI) and the Publish What You Pay (PWYP) Coalition Transparency – both of which are pro-transparency institutions.

Russia's concern with energy security is demonstrated through the most recent domestic institutional reforms. Prior to his presidential appointment, President Medvedev held the position of Chairman of Gazprom – the world's largest supplier of natural gas and Russia's largest corporation – which hints at the crucial role that energy security will continue to play in Russian politics even after the end of Putin's presidency. Furthermore, in May 2008, former Prime Minister Putin has announced the creation of the Energy Ministry as separate from the Industry and Energy Ministry, which suggests that the energy sector is going to play a crucial role, not only as part of summit discussions but throughout President Medvedev's presidency as well.

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⁴³⁰ Makarychev, Andrey S. Russia's Energy Policy. Between Security and Transparency. PONARS Memo No. 425, Dec 2006. Date of Access: 15 June 2008. www.csis.org/media/csis/pubs/pm_0425.pdf.

⁴³¹ Nuclear Exec to Head New Energy Ministry, Moscow Times, (Moscow), 13 May 2008. Date of Access: 7 June 2008. http://www.moscowtimes.ru/article/1010/42/362669.htm.

⁴³²The G8 and Russia: Security of Supply vs. Security of Demand? Oxford Energy Comment, September 2007. Date of Access: 7 June 2008. http://www.oxfordenergy.org/pdfs/comment_0806-1.pdf.

⁴³³ Russia Supports G8 Efforts to Insure Energy Efficiency for Tackling Climate Change, The Voice of Russia, 5 June 2008. Date of Access: 7 June 2008. http://www.ruvr.ru/main.php?lng=eng&q=28045&cid=57&p=05.06.2008.

⁴³⁴ Shmatko New Russian Energy Minister, Europower, 15 May 2007. Date of Access: 7 June 2008. http://www.europower.com/site/ep_article.php?artid=4970.

On 5 May 2008, the Russian Minister of Industry and Energy Viktor Khristenko met with European Energy Commissioner Andris Piebalgs to discuss EU-Russia Energy Cooperation. 435 Ahead of the G8 Energy Ministers Meeting on 8 June 2008 in Aomori, Japan, and also ahead of the EU-Russia Summit that took place on 26 June 2008 in Khanty-Mansiysk, Russia, this meeting shows that Russia is likely to push for closer cooperation with its European consumer states where energy security is concerned. 436

Scoring Guidelines

- There is no substantial progress on the issue of energy security within the discussion of 0
- There is evidence of little discussion on an action plan to facilitate energy technology transfer and adapt to environmental challenges; however, no action plan is released and no 0.25 framework is established to deal with the issue.
- The G8 demonstrates significant engagement on the issue of energy security and develops a framework to facilitate transfer of new energy technology. However, a bias against energy 0.5 producers in statements or communiqués is evident.
- The G8 actively discusses an action plan to facilitate energy technology transfer and adapt to environmental challenges, stressing the importance of liberalization and decentralization 0.75 of the energy sector as well as on pursuit of transparency of energy flows and collection of energy data.
 - There is fundamental progress on the issue of energy security with multilateral acknowledgment of the legitimacy of indiscriminate state control over natural resources.
 - 1 The G8 releases an action plan to facilitate energy technology transfer as well as to adapt to environmental challenges and to the soaring domestic energy demand in energy-producing states.

Prospects

In order to achieve its objectives at the Hokkaido Toyako Summit, Russia will have to take into consideration the environmental aspect of energy security. This is especially important as experts regard oil leakages, reported during the implementation of major international energy projects such as the Baltic Gas Pipeline System and in Baikal, Sakhalin, and the Shtockman gas fields, as serious energy security problems. To tackle this problem, Russia will promote the modernization of energy industry through technological development and research aimed at the improvement of energy efficiency. This process began on 6 May 2008 with President Medvedev signing a decree that stipulated measures to improve energy efficiency by 40% before 2020. 437 Russia has made clear its commitment to promoting scientific innovation in the energy sector by hosting the annual International Economic Forum in St. Petersburg on 7 June 2008. At the Forum, President Medvedev stated, "We are convinced that [paying] attention to breakthroughs in scientific developments is a serious step to truly reliable guarantees of energy resources for everyone."438

⁴³⁵ Commissioner Piebalgs and Minister Khristenko discuss EU-Russia Energy Cooperation, Rapid Press Releases EUROPA, 5 May 2008. Date of Access: 5 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/681&format=HTML&aged=0&language=EN&guiLanguage=IP/08/681&format=HTML&aged=0&language=0&lan

age=en.

436 G8 Energy Ministers Meet in Japan as Oil Prices Soar, RIA Novosti, (Toronto), 7 June 2008. Date of Access: 8 June 2008. http://en.rian.ru/world/20080607/109447961.html.

⁴³⁷ Russia Supports G8 Efforts to Insure Energy Efficiency for Tackling Climate Change, The Voice of Russia, 5 June 2008. Date of Access: 7 June 2008. http://www.ruvr.ru/main.php?lng=eng&q=28045&cid=57&p=05.06.2008.

⁴³⁸ Medvedev Says Science Can Solve "Energy Poverty." RIA Novosti, (Moscow), 7 June 2008. Date of Access: 7 June 2008. http://en.rian.ru/russia/20080607/10950937.html.

Russia will continue to pursue a politicized approach to energy security at the Hokkaido Toyako Summit. However the necessity of pursuing multilateral cooperation as well as technological innovation in the energy sector will likely result in a Russia that first and foremost, seeks to improve trust and transparency with its partners.

Postscript

Russia has earned a score of 0.75 on its energy security objective. There was no multilateral acknowledgement of the legitimacy of state control over natural resources at the Hokkaido Toyako Summit. Nonetheless, the G8 stressed the liberalization of the energy sector, including "expanded investment on the supply side" and "energy diversification on the demand side." The G8 leaders recognized the need to develop new energy-efficient technologies and welcomed Japan's offer to host a meeting on the matter later this year. Although an action plan facilitating energy technology transfer was not developed, the G8 recognized the need for "technology cooperation with and transfer to developing countries."

Analyst: Iryna Lozynska

Objective 2: Non-proliferation [0.75]

Non-proliferation will be a key issue for Russia during the G8 Hokkaido Summit. US plans to place a missile defence system in the Czech Republic and Poland have created strategic defence concerns for Russia, resulting in the evolution of a more proactive foreign policy with regards to the promotion of disarmament and non-proliferation.

Russia will seek to expand dialogue on the issue of non-proliferation and encourage G8 members to participate in strengthening the Nuclear Non-Proliferation Treaty (NPT). Deputy Prime Minister Sergei Ivanov voiced Russia's desire to be an active participant in the review of the NPT, saying that "we must use the upcoming conference to explain our position and our approaches for the strengthening of the Non-Proliferation Treaty to our partners." In Hokkaido Toyako, Russia is determined to organize a global partnership that will review and update the NPT.

Russia will also be interested in securing more funds and technical support for their disarmament initiative. Russia committed to the Chemical Weapons Convention in 1997, which requires them to destroy their chemical weapons stockpiles by 2012. At the 2002 Kananaskis Summit, G8 members pledged USD2 billion to support Russia's disarmament program. In recent months, Russia has worked to demonstrate their commitment to disarmament and non-proliferation by cooperating with

⁴³⁹ Chair's Summary, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁴⁴⁰ Chair's Summary, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁴⁴¹ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html.

⁴⁴² Moscow to Inform Partners of Its Position on Nonproliferation Treaty – Deputy PM, Russia and CIS Military Newswire, (Moscow), 25 May 2008. Date of Access: 6 July 2008. http://g8live.org/2008/05/25/moscow-to-inform-partners-of-its-position-on-nonproliferation-treaty-%e2%80%93-deputy-pm.

⁴⁴³ Russia Urges Rest of Foreign Aid to Destroy Chemical Weapons, RIA Novosti, (Moscow), 31 October 2007. Date of

Access: June 6 2008. http://g8live.org/2007/10/31/russia-urges-rest-of-foreign-aid-to-destroy-chemical-weapons.

444 Russia Urges Rest of Foreign Aid to Destroy Chemical Weapons, RIA Novosti, (Moscow), 31 October 2007. Date of Access: June 6 2008. http://g8live.org/2007/10/31/russia-urges-rest-of-foreign-aid-to-destroy-chemical-weapons.

Italy to form a chemical weapons disposal agreement. Through this agreement, Italy will provide technical and financial aid to implement the construction of facilities for the purpose of disposing of chemical weapon stockpiles. In addition, Russia has allowed the UK and Norway, under the Global Threat Reduction Programme, to help dismantle an aging Russian nuclear submarine. However, Russia has only received 25% of the funds pledged at Kananaskis for the purpose of providing technical and financial support for Russia's disarmament initiatives. On 31 October, Viktor Knolstov, a Russian official, described foreign support as "an insignificant inflow of funds." Therefore, Russia will likely renew its request for the pledged funds and support for their disarmament program at the upcoming Hokkaido Toyako Summit.

Russia will seek to develop a dialogue regarding North Korean nuclear proliferation to help diminish North and South Korean tensions. President Medvedev announced on 21 May 2008 that he intends to hold a bilateral meeting with President Lee Myung-bak of South Korea on the sidelines of the G8 Summit. 449 Medvedev has also pledged to cooperate closely with South Korea in order to help create an open dialogue between North and South Korea regarding security and non-proliferation. 450

At the upcoming Summit, Russia will attempt to seek a balance between the interests of Iran and G8 member states with regard to the issue of Iran's nuclear proliferation. Historically, Russia has been a supporter of Iranian nuclear proliferation. However, at the 2006 St Petersburg G8 Summit, Russia sided with the US in attempting to quell Iranian desires to develop their own nuclear program. On 19 March 2008, Iran announced that they would no longer discuss proliferation with Russia due to their involvement in a group of nations that intends to mediate the Iranian proliferation case. Russia has strategic geopolitical interests in maintaining Iran as a friendly neighbour and thus will likely look to resolve tensions that have arisen since St. Petersburg. Therefore, Russia will likely avoid involvement in any negative discussions regarding Iranian proliferation.

Scoring Guidelines

Russia fails to achieve any measurable results with respect to non-proliferation. No communiqués or policy statements on strengthening the NPT, fostering dialogue between North and South Korea or Iran are released at the summit **OR** the G8 reaches a consensus on the sub-issues of non-proliferation that is contrary to Russia's objective.

⁴⁴⁵ State Duma Ratifies Chemical Weapons Disposal Agreement with Italy, ITAR-TASS World Service, (Moscow), 21 May 2008. Date of Access: 30 May 2008. http://g8live.org/2008/05/21/state-duma-ratifies-chemical-weapons-disposal-agreement-with-italy.

⁴⁴⁶ State Duma Ratifies Chemical Weapons Disposal Agreement with Italy, ITAR-TASS World Service, (Moscow), 21 May 2008. Date of Access: 30 May 2008. http://g8live.org/2008/05/21/state-duma-ratifies-chemical-weapons-disposal-agreement-with-italy.

⁴⁴⁷ UK and Norway to Dismantle Russian Nuclear Submarine, M2 Presswire, (Toronto), 25 February 2008. Date of Access: 6 July 2008. http://g8live.org/2008/02/25/uk-and-norway-to-dismantle-russian-nuclear-submarine.

Russia Urges Rest of Foreign Aid to Destroy Chemical Weapons, RIA Novosti, (Moscow), 31 October 2007. Date of Access: June 6 2008. http://g8live.org/2007/10/31/russia-urges-rest-of-foreign-aid-to-destroy-chemical-weapons.

⁴⁴⁹ Lee, Medvedev Agree to Cooperate on N. Korea Nuclear Issue, G8 Live, Korea.net news, (Toronto), 21 May 2008. Date of Access: 30 May 2008. http://g8live.org/2008/05/21/lee-medvedev-agree-to-cooperate-on-n-korea-nuclear-issue. ⁴⁵⁰ Lee, Medvedev Agree to Cooperate on N. Korea Nuclear Issue, G8 Live, Korea.net news, (Toronto), 21 May 2008. Date of Access: 30 May 2008. http://g8live.org/2008/05/21/lee-medvedev-agree-to-cooperate-on-n-korea-nuclear-issue. ⁴⁵¹ Iran's Nuclear Ambitions Pose Difficulties for Russia. G8 Live, BBC Monitoring Former Soviet Union, (Toronto), 19

⁴⁵¹ Iran's Nuclear Ambitions Pose Difficulties for Russia, G8 Live, BBC Monitoring Former Soviet Union, (Toronto), 19 March 2008. Date of Access: 30 May 2008. http://g8live.org/2008/03/19/irans-nuclear-ambitions-pose-difficulties-for-russia.

⁴⁵² Iran's Nuclear Ambitions Pose Difficulties for Russia, G8 Live, BBC Monitoring Former Soviet Union, (Toronto), 19 March 2008. Date of Access: 30 May 2008. http://g8live.org/2008/03/19/irans-nuclear-ambitions-pose-difficulties-for-russia.

⁴⁵³ Iran's Nuclear Ambitions Pose Difficulties for Russia, G8 Live, BBC Monitoring Former Soviet Union, (Toronto), 19 March 2008. Date of Access: 30 May 2008. http://g8live.org/2008/03/19/irans-nuclear-ambitions-pose-difficulties-forrussia.

- There is evidence to suggest that the G8 engaged in discussion on non-proliferation related to the Russia's objectives, but no notable progress or measurable action is taken by the G8. No action plan for any of the sub-issues is identified in any of the communiqués or statements released at the Summit.
- The G8 releases communiqués or makes statements committing to a non-proliferation action plan positively related to Russia's objective, but it is a highly-diluted, heavily compromised version of the Russia's objectives in that issue area.
- The G8 releases communiqués or makes statements committing to a non-proliferation action plan positively related to Russia's objective, but Russia has made notable concessions with respect to its objective.
 - 1 The G8 releases communiqués or makes statements committing to a non-proliferation action plan that is highly aligned with the Russia's non-proliferation sub-objectives.

Prospects

Russia will be interested in renewing and updating the Non-Proliferation Treaty. They will likely bring up the expiration of the verification requirements, but they will likely be unable to succeed. Russia will most likely be interested in requesting the other members of the G8 to fulfill their commitments towards supporting their disarmament initiatives in both a financial and technical functionality. This kind of commitment will be interpreted by Russia as an overall G8 commitment to disarmament and Russia will thus attempt to be more co-operative and transparent. G8 members will likely continue to support Russian disarmament, but may hesitate in renewing their pledge of USD2 billion.

Russia will likely consider their meeting with the South Korean President as their most important endeavour with regards to non-proliferation. However, Russia will likely remain as neutral as possible when discussing North Korean proliferation and will simply encourage the opening of a dialogue between North and South Korea. Russia will also likely take a more neutral stance with regards to Iran in order to avoid increasing tensions between themselves and Iran.

Postscript

Russia has earned a score of 0.75 on its non-proliferation objective at the Hokkaido Toyako Summit. According to Article 60 of the Political Issues statement, the G8 promised to "work collectively to achieve a successful outcome of the 2010 NPT Review Conference" and to meanwhile "redouble... efforts to uphold and strengthen the treaty, without mention of a specific length of extension. The G8 did not disclose the funding details for Russia's disarmament program, but reaffirmed its commitment to accomplishing the priority projects of the Global Partnership initiative in Russia and Ukraine. In addition, Russia participated in dialogue over North Korea's nuclear program with the other G8 leaders collectively and in a bilateral meeting between President Medvedev and Japan's Prime Minister Fukuda. The G8 collectively urged the DPRK to abandon all of its nuclear weapons and programs. Likewise, the G8 recognized the dangers of Iran's nuclear program and agreed to engage in diplomatic negotiations instead of declaring new sanctions.

Analyst: Tatjana Zalar

⁴⁵⁴ Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230251.html.

⁴⁵⁵Report on the G8 Global Partnership, G8 Summit 2008 Hokkaido Toyako Summit, (Hokkaido Toyako), 8 July 2008, Date of Access: 9 July 2008. http://www.g8summit.go.jp/doc/pdf/0708_12_en.pdf.

⁴⁵⁶ Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230251.html.

⁴⁵⁷ Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230251.html.

Objective 3: Regional Security [0.25]

Russia will emphasize regional security at the Hokkaido Toyako Summit. Russia will look to particularly influence discussions on regional security matters pertaining to countries of the former Soviet Union as well as unresolved disagreements over Iran and the independence of Kosovo.

Russia perceives Ukraine's involvement in NATO as a threat to its regional security. On 7 April 2008, former Prime Minister Putin emphasized Russia's position on Ukraine and NATO: "The emergence of a powerful military bloc at our borders will be seen as a direct threat to Russian security...the efficiency of our co-operation will depend on whether NATO members take Russia's interests into account." 458

With regards to the Abkhazian cause to secede from Georgia, Russia perceives foreign (particularly NATO) involvement as interference and thus will attempt to isolate the issue from being profoundly discussed at the Summit, thereby focusing instead on bilateral negotiations with Georgia. Russia will not be receptive to any sort of potential multilateral action plans on the issue and will continue to strengthen ties with Abkhazia where there are now more than 2,500 Russian peacekeeping troops. Russia's commitment to pursuing its current strategy in Abkhazia is evident from the planned rotation of a battalion of the Russian peacekeepers from the Collective Peacekeeping Forces in the Georgian-Ossetian conflict zone that took place from 27-31 May 2008. Russia will especially distance itself from discussing the issue with those G8 states that are also NATO members in light of the recent statement by NATO Secretary General Jaap de Hoop Scheffer who accused Russia of breaching Georgia's sovereignty and "contributing to instability."

Russia remains opposed to the independence of Kosovo, which was unilaterally proclaimed on 17 February 2008 and recognized by all G8 member countries except Russia. The Russian Foreign Ministry stated that it expected "the UN mission and NATO-led forces in Kosovo to take immediate action to carry out their mandate...including the annulment of the decisions of Pristina's self-governing organs and the adoption of tough administrative measures against them." The Ministry of Foreign Affairs also cited that "Russia actively participates in regulation of the regional problems and supports the international effort aimed at building a democratic multiethnic society based on the resolution 1244 of the Security Council in the UN." Russia is not disinclined against a separate Kosovo state, yet it is unwilling to recognize it as a state due to the domestic turmoil in its southern region. It is speculated that Russia's conduct may be motivated by a "determination to show the West, and the US in particular, that it should be taken seriously – as one of the key players on the international stage."

It is expected that Russia is unlikely to compromise its position on the Kosovo issue in order to avoid setting a precedent in relation to disputes with Georgia over Abkhazia. Considering its domestic

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⁴⁵⁸ Stay Away, Vladimir Putin tells NATO, Telegraph, (Toronto), 7 April 2008. Date of Access: 6 June 2008. http://g8live.org/2008/04/07/stay-away-vladimir-putin-tells-nato.

⁴⁵⁹EU Tries to Calm Georgia Tensions, BBC News UK Edition, (London), 5 June 2008. Date of Access: 9 June 2008. http://news.bbc.co.uk/2/hi/europe/7437586.stm.

Regular Rotation of Russian Peacekeepers in Georgian-Ossetian Conflict Zone to be Held in Late May, Regnum News Agency, 15 May 2008. Date of Access: 9 June 2008. http://www.regnum.ru/english/1000568.html.

⁴⁶¹ EU Tries to Calm Georgia Tensions, BBC News UK Edition, (London), 5 June 2008. Date of Access: 9 June 2008. http://news.bbc.co.uk/2/hi/europe/7437586.stm.

⁴⁶²In quotes: Kosovo reaction, BBC News UK Edition, (London), 17 February 2008. Date of access: 10 June 2008. http://news.bbc.co.uk/2/hi/europe/7249586.stm.

⁴⁶³Regulation of situation in Kosovo, Ministry of International Affairs, (Moscow), 2008. Date of Access: 8 June 2008. http://www.ln.mid.ru/ns-vnpop.nsf/osn_copy/CACE9C47851AF35AC32570430031543E.

⁴⁶⁴ Russia rebuffs West over Kosovo, BBC News, (London), 1 June 2007. Date of Access: 8 June 2008. http://news.bbc.co.uk/2/hi/europe/6707803.stm.

regional disputes as well, Russia is in a vulnerable position that threatens its stability and security. Many in Abkhazia believe that Kosovo's independence provides a precedent for it to be recognized as an individual state. 465

Russia will attempt to remain neutral regarding Iran's nuclear endeavours at the G8 Summit due to their strategic geopolitical interests in maintaining Iran as a friendly neighbour. Russia has consistently supported Iran's right to develop a nuclear sector under the International Atomic Energy Agency (IAEA) and will likely continue to do so. However, Russia will also avoid alienating other G8 member states, like the US, who condemn Iran's nuclear program. However, Russia will also avoid alienating other G8 member states, like the US, who condemn Iran's nuclear program.

Scoring Guidelines

- No significant progress is made on any of the regional security matters affecting Russia.
- There is evidence to suggest that the G8 engaged in discussion on regional security matters affecting Russia, but no notable progress or measurable action was taken by the G8. No action plan for any of Russia's concerns is identified in any of the communiqués or statements released at the summit.
- The G8 releases communiqués or makes statements committing to a regional security action plan positively related to issues affecting Russia, but it is a highly-diluted, heavily compromised version of Russia's objectives.
- The G8 releases communiqués or makes statements committing to a regional security action plan positively related to issues affecting Russia, but Russia makes notable concessions.
 - The G8 releases communiqués or makes statements committing to a regional security action plan that is highly aligned with Russia's objectives.

Prospects

Russia will continue to strongly oppose Ukraine's inclusion in NATO at the Hokkaido Toyako Summit. Similarly, Russia will look to contain support for Georgian inclusion into NATO. Although NATO expansion may be sidestepped at the Hokkaido Summit, the independence of Kosovo will most likely be brought up. Russia is unlikely to find cooperation on the Kosovo matter because it is the only G8 member that has not recognized Kosovar independence. However, Russia would not ignore any new peacekeeping initiatives.

Russia will have another chance to engage with the US in discussions pertaining to the possible alteration of their missile defence in Poland and the Czech Republic. Nonetheless, President Medvedev is unlikely to present new proposals akin to former President Putin's solution at the Heiligendamm Summit. Russia can be expected to continue its pledge to study and resolve the matter with the US.

Postscript

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⁴⁶⁵ NATO warns Russia over Abkhazia, BBC News, (London), 3 June 2008. Date of Access: 8 June 2008. http://news.bbc.co.uk/2/hi/europe/7434516.stm.

⁴⁶⁶ Iran's Nuclear Ambitions Pose Difficulties for Russia, G8 Live, BBC Monitoring Former Soviet Union, (Toronto), 19 March 2008. Date of Access: 30 May 2008. http://g8live.org/2008/03/19/irans-nuclear-ambitions-pose-difficulties-for-russia.

⁴⁶⁷ Iran's Nuclear Ambitions Pose Difficulties for Russia, G8 Live, BBC Monitoring Former Soviet Union, (Toronto), 19 March 2008. Date of Access: 30 May 2008. http://g8live.org/2008/03/19/irans-nuclear-ambitions-pose-difficulties-for-russia.

⁴⁶⁸ Stay Away, Vladimir Putin tells NATO, Telegraph, (Toronto), 7 April 2008. Date of Access: 6 June 2008. http://g8live.org/2008/04/07/stay-away-vladimir-putin-tells-nato.

Russia has earned a score of 0.25 on its regional security objective. The questions of Kosovo's independence and NATO expansion were not discussed in the multilateral G8 dialogue. No progress on the missile defence dispute Nonetheless, the G8 made a joint statement on Iran's nuclear program, expressing "serious concern" at Iran's failure to meet its NPT, UN, and IAEA obligations as well as at the dangers posed by Iran's nuclear program. To Russia's benefit, no sanctions against Iran's enrichment activities were agreed upon by the G8 leaders.

Analysts: Mila Khodskaya, Iryna Lozynska, Egor Ouzikov, and Tatjana Zalar

Objective 4: African Development [0.75]

Russia's position during the Hokkaido Summit with respect to African Development issues will remain similar to its position during the Heiligendamm Summit in 2007. On 27 March 2008, Russia's Ministry of Foreign Affairs outlined its strategic position towards the African continent asserting that "it is important for Russia to continue to support Africa with the special emphasis on peacekeeping, debt relief, humanitarian aid, and assistance in training." The Ministry of Foreign Affairs has not publicly updated their stance on African Development since the Heiligendamm Summit in June 2007.

Russia is not expected to play an active role in shaping the language of the commitments or having a significant influence over the course of the discussion in the upcoming Summit due to its weaker financial capabilities. However, the Ministry of Foreign Affairs underscores Russia's need to encourage closer relations between itself and the continent. The Russian government recognizes that the necessity of bringing an improvement to African-Russian relations is dictated by the increasing demand for raw materials within the Russian economy. The document, *Russia's Foreign Policy and Strategies*, released in the first quarter of 2007, underlined that "Africa is a beneficial market for raw materials and Russian goods, attractive for investment, including the public corporations to realize projects." Therefore, it can be concluded that Russia will push for non-financial commitments, such as those regarding trade and Official Development Assistance (ODA).

Russia remained an active participant in discussions on African development. Russia has fully complied with its Heiligendamm commitments on Health Systems and ODA. It has failed to comply with two commitments: Sexual and Reproductive Education and Financial Markets. Russia has partially complied with the commitments on the Global Fund to Fight HIV/AIDS, Tuberculosis, and Malaria; Peace and Security; Education; and Debt Relief. As a permanent member of the Paris Club,

⁴⁶⁹ Political Issues, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230251.html.

⁴⁷⁰Overview of the Foreign Policy of the Russian Federation, Ministry of Foreign Affairs, (Moscow), 27 March 2007. Date of Access: 8 June 2008

 $http://www.intelros.ru/2007/03/27/obzor_vneshnejj_politiki__podgotovlennyjj_ministerstvom_inostrannykh_del_rossii.html.$

⁴⁷¹ Joint declaration of the G8 leaders regarding the Partnership in Africa, Ministry of International Affairs, (Moscow), 8 June 2007. Date of Access: 8 June 2008.

 $http://www.intelros.ru/2007/06/09/sovmestnyjj_doklad_lichnykh_predstavitelejj_liderov_gruppy_vosmi_po_afrike_o_kh\ ode_raboty_v_ramkakh_partnerstva_gruppy_vosmi_s_afrikojj_rezjume.html.$

⁴⁷² Overview of the Foreign Policy of the Russian Federation, Ministry of International Affairs, (Moscow), 27 March 2007. Date of Access: 8 June 2008.

 $http://www.intelros.ru/2007/03/27/obzor_vneshnejj_politiki__podgotovlennyjj_ministerstvom_inostrannykh_del_rossii.html$

⁴⁷³ Overview of the Foreign Policy of the Russian Federation, Ministry of International Affairs, (Moscow), 27 March 2007. Date of Access: 8 June 2008.

 $http://www.intelros.ru/2007/03/27/obzor_vneshnejj_politiki__podgotovlennyjj_ministerstvom_inostrannykh_del_rossii.html.$

Russia participated in the reorganization of Guinea's debt⁴⁷⁴ and on 24 January 2008 acted as an observer when the Club agreed to cancel USD11.64 million worth of debt owed by Gambia. The Russian Federation committed to contribute USD4 million to the Catalytic Fund of the Fast Track Initiative (FTI) in 2006-2008, USD1 million in 2006, USD2 million in 2007 and USD1 million in 2008. According to the FTI Secretariat, as of 31 October 2007, Russia has paid out USD3 million. More so, during the African Day holiday on 26 May 2008, Foreign Affairs Minister Sergei Lavrov stated that the priority for Russia now is the assistance in training of African troops. Russia has allocated about 700 government bursaries for students in African countries.

Despite Russia's interest in assisting in the development of Africa, African development is not the top priority for its discussions at the Hokkaido Toyako Summit. Success for Russia at the Summit will involve a G8 commitment to supporting initiatives that will allow for developing stronger economic and trade relations between the two continents. Russia is expected to continue supporting peacekeeping, education, and health commitments during the Summit.

Scoring Guidelines

- G8 does not make any substantive mention of African development at the summit. No measurable progress or results with respect to African peacekeeping, education, health trade, debt relief, or the Heiligendamm process are evident.
- There is evidence to suggest that the G8 engaged in discussion on African development, but no measurable action was taken by the G8 in relation to African peacekeeping, education, health trade, debt relief, or the Heiligendamm process.
- The G8 releases communiqués or makes statements committing to an African development action plan positively related to Russia's objectives, but it is a highly-diluted, heavily compromised version of the objectives.
- The G8 releases communiqués or makes statements committing to an African Development action plan positively related to the Russia's objectives related to African development, but notable concessions with respect to the original objectives are evident.
 - The G8 releases communiqués or makes statements committing to an African development action plan that is highly aligned with Russia's objectives: African peacekeeping, education, health trade, debt relief, and the Heiligendamm process.

Prospects

Russia will likely avoid committing to new African Development initiatives. Russia's involvement with African countries is limited by their weaker financial capability, but will most likely serve to issue forth and create verbal initiatives. It is unlikely that Russia will engage in any substantive actions to comply with those commitments. On the other hand, Russia has committed to non-financial issues such as trade, ODA, health systems, and the Global Fund. Thus, they will continue

⁴⁷⁴ The Paris Club and Guinea Agree to a Debt Restructuring under the Enhanced Heavily Indebted Poor Countries Initiative, Club de Paris, (Paris), 23 January 2008. Date of Access: 18 May 2008.

http://www.clubdeparis.org/sections/services/communiques/guinee7884/downloadFile/PDF/PRGuinea23Jan08.pdf?nocache=1201102895.21.

⁴⁷⁵ The Paris Club Agrees on a Reduction of the Debt of the Gambia in the Framework of the Enhanced Heavily Indebted Poor Countries Initiative, Club de Paris, (Paris), 24 January 2008. Date of Access: 18 May 2008.

http://www.clubdeparis.org/sections/services/communiques/gambie/downloadFile/PDF/PRTheGambia 24 Jan 08. pdf? no cache = 1201181568.39.

che=1201181568.39.

Annual report 2007, FTI Secretariat, (Dakar), 10 December 2007. Date of Access: 15 December 2007. http://www.education-fast-track.org/library/AR2007_Eng_Full.pdf.

Annual report 2007, FTI Secretariat, (Dakar), 10 December 2007. Date of Access: 15 December 2007. http://www.education-fast-track.org/library/AR2007_Eng_Full.pdf.

⁴⁷⁸ Lavrov's speech during the African Day holiday, Ministry of International Relations, (Moscow), 26 May 2008. Date of Access: 8 June 2008. http://www.mid.ru/brp_4.nsf/0/02E32B3C08BE1CDCC32574550053BE6D.

with these projects as their commitments are within the boundaries of Russia's interests and capabilities. Russia should face little difficulty in realizing its African development objectives during the Hokkaido Toyako Summit.

Postscript

Russia has received a score of 0.75 on its African Development objective. Russia, in conjunction with its G8 counterparts, produced several commitments on African development and recommitted to previous initiatives on ODA and trade. In Hokkaido Toyako, Russia agreed to the *Toyako Framework for Action on Global Health* (which includes the development of a comprehensive health strategy for Africa), recommitted to *Education for All* (with a new pledge to close the USD1 billion FTI shortfall), and reiterated its support for various peacekeeping and peacebuilding initiatives in African states. However, Russia could only secure a recommitment to ODA and trade for Africa. Although the G8 discussed both these issues, they reflected initiatives from the 2005 Gleneagles and 2007 Heiligendamm Summits, respectively.

Analyst: Mila Khodskaya

UNITED KINGDOM [0.87]

Economic Data

Currency: British Pound Population: 60,943,912

Gross Domestic Product (official exchange rate): USD2.773 trillion

Gross Domestic Product per capita (PPP): USD35,100

Major Trading Partners: US, Germany, France, Ireland, Netherlands, Belgium, Spain, China, Norway

Political Data

Type of Government: Constitutional Monarchy Date of Establishment: 16 December 1689

Legislature: Bicameral parliament: House of Lords and House of Commons

Head of State: Queen Elizabeth II

Head of Government: Prime Minister Gordon Brown

Background

The 2008 Hokkaido Summit will be the first time that British Prime Minister Gordon Brown attends a G8 Summit. The UK has performed strongly at previous G8 Summits and last hosted the 2005 Gleneagles Summit. The objectives for the UK at the Hokkaido Summit arise from both domestic and international concerns. Currently experiencing an economic downturn, food insecurity for low-income persons and families, record petrol prices, high interest rates, and fears of stagflation, the United Kingdom (UK) is eager to ensure that its objectives are addressed. Regardless of its domestic concerns, Prime Minister Brown is expected to pursue global issues he championed in his previous role as Chancellor of Exchequer such as success of the MDGs, regional security, and climate change.

Prime Minister Brown will focus on food insecurity as his primary objective to discuss in Hokkaido. He is concerned with the impact of rising food prices on food security in developing countries and will push for IMF and World Bank support to alleviate the current situation. The MDGs will again be a priority issue for the UK since the Hokkaido Summit marks the half-way period to achieve the goals. Prime Minister Brown will push the G8 to meet their 2005 Gleneagles Summit commitments to ODA. He is also expected to persuade the G8 to address the rising cost of oil that is causing domestic disruption in the UK. In this respect, the UK will push the G8 to pressure OPEC to increase oil production to alleviate the current rise in costs. ⁴⁷⁹ Climate change has traditionally been a top issue for the UK at the G8 Summit and will again be an issue of concern at the Hokkaido Summit. Prime Minister Brown is expected to push for an agreement on short-term binding emission cuts similar to those that the EU has proposed. Furthermore, the UK is highly concerned by the regional stability of Southern Africa with the recent violence against Zimbabwean migrants in South Africa, the Zimbabwean elections and stability in Afghanistan. It is expected that the UK will push G8 leaders to address these key regional security issues.

Lead Analyst: Sadia Rafiquddin

⁴⁷⁹ Address by Prime Minister Gordon Brown at 10 Downing Street, 10 Downing Street, (London), 2 June 2008. Date of Access: 7 June 2008. http://www.pm.gov.uk/output/Page15632.asp.

⁴⁸⁰ Consultation on the EU Commission's proposals to amend the EU ETS from 2013, Department for Environment, (London), 7 May 2008. Date of Access: 7 June 2008. http://www.defra.gov.uk/corporate/consult/euets-2013amendments/index.htm.

Objective 1: Food Security [1]

Prime Minister Gordon Brown will call on the G8 to address the rising cost of food prices at the 2008 Hokkaido Summit. The current food crisis is not due to a shortage of food but rather, is driven by demand from population growth and the impact of increasing oil prices on the production, processing, and distribution of food. Prime Minister Brown and his government are concerned about the impact of rising food costs domestically and internationally. Most recently, at the World Food Summit in June 2008, Secretary of State for International Development Douglas Alexander supported the proposed International Partnership for Agriculture and Food to assist developing countries to "tackle the short-term effects, and the long-term causes, of rising prices."

In Hokkaido, Prime Minister Brown aims to press G8 countries to pressure international institutions like the IMF and World Bank to act on the current food crisis. This is evidence from his recent open letter to Japanese Prime Minister Yasuo Fukuda that was also sent to Ban-Ki Moon, Secretary General of the United Nations, Dominique Strauss-Kahn of the IMF and Robert Zoellick of the World Bank. The UK is concerned by the impact of rising food prices on the poorest in developing countries, suggesting that short-term IMF and World Bank support would be imperative for countries facing short-term balance of payments deficits. Brown has also proposed that G8 member states should consider increasing their aid pledges and humanitarian programs in the short term without creating a dependency on food aid. He urged the Japanese Prime Minister that a "fully coordinated response" was required from the international community.

Scoring Guidelines

- UK fails to encourage commitments increasing food security in developing countries (i.e. no communiqués or policy statements are released at the Summit, no evidence that food security was discussed during the leaders' meetings or ministerials, no mention is made in multilateral or bilateral talks, press conferences, etc.).
- There is evidence to suggest that the G8 engaged in discussion on food security, but no notable progress or measurable action was taken by the G8 in any of the communiqués or statements released at the Summit.
- The G8 releases communiqués or makes statements committing to an action plan increasing **0.50** food security for developing countries, but is a highly-diluted, heavily compromised version of the UK's target objective.
- **0.75** The G8 releases communiqués or makes statements committing to increase foods security, but the UK has made notable concessions with respect to the plan.
 - 1 The G8 releases communiqués or makes statements committing to increasing food security that is highly aligned with the UK's original vision.

Prospects

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⁴⁸¹ Press Release: UK announces Aid package to tackle rising global food prices, Department for International Development (London). 22 April 2008. Date of Access: 13 June 2008

http://www.dfid.gov.uk/news/files/pressreleases/food-prices.asp

482 Press Release: UK announces Aid package to tackle rising global food prices, Department for International Development (London). 22 April 2008. Date of Access: 13 June 2008

http://www.dfid.gov.uk/news/files/pressreleases/food-prices ⁴⁸³ Letter to PM Yasuo Fukudo of Japan on rising food prices. Department for International Development (London). 10 April 2008. Date of Access: 13 June 2008. http://www.number-10.gov.uk/output/Page15234.asp.

Letter to PM Yasuo Fukudo of Japan on rising food prices. Department for International Development (London). 10 April 2008. Date of Access: 13 June 2008. http://www.number-10.gov.uk/output/Page15234.asp.

⁴⁸⁵ Letter to PM Yasuo Fukudo of Japan on rising food prices. Department for International Development (London). 10 April 2008. Date of Access: 13 June 2008. http://www.number-10.gov.uk/output/Page15234.asp.

The UK is expected to leave Hokkaido with a comprehensive G8 plan to tackle the rising costs of food. While short-term strategies are likely, it is improbable that Prime Minister Brown will get an agreement that includes IMF and World Bank support.

Postscript

The G8 released the *Statement on Global Food Security* on 7 July 2008 that was highly aligned with the UK's objective on food security in Hokkaido Toyako, thus achieving a score of 1. Prime Minister Gordon Brown took an activist position on food security. G8 leaders were very concerned about the dramatic and steep rise in global food prices, noting that they have committed USD10 billion since January 2008 towards various initiatives to address the food security issue. ⁴⁸⁶ In addition, G8 leaders agreed to work with one another and international organizations such as the FAO, WTO to mitigate the consequences of food insecurity. ⁴⁸⁷

Analyst: Sadia Rafiquddin

Objective 2: African Development [1]

At the 2008 Hokkaido Summit, Prime Minister Brown will push G8 leaders to meet their previous foreign aid commitments, particularly those relating to Africa and develop new initiatives to successfully achieve the MDGs to halve poverty by 2015. The UK has actively been working to meet its commitments made at the 2005 Gleneagles Summit, including progress on the Multilateral Debt Relief Initiative, the International Finance Facility for Immunisation, the UN Peace-building Commission and the Extractive Industries Transparency Initiative. In July 2007, Prime Minister Brown launched the MDG Call to Action with world leaders and representatives from the private sector. Initiative supported the eighth MDG goal of "develop[ing] a global partnership for development."

The Hokkaido Summit marks the half-way point for the MDGs at which point, the UK is expected to push G8 countries to meet their 2005 Gleneagles ODA objectives. The Department of International Development (DFID) is "working closely with the Japanese and other G8 partners to ensure that a strong focus remains on delivering what was promised in 2005." The UK recognizes that at this stage, it is imperative to reflect on the achievements thus far, but to also accept that several MDGs are "off track" and that an additional substantial amount of investment is required to meet them. Hence, the UK will not be looking for an affirmation by G8 countries to meet the 2005 Gleneagles commitments but also for a strong plan of action to meet those goals. Most recently, in May 2008, the UK participated in the fourth meeting of the Tokyo International Conference on African Development (TICAD IV).

Scoring Guidelines

⁴⁸⁶ G8 Leaders Statement on Food Security, G8 Information Group (Tokyo), 8 July 2008. Date of Access: 8 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html.

⁴⁸⁷G8 Leaders Statement on Food Security, G8 Information Group (Tokyo), 8 July 2008. Date of Access: 8 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html.

⁴⁸⁸ Press Release: UK announces aid package for global food prices, Department for International Development, (London), 22 April 2008. Date of Access: 14 June 2008. http://www.dfid.gov.uk/g8/Japanese-presidency-08.asp. ⁴⁸⁹ Declaration on the Millennium Development Goals by heads of state, Department for International Development, (London) 31 July 2007. Date of Access: 14 June 2008. http://www.dfid.gov.uk/mdg/declaration-heads-07.asp.

⁴⁹⁰ Declaration on the Millennium Development Goals by heads of state, Department for International Development, (London) 31 July 2007. Date of Access: 14 June 2008. http://www.dfid.gov.uk/mdg/declaration-heads-07.asp.

⁴⁹¹ DFID and the G8, Department for International Development (London) 28 February 2008. Date of Access: 13 June 2008. http://www.dfid.gov.uk/g8/Japanese-presidency-08.asp.

⁴⁹² Call to Action, Department for International Development (London). Date of Access: 14 June 2008. http://www.dfid.gov.uk/mdg/call-to-action.asp.

- The UK fails to encourage G8 countries to reaffirm their commitments to the Millennium Development Goals made at the 2005 Gleneagles Summit (i.e. no communiqués or policy statements are released at the Summit, no evidence that the MDGs were discussed during the leaders' meetings or ministerials, no mention is made in multilateral or bilateral talks, press conferences, etc.).
- There is evidence to suggest that the UK influenced the G8 to engage in discussion on the Millennium Development Goals, but no notable progress or measurable action was taken by the G8 (i.e. a firm commitment to meet the 2005 Gleneagles goals were identified in any of the communiqués or statements released at the Summit).
- The G8 releases communiqués or makes statements that commit to achieving the 2005 **0.50** Gleneagles commitments on the MDGs but it is a highly-diluted, heavily compromised version.
- The G8 releases communiqués or makes statements committing to meeting the MDG goals and fulfilling the 2005 Gleneagles commitments, but the UK has made notable concessions with respect to this objective.
- The G8 releases communiqués or makes statements making firm commitments to meeting the MDGs by fulfilling the 2005 Gleneagles commitments that is highly aligned with the UK's objective.

Prospects

The MDGs have been a central agenda item of past G8 Summits, particularly since the 2005 Gleneagles Summit. It is expected that this objective will be discussed at the 2008 Summit as the Japanese government has selected African development as a central objective.

Postscript

At this half-way point of the MDGs, G8 leaders firmly agreed to fulfill their pledges in order to achieve them by 2015. The Development and Africa communiqué outlines the UK's pre-Summit objective to achieve a re-commitment to the 2005 Gleneagles commitment to increase ODA to Africa by USD25 billion by 2010, thus garnering a score of 1. However, it is noteworthy that while the G8 agreed to a comprehensive Toyako Framework for Action on Health, it is unclear where and which initiatives their commitment to give USD 60billion over 5 years is specifically directed. Health of the Education for All agenda and its Fast Track Initiative in order to achieve universal primary education by 2015. Health of the Success of many of the MDGs. Health of the Evian Action Plan on Water, which directly connects to the success of many of the MDGs.

Analyst: Sadia Rafiquddin

Objective 3: Energy Security [0.75]

The UK will strongly press the G8 to tackle rising energy costs at the Hokkaido Summit. The government is particularly concerned with the dramatic rise in oil prices and will strongly push for a

Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html

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⁴⁹³ Development and Africa, Ministry of Foreign Affairs Japan, (Tokyo), 8 July 2008.

⁴⁹⁴ Toyako Framework for Health, G8 Information Centre (Tokyo), 8 July 2008.Date of Access: 8 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/index.html

⁴⁹⁵ Development and Africa, Ministry of Foreign Affairs Japan, (Tokyo), 8 July 2008. Date of Access: 8 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html

"global strategy to tackle the impact of higher oil prices." In Britain alone, pressure is mounting on the government of Prime Minister Brown and Chancellor Alistair Darling where oil prices have risen above GBP1.30 per litre. The UK has experienced protests by truck drivers demanding action over the rising cost of petrol. The protests, combined with lagging world economies, have vaulted energy prices and UK energy policy as one of the top issues to address at the Hokkaido Summit. The UK raised the issue at the Energy Ministers Meeting in Aomori, Japan, from 7-8 June, during which the ministers failed to back Prime Minister Brown's demand to OPEC to increase the supply of oil, despite support from the US. In Hokkaido, the UK will likely make a second attempt to form a united front with the other G8 members to apply pressure to OPEC in order to increase production and supply levels for short term price relief. Most recently, only Saudi Arabia pledged to increase oil production by 200,000 barrels a day in July. Several G8 countries have called on developing countries to reduce government fuel subsidies as this action artificially increases demand, but the UK government has not yet made a public statement regarding its position on this issue.

Moreover, improving energy efficiency both in developed and developing nations will be a priority for the UK as part of an overall strategy to reduce oil consumption. The UK will be looking to secure further G8 commitments to "continue to vigorously promote policies and measures for improving energy efficiency." As well, energy diversification will also continue be a part of any action to alleviate high oil prices and a priority for the UK. The UK is likely to put forth a mandate for a more aggressive agenda for energy diversification policies in addition to pressing for a statement that urges OPEC member countries to increase oil production in the short term until long-term energy efficiency strategies begin to produce greater results.

At previous summits, the UK has consistently complied with commitments relating to energy efficiency and diversification. This pattern of compliance is unlikely to change. Given the current high-energy price situation, greater impetus to expedite the work will be emphasized.

Scoring Guidelines

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The UK fails to encourage commitments to energy efficiency or diversification (i.e. no communiqués or policy statements are released at the Summit, no evidence that energy efficiency was discussed during the leaders' meetings or ministerials, no mention is made in multilateral or bilateral talks, press conferences, etc.).

⁴⁹⁷ Brown urges increased oil supply, BBC News International Edition, (London), 28 May 2008.

Date of Access: 8 June 2008. http://news.bbc.co.uk/2/hi/uk_news/politics/7422802.stm.

⁴⁹⁸ Brown urges increased oil supply, BBC News International Edition, (London), 28 May 2008.

Date of Access: 8 June 2008. http://news.bbc.co.uk/2/hi/uk_news/politics/7422802.stm.

⁴⁹⁹ Fuel demo adds to road taxes row, BBC News International Edition, (London), 27 May 2008.

Date of Access: 8 June 2008. http://news.bbc.co.uk/2/hi/uk_news/7420792.stm.

⁵⁰⁰ Domestic energy bills expected to soar as cost of oil keeps increasing, Guardian.co.uk, (London), 9 June 2008.

Date of Access: 9 June 2008. http://www.guardian.co.uk/money/2008/jun/09/householdbills.oil

Address by Prime Minister Gordon Brown at 10 Downing Street, 10 Downing Street, (London), 2 June 2008. Date of Access: 7 June 2008. http://www.pm.gov.uk/output/Page15632.asp.

⁵⁰² Oil Price up despite Saudi Pledge, BBC News, (London), 23 June 2008. Date of Access: 4 July 2008. http://news.bbc.co.uk/2/hi/business/7468555.stm

⁵⁰³Oil crisis dominates G8 meeting, BBC News International Edition, (London), 8 June 2008.Date of Access: 6 June 2008. http://news.bbc.co.uk/2/hi/business/7442170.stm

Address by Prime Minister Gordon Brown at 10 Downing Street: G8 Focus on food and fuel, 10 Downing Street, (London), 2 June 2008. Date of Access: 7 June 2008. http://www.pm.gov.uk/output/Page15632.asp.

Domestic energy bills expected to soar as cost of oil keeps increasing, Guardian.co.uk, (London), 9 June 2008. Date of Access: 9 June 2008. http://www.guardian.co.uk/money/2008/jun/09/householdbills.oil.

⁵⁰⁶ Address by Prime Minister Gordon Brown at 10 Downing Street: G8 Focus on food and fuel, 10 Downing Street, (London), 2 June 2008. Date of Access: 7 June 2008. http://www.pm.gov.uk/output/Page15632.asp.

⁵⁰⁷ G8 Research Group Final Compliance Summary, G8 Research Group, (Toronto), 1 June 2007.

Date of Access: 7 June 2008. http://www.g8.utoronto.ca/evaluations/2006compliance_final/2006compliance-short.pdf.

- There is evidence to suggest that the G8 engaged in discussion on the energy efficiency and diversification, but no notable progress or measurable action was taken by the G8 (i.e. no Global Energy Strategy was identified in any of the communiqués or statements released at the Summit).
- The G8 releases communiqués or makes statements committing to an action plan positively **0.50** related to the UK's objectives with respect to Energy prices and diversification (Global Energy Strategy), but it is a highly-diluted, heavily compromised version.
- The G8 releases communiqués or makes statements committing to the Global Energy Strategy, but the UK has made notable concessions with respect the plan.
 - The G8 releases communiqués or makes statements committing to a Global Energy Strategy that is highly aligned with the UK's original vision.

Prospects

The UK will likely leave the Hokkaido G8 Summit with a comprehensive global strategy to capture short-term energy efficiency goals and long-term energy diversification goals. However, the United Kingdom is unlikely to reach a consensus with the other members regarding a statement demanding greater output from OPEC and other oil exporting nations, nor an agreement regarding the drastic reduction of fuel subsidies in developing countries.

Postscript

The G8 has reaffirmed its commitment to the St. Petersburg Global Energy Security Principles and the implementation of its Plan of Action. The original St. Petersburg Global Energy Security Principles align closely with the original pre-summit aims of the UK government with respect to capturing energy efficiencies and diversifying energy supplies. The G8 has committed to further dialogue as follow up to the recent Jeddah Energy Meeting. The G8 has also proposed holding an international forum focusing on new technologies to increase efficiencies. The lack of a strongly worded statement demanding oil producing nations increase supply and refining capacity in the short-term excludes the UK from achieving a score of 1. Thus, the UK was awarded a score of 0.75.

Analyst: Aaron Ghobarah

Objective 4: World Economy [1]

The most pressing economic issue currently faced within the UK is the impact of rising oil and commodity prices. As a result of the rising price of commodities worldwide, it is expected that the Bank of England will raise interest rates by at least three times by the end of the year. Given the significant impact that oil and commodity prices has had on inflation rates, these issues will likely be prominent topics of discussion at the G8 Summit.

In addition, the UK is currently facing a significant slump in the housing market, thought to be linked to the sub-prime mortgage crisis in the US. Prime Minister Brown has recognized the severity of the current financial crisis both within the UK and internationally, and has urged the international

⁵⁰⁸ G8 Statement on World Economy. Tokyo. 8 July 2008, The Ministry of Foreign Affaris of Japan. Date of access: 9 July, 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html

G8 Statement on World Economy. Tokyo. 8 July 2008, The Ministry of Foreign Affaris of Japan. Date of access: 9 July, 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html

G8 Statement on World Economy. Tokyo. 8 July 2008, The Ministry of Foreign Affaris of Japan. Date of access: 9 July, 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html

Inflation shock leaves markets fearing three interest rate increases this year, Telegraph, (London), 11 June 2008. Date of Access: 9 June 2008. http://www.telegraph.co.uk/money/main.jhtml?xml=/money/2008/06/10/cnrates110.xml.

community not to respond by taking protectionist economic measures.⁵¹² In light of the current financial crisis, he will likely continue to push for export promotion at the upcoming G8 Summit.

In a joint communiqué on 29 January 2008 with French President Nicolas Sarkozy, German Chancellor Angela Merkel, Italian Prime Minister Romano Prodi, and Portuguese Prime Minister Jose Barroso, Prime Minister Brown recognized that "financial markets globally have suffered a prolonged period of turbulence triggered by the sub-prime crisis in the US." The leaders agreed that greater transparency is required to maintain economic stability and to promote economic reform. The communiqué also called for improved "early warning systems" to identify and remedy global economic problems more promptly. Increasing transparency in global markets as well as investigating options for early economic warning systems will likely be topics of discussion brought up by the UK and members of the European Union at the G8 Summit.

Scoring Guidelines

- The UK fails to encourage G8 countries to resolve the current financial crisis (i.e. no communiqués or policy statements are released at the Summit, no evidence that the MDGs were discussed during the leaders' meetings or ministerials, no mention is made in multilateral or bilateral talks, press conferences, etc.).
- There is evidence to suggest that the UK influenced the G8 to engage in discussion on this objective, but the G8 collectively recommends export promotion, transparency, and warning systems, but no plans are put in place to mobilize member-state financial markets or cooperate with financial institutions like the IMF/FSF/OECD.
- **0.50** The G8 releases communiqués or makes statements committing to an action plan to resolve the global financial crisis, but the focus is on protectionism rather than transparency and export promotion. As such, it is a highly-diluted, heavily compromised version of the UK's objective.
- The G8 releases communiqués or makes statements in which the UK has made notable concessions with respect to this objective. The G8 is selective with export promotion strategies between countries and does not push for universal and indiscriminative regulations about transparency.
 - The G8 releases a clear action plan highly aligned with the UK's objective to improve export promotion, increase transparency, and implement warning systems in an effort to take immediate steps to resolve the current financial crisis.

Prospects

A statement released after the 14 June 2008 G8 Finance Committee Ministers Meeting has suggested positive prospects for the UK on this objective. G8 Finance Ministers recognized the severity of the current financial situation as a result of declining housing prices in the US and rising commodity and oil prices. Discussions about how to improve the world economy were very much in line with recommendations made by the UK. There was a strong suggestion that enhanced transparency and risk awareness is imperative to improve financial market conditions. ⁵¹⁵

⁵¹² PM warns against protectionist backlash, 10 Downing Street, (London), 30 April 2008. Date of Access: 9 June 2008. http://www.pm.gov.uk/output/Page15415.asp.

Joint communique on the global economy, 10 Downing Street, (London), 29 January 2008. Date of Access: 9 June 2008. http://www.pm.gov.uk/output/Page14443.asp.

⁵¹⁴ EU leaders agree way forward for global economy, 10 Downing Street, (London), 29 January 2008. Date of Access: 9 June 2008. http://www.pm.gov.uk/output/Page14438.asp 29 January 2008.

⁵¹⁵ Statement of the G-8 Finance Ministers Meeting, Ministry of Foreign Affairs (Japan), 14 June 2008. Date of Access: 16 June 2008. http://www.mof.go.jp/english/if/su080614.pdf.

In addition, the G8 Finance Ministers announced their resistance to protectionist measures, both domestically and abroad. To support open investment regimes, they encouraged the work of the OECD to "establish best practices for open investment regimes." The G8 will also be looking for cooperation between the IMF and the FSF to reinforce "early warning capabilities" to improve recognition of global economic crises in the future.

Postscript

The World Economy communiqué released at the 2008 Hokkaido Toyako Summit calls for countries to "develop, maintain and promote regimes that welcome foreign investment, guarantee non-discriminatory treatment for foreign investment, and ensure freedom to transfer capital and returns from investment." The G8 also noted a commitment to high standards of trade liberalization such as "national treatment and most-favored-nation, in bilateral agreements in relation to investment." Additionally, the G8 discussed a commitment to high standards of trade liberalization such as "national treatment and most-favored-nation, in bilateral agreements in relation to investment." There was a clear agreement to improve international export promotion. ⁵²¹

There was also a call for foreign investment restrictions to "adhere to the principles of transparency and predictability, proportionality, and accountability." ⁵²² The G8 also encouraged recent efforts made by sovereign wealth funds to "greater transparency." ⁵²³ Heiligendamm commitments to promote Corporate Social Responsibility through encouragement of voluntary adherence to the relevant international instruments were also reaffirmed. It was also recognized that greater transparency will lead to better functioning energy markets, and stressed the importance of energy markets "which send undistorted price signals and are free from any political pressure." ⁵²⁴ Strong support was offered to the Joint Oil Data Initiative to continue their efforts to disseminate information on oil stocks. ⁵²⁵ The efforts by national authorities to increase transparency of commodity futures markets were also encouraged. ⁵²⁶ The G8 also offered continued support for initiatives such as the Extractive Industries Transparency Initiative (EITI), and have called for "its full implementation." ⁵²⁷ Thus, there was a clear effort by the G8 to further expand transparency in international markets.

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⁵¹⁶ Statement of the G-8 Finance Ministers Meeting, Ministry of Foreign Affairs (Japan), 14 June 2008. Date of Access: 16 June 2008. http://www.mof.go.jp/english/if/su080614.pdf.

⁵¹⁷ Statement of the G-8 Finance Ministers Meeting, Ministry of Foreign Affairs (Japan), 14 June 2008. Date of Access: 16 June 2008. http://www.mof.go.jp/english/if/su080614.pdf.

⁵¹⁸ Statement of the G-8 Finance Ministers Meeting, Ministry of Foreign Affairs (Japan), 14 June 2008. Date of Access: 16 June 2008. http://www.mof.go.jp/english/if/su080614.pdf.

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

⁵²⁰ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

⁵²² World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

⁵²⁴ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

⁵²⁵ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 7 July 2008. Date of Access: 7 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

The G8 was coordinated in its decision to improve export promotion and transparency in economic markets. Thus, this objective has been awarded a score of 1.

Analyst: Pratima Arapakota

Objective 5: Climate Change [0.25]

The UK government has historically pressed for climate change as a central objective at past summits. Under the leadership of British Prime Minister Brown, the focus on this subject has increased in order to demonstrate his support for this issue.⁵²⁸ The current energy crisis is expected to further encourage the British government to move quickly on the issue of climate change.

At the 2008 Hokkaido Summit, Prime Minister Brown's primary focus on climate change will be to reach an agreement on short-term, binding emission cuts similar to those that the European Union has proposed – 20 percent emission cut by 2020 from 1990 levels, increasing to 30 percent when there is an international climate agreement. The UK will likely seek pledges to accelerate Carbon Capture and Storage initiatives. In addition, the British government will seek a statement regarding incremental funding to developing countries to aid those countries that are coping with climate change.

The British government is actively engaging on this issue at an international level, as demonstrated by the government's participation at the Bali Conference on Climate Change in December 2007. In keeping with the UK government's assertive stance on climate change, there is a Climate Change bill circulating within the British parliament that seeks to make the UK the first country to have a domestic "statutory cap on emissions." Prime Minister Brown has made many statements concerning the importance of moving the UK to a low carbon economy and the role technology must play in the fight against climate change. The UK also acknowledges the necessity of helping vulnerable states, particularly those of the Commonwealth. Climate change was an important topic at the Commonwealth Heads of Government meeting in Uganda in November 2007.

Scoring Guidelines

0

The UK fails to encourage commitments to emission reductions, Carbon Capture and Storage, or aid to developing nations (i.e. no communiqués or policy statements are released at the Summit, no evidence this was discussed during the leaders' meetings or ministerials, no mention of climate change is made in multilateral or bilateral talks, press conferences, etc.).

0.25 There is evidence to suggest that the G8 engaged in discussion on climate change and commitments to emission reduction targets, but no notable progress or measurable action

⁵²⁸ Green agenda of conference season , BBC News International Edition, (London), 3 October 2007. Date of Access: 5 June 2008. http://news.bbc.co.uk/2/hi/uk_news/politics/7026175.stm

⁵²⁹ Consultation on the EU Commission's proposals to amend the EU ETS from 2013, Department for Environment, (London), 7 May 2008. Date of Access: 7 June 2008. http://www.defra.gov.uk/corporate/consult/euets-2013amendments/index.htm.

⁵³⁰ Joint Statement by G8 Energy Ministers, G8 Energy Ministers meeting, (Aomori, Japan), 8 June 2008. Date of Access: 8 June 2008. http://www.enecho.meti.go.jp/topics/g8/g8sta_eng.pdf.

⁵³¹ News Release Success at Bali Talks, Department for Environment Food and Rural Affrairs (London) 15 December 2007. Date of Access: 11 January 2008. http://www.defra.gov.uk/news/2007/071215a.htm.

⁵³² Address by Prime Minister Gordon Brown: PM calls for technological revolution, Prince of Wales Business Summit, (London), 1 May 2008. Date of Access: 7 June 2008. http://www.number-10.gov.uk/output/Page15422.asp.

⁵³³ Address by Prime Minister Gordon Brown: PM calls for technological revolution, Prince of Wales Business Summit, (London), 1 May 2008. Date of Access: 7 June 2008. http://www.number-10.gov.uk/output/Page15422.asp.

Address by Prime Minister Gordon Brown: Prime Minister calls for Greener Commonwealth, Commonwealth minisummit, (London), 10 March 2008. Date of Access: 7 June 2008. http://www.number-10.gov.uk/output/Page14954.asp.

was taken by the G8 (i.e. no Carbon Capture and Storage initiatives were identified in any of the communiqués or statements released at the Summit) as pushed forth by the UK government.

- The G8 releases communiqués or makes statements committing to an action plan positively related to the UK's objectives to set binding emission targets by 2020, Carbon Capture and Storage, or aid to developing nations, but it is a highly-diluted, heavily compromised version of the UK's objectives.
- The G8 releases communiqués or makes statements committing to set binding emission targets by 2020, Carbon Capture and Storage, or aid to developing nations, but the UK has made notable concessions with respect the plan.
 - The G8 releases communiqués or makes statements committing to setting binding emission targets by 2020, Carbon Capture and Storage, or aid to developing nations that is highly aligned with the UK's original vision.

Prospects

There seems to be a wide and general consensus that aid funds for developing countries directed at carbon reduction activities and easing the impact of climate change are beneficial policies. The UK government is expected to garner commitments directing additional funds for these types of programs. There is also a general consensus on the benefits of Carbon Capture and Storage projects. An agreement to further develop these projects is probable in Hokkaido. The UK is certain to encounter difficulties gaining short-term emission reduction commitments from both Japan and the US. The US government has always argued that developing countries must commit to emission reduction targets before the US will endorse any deal. The US is also weary of any climate deal negotiated through the United Nations, whereas the EU is adamant that any new climate treaty be international, not regional, and negotiated through the United Nations. A compromise on short-term targets will be the probable outcome.

Prospects

Although both Carbon Capture Initiatives and aid to developing countries to fight climate change were included in the G8 communiqué on Environment and Climate Change, the main UK climate change goal of an agreement on midterm 2020 emission targets was not achieved. The actual Summit agreement of a 50% reduction in global emissions by 2050 is too diluted and compromised to qualify the UK for a score of 0.50. Thus, the UK was awarded a score of 0.25.

Analyst: Aaron Ghobarah

Objective 6: Regional Security [1]

Zimbabwe

Prime Minister Brown has continued to express concern regarding Zimbabwe's regional security in the past several months. He has called upon the international community to respond to the "climate of fear" created in the aftermath of the recent presidential elections in Zimbabwe and has spoken against the growing violence and arrest of opposition figures. Recently, the UK has also

⁵³⁵ G8 Statement on Environment and Climate Change. Tokyo. 8 July 2008, The Ministry of Foreign Affaris of Japan. Date of access: 8 July, 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

⁵³⁶ G8 Statement on Environment and Climate Change. Tokyo. 8 July 2008, The Ministry of Foreign Affaris of Japan. Date of access: 8 July, 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

⁵³⁷ PM speaks out on Zimbabwe violence, 10 Downing Street, (London), 28 April 2008. Date of Access: 9 June 2008. http://www.pm.gov.uk/output/Page15365.asp.

condemned the decision made by President Robert Mugabe to ban aid agency fieldwork in Zimbabwe.⁵³⁸ It is likely that the UK will encourage G8 member-states to push for a UN-mandated investigation of human rights abuses in the country and for the establishment of a fair democratic process in Zimbabwe.

Afghanistan

The UK has stated that British troops will continue to remain in Afghanistan. A spokesman for Prime Minister Brown noted on 9 June 2007 that "leaving the forces of the Taliban unchecked, would be a source of major instability both globally and that would directly affect the UK – as we have seen in a number of terror plots which have originated in that part of the world." From 2-4 April 2008, Gordon Brown, along with Heads of State from twenty-six other NATO nations in the International Security Assistance Force, met in Bucharest, Romania, to discuss "NATO enlargement and operations in Afghanistan." Prime Minister Brown, along with the other heads of state, expressed a joint statement that included the UK's intention to "continue to assist the Government of Afghanistan in further establishing and maintaining a secure environment and extending good governance." ⁵⁴¹

Long-term steps to improve regional security in Afghanistan and a timeline for the injection and withdrawal of troops will likely be discussed at the G8 Summit. The UK is expected to be joined by other member-states contributing troops to the International Security Assistance Force (including Canada and the US) in these discussions.

South Africa

On 5 June 2008, Secretary of State for International Development Douglas Alexander announced a £500 000 funding package to provide assistance to migrants in temporary shelters in South Africa who have been affected by the recent violence in the area. He noted his intention to "join with South Africa's political, faith and civic leadership in utterly condemning the appalling violence that has been occurring in recent weeks in some townships of South Africa...Our team in South Africa have been monitoring the situation closely and have been working with local NGOs, providing food and shelter for the victims of the violence." The UK's ongoing efforts to help stabilize South Africa will likely be a topic of discussion at the G8 Summit.

Scoring Guidelines

0

The UK fails to encourage G8 countries to address regional security issues in Zimbabwe and Afghanistan at the Hokkaido Summit (i.e. no communiqués, or policy statements are released at the Summit, no evidence that regional security was discussed during the leaders' meetings or ministerials, no mention is made in multilateral or bilateral talks, press conferences, etc.)

There is evidence to suggest that the UK influenced the G8 to collectively recognize the need to increase security in Zimbabwe and Afghanistan, but no notable progress or

G8 Research Group 2008 Hokkaido Toyako G8 Summit Country Assessment Report

⁵³⁸ UK condemns 'tragic' aid decision, The Press Association, 6 June 2008. Date of Access: 9 June 2008. http://ukpress.google.com/article/ALeqM5hIbu1fOIdKWW_x4m5gtsKIBP8itQ.

⁵³⁹ Troops will stay in Afghanistan, says Gordon Brown, Telgraph, (London), 9 June 2008. Date of Access: 9 June 2008. http://www.telegraph.co.uk/travel/asia/afghanistan/2098931/100-British-dead-in-Afghanistan-but-troops-will-stay,-says-Gordon-Brown.html.

⁵⁴⁰ ISAF's Strategic Vision, NATO, 3 April 2008. Date of Access: 9 June 2008. http://www.nato.int/docu/pr/2008/p08-052e.html.

⁵⁴¹ ISAF's Strategic Vision, NATO, 3 April 2008. Date of Access: 9 June 2008. http://www.nato.int/docu/pr/2008/p08-052e.html.

⁵⁴² Alexander announces aid for South African violence victims, Department for International Development, (London), 5 June 2008. Date of Access: 9 June 2008.

http://www.dfid.gov.uk/news/files/pressreleases/alexander-safrica.asp.

	measurable action was taken by the G8 (i.e. a firm commitment to provide aid or no policy decisions have been identified in any of the communiqués or statements released at the Summit).
0.50	The G8 releases communiqués or makes statements committing to an action plan to address regional security in Zimbabwe and Afghanistan but it is a highly-diluted, heavily compromised version of the UK's position on each country in the regional security objective.
0.75	The G8 releases a clear action plan, communiqués, or statements to improve regional security in Zimbabwe and Afghanistan. It is obvious that the UK has made some notable concessions with its position on each country in the regional security objective.
1	The G8 formulates a clear action plan, communiqués, or statements making firm commitments to improve regional security in Zimbabwe and Afghanistan that is highly aligned with the UK's position on each country in the regional security objective.

Prospects

US President George Bush has supported the UK's military presence in Afghanistan. President Bush has recognized the UK's continued supply of troops to Afghanistan as a gesture in line with the US war on terror. The UK has the strong support of the US to encourage a continued international presence in Afghanistan at the G8 Summit. Since Canada, France, Germany, and Italy also have troops in Afghanistan, it is likely that they will also support an action plan for long-term stabilization of the country. Japanese Foreign Minister Masahiko Komura has noted that he would like to see the G8 Foreign Ministers show "strong resolve" on Afghanistan. He has noted his desire to host Mideast talks ahead of the Summit, assuring that Afghanistan will be a topic of some discussion at the Summit.

President Bush has also offered Prime Minister Brown support to bring democracy to Zimbabwe. The US and the UK are both demanding the admission of a UN human rights envoy and independent election monitors to the country. If the US and the UK can garner support from the other G8 members, it is possible that an action plan to implement democratic process will be put in place very quickly.

Japan has prioritized Africa as a key issue for this year's Summit and pledged to champion aid to the continent. South Africa will be in attendance at the Summit as part of an expanded "outreach" group of countries. ⁵⁴⁷ Although South African stability may not be specifically discussed at the G8 Summit, it is likely that the country will be discussed as part of the overall discussions about aid to Africa.

Postscript

The G8 successfully addressed good governance, achieving a score of 1 that was highly aligned with the Japanese Presidency's objective having addressed both Afghanistan and Zimbabwe at the Hokkaido Toyako Summit. While regional security was not one of the original top objectives, it moved to the very top of Prime Minister Brown's agenda given the critical situation in Zimbabwe.

⁵⁴³ 230 more British troops to be sent to Afghanistan, Browne Announces, The Guardian, 16 June 2008. Date of Access 16 June 2008. http://www.guardian.co.uk/politics/2008/jun/16/foreignpolicy.gordonbrown.

Japan wants to host Mideast talks ahead of the G8, Reuters, 16 June 2008. Date of Access: 16 June 2008. http://www.reuters.com/article/worldNews/idUST3900120080616?sp=true.

⁵⁴⁵ Japan wants to host Mideast talks ahead of the G8, Reuters, 16 June 2008. Date of Access: 16 June 2008. http://www.reuters.com/article/worldNews/idUST3900120080616?sp=true.

http://www.guardian.co.uk/politics/2008/jun/16/foreignpolicy.gordonbrown

⁵⁴⁷ Africa: G8 Summit – Japan to Champion Continent's Cause, All Africa, (Berlin), 8 June 2008. Date of Access: 16 June 2008. http://allafrica.com/stories/200806090015.html.

The G8 spent significant time discussing the situation in Zimbabwe, with a statement released on 8 July 2008. The G8 clearly stated that it does not recognize the "legitimacy" of the Mugabe government, encouraged regional organizations like the African Union and the South African Development Community to provide strong leadership for the quick dissolution of the crisis and resolved to monitor the situation along with regional bodies. Firm Minister Gordon Brown of the United Kingdom reflected that this was "This is the strongest statement. It shows the unity of the whole international community reflecting the outrage people feel about the violence and intimidation and the illegitimate holding of power by the Mugabe Government." A press conference by Prime Minister Gordon Brown confirmed that all G8 countries will support the UK and US' proposal for sanctions on Zimbabwe through the United Nations next week. In addition Prime Minister Brown stated that a UN embargo supported by all G8 leaders has been drafted which names fourteen individuals whose funds will be frozen in G8 countries and their allies and banned entry into those countries. These names include the President Robert Mugabe of Zimbabwe.

While Zimbabwe overshadowed the G8 Summit this year, the G8 addressed the issue of Afghanistan, re-committing their support for the country. They encouraged the government of Afghanistan to take more responsibility for security, governance and reconstruction but ensured their support to secure the border between Afghanistan and Pakistan. State of the security of t

Analyst: Pratima Arapakota

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⁵⁴⁸ G8 Leaders Statement on Zimbabwe, G8 Summit Hokkaido Toyako (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_230618.html.

⁵⁴⁹ Gordon Brown Shock Tactics force a UN showdown on Robert Mugabe, Times Online (London), 9 July 2008. Date of Access: 9 July 2008. http://www.timesonline.co.uk/tol/news/world/africa/article4296992.ece.

⁵⁵⁰ Press Conference, Prime Minister Gordon Brown (Hokkaido Toyako), 9 July 2008.

⁵⁵¹ Press Conference, Prime Minister Gordon Brown (Hokkaido Toyako), 9 July 2008.

⁵⁵² Press Conference, Prime Minister Gordon Brown (Hokkaido Toyako), 9 July 2008.

⁵⁵³ Chair's Summary, G8 Information Group (Hokkaido TOyako), 9 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-summary.html.

⁵⁵⁴Chair's Summary, G8 Information Group (Hokkaido TOyako), 9 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-summary.html.

UNITED STATES [0.75]

Economic Data

Currency: US Dollar Population: 303,824,646

Gross Domestic Product (official exchange rate): USD13.84 trillion

Gross Domestic Product per capita (PPP): USD45,800

Major Trading Partners: Canada, Mexico, Japan, China, UK, Germany

Political Data

Type of government: Constitution-based Federal Republic

Date of Establishment: 4 March 1789

Legislature: Bicameral: Senate and House of Representatives

Head of State: President George W. Bush

Background

Since the 2007 Heiligendamm Summit, the US and other G8 nations have experienced a 'cluster of shocks' in the areas of finance, energy, food, and ecology. Soaring commodity prices, the subprime credit crisis, regional instability in the broader Middle East, and climate change will all have a bearing in shaping the priority objectives of the US at the Hokkaido Toyako Summit.

The mood in the US has been characterized by a desire for political change due in large part to the mismanagement of the economy and the ongoing war in Iraq by the Administration of US President George W. Bush. The November 2008 elections for the presidency, seats in the House of Representatives, and one-third of the seats in the Senate will provide an opportunity for the US to effect political change.

On the domestic front, the US economy has recently faltered, slipping into recession after being pummelled by a housing market bust, the credit crunch, a weakening labour market, higher fuel and food costs, a costly war in Iraq, and a trade account imbalance of -USD747.1 billion⁵⁵⁷ in 2007. Heading into the Summit, President Bush will thus be under enormous pressure to build consensus and support for G8 objectives that redress some of these vulnerabilities.

In the area of political-security, it is highly likely that President Bush will promote discussions to curtail the proliferation of WMDs with respect to Iran's defiant uranium-enrichment program, unsecure WMD stocks and materials located in the former Soviet Union, and North Korea's continuing nuclear weapons program. President Bush may also seek to reaffirm and expand counterterrorist WMD measures within the context of previous commitments articulated most notably at the 2002 Kananaskis Summit where G8 members agreed to prevent "terrorists - or those who harbour

Prospects for the 2008 G8 Hokkaido Toyako Summit: Key Messages for the Future of Summitry, G8 Research Group, (Toronto), 16 May 2008. Date of Access: 10 June 2008. http://www.g8.utoronto.ca/scholar/kirton_080521.html.

⁵⁵⁶ Prospects for the 2008 G8 Hokkaido Toyako Summit: Key Messages for the Future of Summitry, G8 Research Group, (Toronto), 16 May 2008. Date of Access: 10 June 2008. http://www.g8.utoronto.ca/scholar/kirton_080521.html.

⁵⁵⁷ CIA Factbook, CIA, (Washington), 2008. Date of Access: 5 June 2008. https://www.cia.gov/library/publications/the-world-factbook/geos/us.html.

them - from acquiring or developing"⁵⁵⁸ WMDs. This commitment was reiterated at the 2005 Gleneagles Summit⁵⁵⁹ and at the 2006 St. Petersburg Summit.⁵⁶⁰

President Bush will also work to gather support and aid for ongoing efforts to promote greater peace and security in the broader Middle East. This agenda comes in light of a resurgence of regional extremist violence characterized by an increase in Taliban offensives in Afghanistan, political instability in Pakistan, the ongoing war in Iraq, the recent election of Hamas extremists in Palestine, and the political revival of Hezbollah in Lebanon.

In reaction to America's current economic woes, the Bush Administration is likely to play a pivotal role in leading discussions on financial supervision and stability, with a particular emphasis on the sub-prime crisis, the credit crunch and the configuration of international financial institutions (IFIs) to regulate credit market activity.

As petroleum and food prices surge to record levels, it is highly probable that the President will reaffirm energy security commitments made at the 2007 Heiligendamm and 2006 St. Petersburg Summits. There is a high likelihood that the US will also lead a call for discussion and consensus on addressing the issue of food security with respect to biofuels, the stabilization of commodity prices, and food aid for developing countries.

On the environment, the US has signalled its intention to play an important role in crafting a post-Kyoto climate change agreement that specifically establishes mid- and long-term targets. It is expected that President Bush will use the Summit as an opportunity to leverage a G8 agreement aligned with US national targets with language that favours emission intensity over absolute GHG emissions cuts. The US will also seek to prioritize advancements in clean energy technology and the inclusion of non-G8 emitters, specifically China and India, in any new binding climate agreement.

At previous G8 summits, most notably at Heiligendamm, St. Petersburg and Gleneagles, President Bush has given considerable precedence to the theme of health development in Africa. Thus, it is highly probable that the president, in his final term, will work to shore up support and an agreement re-affirming these commitments at Hokkaido Toyako with a specific focus on HIV/AIDS and other infectious diseases.

Lead Analyst: James Meers

Objective 1: Energy Security [0.75]

It is highly probable that the US will attempt to consolidate a number of commitments on the issue of energy security, specifically in regards to the development of alternative energy sources and fuels. The issue of energy security will be tied closely with US efforts to build agreement with other G8 leaders in producing a statement that places a strong priority on the development and implementation of new energy technologies in conjunction with alternative energy sources.

⁵⁵⁸ Full Text of Commitments, 1975-2006 G8 Research Group University of Toronto, (Toronto), 2008. Date of Access: 8 June 2008. http://www.g7.utoronto.ca/evaluations/index.html.

⁵⁵⁹ Full Text of Commitments, 1975-2006 G8 Research Group University of Toronto, (Toronto), 2008. Date of Access: 8 June 2008. http://www.g7.utoronto.ca/evaluations/index.html.

Full Text of Commitments, 1975-2006 G8 Research Group University of Toronto, (Toronto), 2008. Date of Access: 8 June 2008. http://www.g7.utoronto.ca/evaluations/index.html.

⁵⁶¹ Full Text of Commitments, 1975-2006 G8 Research Group University of Toronto, (Toronto), 2008. Date of Access: 8 June 2008. http://www.g7.utoronto.ca/evaluations/index.html.

⁵⁶² Full Text of Commitments, 1975-2006 G8 Research Group University of Toronto, (Toronto) 2008. Date of Access: 8 June 2008. http://www.g7.utoronto.ca/evaluations/index.html.

In light of the burgeoning issue of higher fuel costs, the Bush Administration has moved to reduce US reliance on oil, particularly foreign-produced oil, with the view that it is a threat to energy security. On 5 March 2008 at the International Renewable Energy Conference in Washington, President Bush made note of US oil dependence, identifying the issue as one that poses "economic challenges" as prices soar, as well as a security threat given that many oil producers "don't particularly like [the US]." In his speech, President Bush also made reference to the increasing international demand for oil as consumption needs of "growing countries" have dramatically increased in recent years, thereby further inflating prices.

The Bush Administration has already made some significant steps to address the issue of energy security. On 3 December 2007, Assistant Secretary for Economic, Energy and Business Affairs Daniel Sullivan outlined the international position of the US on energy, announcing that the US plans to increase and diversify its energy sources and supply routes (repositioning to more friendly sources from Canada, Brazil and Venezuela), as well as promote energy efficiency through the development and deployment of new energy technologies. Moreover, on 19 December 2007, President Bush signed the Energy Independence and Security Act, which called for improved energy and fuel efficiency, and the further use of alternatives to oil. Further, the US will also seek to obtain funding commitments from other G8 nations to support the US-backed clean energy fund initiative. The US will specifically seek USD10 billion in funding from other G8 member nations and major developing economies. The US will most likely use the Summit and Summit discussions as a platform to further its interests in securing American energy supplies.

Scoring Guidelines

- The G8 fails to achieve any measurable results with respect to energy security as evidenced by a deficiency in communiqués and/or policy statements released at the Summit.
- There is evidence to suggest that the G8 engaged in discussion on energy security, but no significant progress or measurable action was achieved as evidenced by the failure to neither renew previous commitments nor release any new action plan, communiqué or statements on energy security.
- 0.50 The G8 releases communiqués and/or statements renewing previous commitments as well as establishing new commitments to an action plan positively related to energy security, but are highly-diluted and heavily compromised by the fact that they set no specific targets or timelines.
- **0.75** The G8 releases communiqués and/or statements renewing previous commitments as well as establishing new commitments to an action plan positively related to energy security containing specific targets and timelines, but no agreement on the US-backed clean energy fund is achieved.
 - The G8 releases communiqués and/or statements renewing previous commitments as well as establishing new commitments to an action plan positively related to energy security containing specific targets and timelines AND an agreement of support is achieved with

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⁵⁶³ Fact Sheet: Increasing Our Energy Security and Confronting Climate Change Through Investment in Renewable Technologies, Office of the Press Secretary, (Washington), 5 March 2008. Date of Access: 30 May 2008. http://www.whitehouse.gov/news/releases/2008/03/20080305-2.html.

Fact Sheet: Increasing Our Energy Security and Confronting Climate Change Through Investment in Renewable Technologies, Office of the Press Secretary, (Washington), 5 March 2008. Date of Access: 30 May 2008. http://www.whitehouse.gov/news/releases/2008/03/20080305-2.html.

⁵⁶⁵ Remarks to the Future Fuels Conference, US Department of State, (Washington), 3 December 2007. Date of Access: 11 June 2008. http://www.state.gov/e/eeb/rls/rm/2007/99635.htm.

Fresident Bush Signs H.R. 6, the Energy Independence and Security Act of 2007, Office of the Press Secretary, (Washington), 19 December 2007. Date of Access: 11 June 2008. http://www.whitehouse.gov/news/releases/2007/12/20071219-6.html.

⁵⁶⁷ Interview with Yasuo Takeuchi, Nikkei Shimbun, US Department of State, (Washington), 9 May 2008. Date of Access: 31 May 2008. http://www.state.gov/e/eeb/rls/rm/2008/104694.htm.

Prospects

The growing insecurities related to energy are not a US-specific challenge; rather, it is a problem of global proportions that includes other G8 members as well. Thus, it is expected that the Summit will present favourable opportunities for President Bush to take leadership and shore up support among other G8 leaders for the renewal of previous G8 commitments related to energy security and the establishment of new commitments. There is a high likelihood that the US will be successful in building consensus on energy security as Japan and the other G8 nations have also expressed a strong willingness to give the issue considerable attention at the upcoming Summit.

Postscript

On 9 July 2008, the G8 and Major Economies (MEMs) released the Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change. They declared climate change as one of the "great global challenges of our time" and agreed that as economies "conscious of our leadership role" would collectively "confront" this challenge, interlinked with energy and food security, and human health. The document also affirmed the critical role of technology in addressing the "interlinked global challenges" of energy security and climate change, particularly in its ability to improve efficiency and enhance security.

In the World Economy communiqué released on 8 July 2008, G8 nations reaffirmed the St. Petersburg Global Energy Security Principles and the implementation of its Plan of Action, as well as the Joint Oil Data Initiative. ⁵⁷¹ Thus, the United States receives a score of 0.75 as the G8 reaffirmed previous commitments made at St. Petersburg and also achieved a strong consensus among MEMs and G8 leaders on the issue of energy security.

Analyst: Conrad Lochovsky

Objective 2: African Development [0.75]

At the Hokkaido Toyako Summit there is a high probability that the US will place African development and related health issues among its top priority objectives. In particular, the US agenda on Africa will encompass the issues of infectious⁵⁷² and tropical diseases.⁵⁷³ US G8 Sherpa Daniel Price recently mentioned that the US will be "encouraging the G8 to specify at this Summit how they are fulfilling the commitments on HIV-AIDS, malaria, polio and tuberculosis."⁵⁷⁴ In the area of

⁵⁶⁸ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html.

⁵⁶⁹ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html.

⁵⁷⁰ Declaration of Leaders Meeting of Major Economies on Energy Security and Climate Change, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_121006.html.

World Economy, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u news/2/20080708 115219.html.

U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

⁵⁷³ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

⁵⁷⁴ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

tropical diseases, Sherpa Price announced that diseases such as river blindness affect one billion people in the developing world and will require USD1 billion in funding,⁵⁷⁵ with the US already leading the way, having "contributed USD350 million." Heading into this year's Summit, President Bush has high expectations that the rest of the G8 will make their own contributions to meet US-set targets. ⁵⁷⁶

Leading up to the Summit, the US has taken a number of bilateral and unilateral steps to address issues related to African development.

In February 2008, President Bush visited five African nations and he reaffirmed the US commitment to growth and development on the African continent.⁵⁷⁷ On 14 February 2008, prior to his trip, President Bush announced that the US is "on track to increase total assistance to Africa to USD8.7 billion by 2010, [and] double the level of assistance in 2004."⁵⁷⁸ On the same occasion, President Bush announced some new initiatives that would contribute to development in Africa. Those initiatives included the addition of five investment funds supported by OPIC, which would mobilize USD875 million for Africa in addition to the USD750 million in investment capital that will be mobilized by OPIC Funds announced in November 2007.⁵⁷⁹

On 17 February 2008, in a Joint Press Availability with Tanzanian President Kikwete, President Bush reaffirmed the partnership in fighting HIV/AIDS and malaria between the US and Tanzania. On 18 February 2008 in Tanzania, President Bush reaffirmed his commitment to his 2005 Malaria Initiative which aims to cut malaria-related deaths in half by 2010 by working with fifteen African countries. President Bush also announced new developments in the ongoing bed net campaign, which entails the distribution of 5.2 million free bed nets in the next six months with the collaboration of the Tanzanian government, the World Bank and the Global Fund. On 20 February 2008, in a Joint Press Availability with Ghanaian President Kufuor, President Bush revealed a plan to make available a total of USD350 million over five years to target so-called Neglected Tropical Diseases, such as hookworm or river blindness. President Bush further announced that the US will devote nearly USD17 million to help Ghana fight malaria. In light of such initiatives, President Bush expressed a desire to continue working with the Ghanaian government to reduce the prevalence of tropical diseases.

⁵⁷⁵ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

⁵⁷⁶ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

⁵⁷⁷ U.S. Africa policy: an unparalleled partnership strengthening democracy, overcoming poverty, and saving lives, The White House, (Washington), 2008. Date of Access: 8 June 8, 2008. http://www.whitehouse.gov/infocus/africa/trip2008.
⁵⁷⁸ U.S. Africa policy: an unparalleled partnership strengthening democracy, overcoming poverty, and saving lives, The White House, (Washington), 2008. Date of Access: 8 June 8, 2008. http://www.whitehouse.gov/infocus/africa/trip2008.
⁵⁷⁹ U.S. Africa policy: an unparalleled partnership strengthening democracy, overcoming poverty, and saving lives, The White House, (Washington DC), 2008. Date of Access: 8 June 8, 2008.

http://www.whitehouse.gov/infocus/africa/trip2008.

⁵⁸⁰ President Bush Participates in Joint Press Availability with President Kikwete of Tanzania, The White House, (Washington DC), 17 February 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/02/20080217.html.

President Bush Tours Meru District Hospital, Discusses Malaria, The White House, (Washington DC), 18 February. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/02/20080218.html.

⁵⁸² President Bush Tours Meru District Hospital, Discusses Malaria, The White House, (Washington DC), 18 February. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/02/20080218.html.

⁵⁸³ President Bush Participates in Press Availability with President Kufuor of Ghana, The White House, (Washington DC), 20 February 2008. Date of Access: 10 June 2008. http://www.whitehouse.gov/news/releases/2008/02/20080220-2.html.

President Bush Participates in Press Availability with President Kufuor of Ghana, The White House, (Washington DC), 20 February 2008. Date of Access: 10 June 2008. http://www.whitehouse.gov/news/releases/2008/02/20080220-2.html.

Sherpa Price has also confirmed that the US and UK will be working together to introduce a joint agenda issue on global health development. On 17 April 2008, the US and the UK agreed on a new initiative aimed at reducing maternal mortality by 75% and the mortality of children under age five by two-thirds of 1990 rates. In response to the shortages of health care workers in developing countries, President Bush has recently pledged USD1.2 billion aimed to promote the development of the health workforce in developing countries. Sherpa Price announced that the joint US-UK initiative will be taken to the Hokkaido Toya-ko Summit "to garner further support from the G8." The US, along with the UK, wants to achieve the ratio of at least 2.3 health workers per 1000 people as recommended by the WHO.

Scoring Guidelines

- The G8 fails to achieve any measurable results with respect to African development, specifically related to health, as evidenced by a deficiency in communiqués and/or policy statements released at the Summit.
- There is evidence to suggest that the G8 engaged in discussion on African development specifically related to health, but no significant progress or measurable action was achieved as evidenced by the lack of any new commitments articulated in an action plan, communiqué or statement released.
- The G8 releases communiqués and/or makes statements committing to an action plan positively related to African development and specifically health, but they are compromised by the fact that they do not fulfil previous G8 agreements on African health development specifically with regards to the setting of financial targets and increased funding.
- The G8 agrees to fulfil previous G8 agreements with respect to African development and health AND commits to an action plan that sets new financial targets to be met in the future, but does not increase funding.
 - The G8 releases communiqués and/or makes statements fulfilling previous commitments with respect to African development and health, and also sets new targets and increases funding.

Prospects

Given the urgency of the spread of HIV-AIDS and other infectious diseases in Africa as well as the Japanese Presidency's emphasis on meeting MDGs as one of the critical themes of this Summit, it is expected that the G8 leaders will give African development considerable time and attention. All G8 countries will likely reiterate their commitment to previous G8 agreements on African development, and the G8 as a whole will likely agree on the importance of setting new financial targets. However, increasing funding and constructing a framework to ensure full accountability from each country on its share of commitments may be more difficult.

Postscript

The US objective of African development has registered a score of 0.75 at the G8 Hokkaido Toyako Summit, as the G8 has agreed to fulfil previous agreements on African development and health, as

⁵⁸⁵ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

⁵⁸⁶ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

⁵⁸⁷ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

⁵⁸⁸ U.S. looking for 'accountability' at July Summit, The Japan Times Online, (Tokyo), 1 May 2008. Date of Access: 6 May 2008. http://search.japantimes.co.jp/rss/nn20080501f1.html.

well as renew their previous commitments on financial aid up to 2010, but has failed to increase funding.

In the Development and Africa communiqué released on 8 July 2008, the G8 agreed to "fulfil [their] commitments on ODA made at Gleneagles, reaffirmed at Heiligendamm, including increasing, compared to 2004, with other donors, ODA to Africa by USD25 billion a year by 2010." The G8 leaders "acknowledge[d] that ODA from G8 and other donors to Africa…may need to be increased for the period after 2010," but for the time being they will maintain their previous goals of "providing at least a projected USD60 billion over 5 years" for health-related needs.

On health in Africa, the G8 made explicit their determination to "honor in full their specific commitments to fight infectious diseases, namely malaria, tuberculosis, polio" and their intention to work towards "the goal of universal access to HIV/AIDS prevention, treatment and care by 2010."⁵⁹¹ In the communiqué, G8 leaders also agreed to "establish a follow-up mechanism to monitor [their] progress on meeting [their] commitments"^{592,593} fulfilling the US objective of securing agreement from G8 leaders on HIV/AIDS, malaria, polio and tuberculosis. Furthermore, G8 leaders have agreed on the view of "providing 100 million [long-lasting insecticide treated] nets through bilateral and multilateral assistance…by the end of 2010,"⁵⁹⁴ as part of fulfilling previous commitments on malaria, an objective strongly advanced by President Bush during his recent African visit in February 2008.

Analyst: Yunjie Shi

Objective 3: Food Security [1]

The US has focused considerable attention and made noticeable efforts to address the current global food crisis over the past few months and is expected to press the issue at the G8 Hokkaido Toyako Summit. According to the US Secretary of Agriculture Ed Schafer, the US will likely propose a "three pronged approach" at the Summit, which was first proposed at the World Food Summit in June 2008. The "approach" seeks to provide immediate relief effort to those in need, address long-term infrastructure needs of food production, and eliminate various barriers to the free flow of food around the globe, including import and export restrictions. ⁵⁹⁵

In addressing long-term infrastructure needs, the US hopes to examine issues such as the means by which to increase yields and assist "partners around the world to provide the food, fibre ...and fuel for the people." The US is particularly concerned with increasing yields by increasing productivity and believes biotechnology is one of the most important ways in which the goal of 50% increase in

⁵⁸⁹ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁹⁰ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁹² Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁹³ Chair's Summary, G8 Summit 2008 Hokkaido Toyako (Hokkaido Toyako), 9 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁵⁹⁴ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_173847.html.

⁵⁹⁵ Secretary Ed Schafer Conference Call From Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washington DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2008/06/0150.xml.

⁵⁹⁶ Secretary Ed Schafer Conference Call from Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washington DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2008/06/0150.xml.

production can be met.⁵⁹⁷ On 1 May 2008 in a speech to Congress, President Bush urged other countries to lift bans on genetically modified foods.⁵⁹⁸

On the issue of biofuels and their impact on food price increases, the position of the US differs substantially from those of Japan and the EU.⁵⁹⁹ The US advocates for "the sustainable production and use of biofuels, both domestically and globally."⁶⁰⁰ Japan and the EU, on the other hand, are calling for the review of biofuel use while the US continues to argue that the use of biofuels "has only a minor impact on the surge in commodity prices."⁶⁰¹ Secretary Schafer stated that "while cornbased ethanol is a factor in the price increases in food," it is certainly not "anywhere near one of the major driving factors in food price increases."⁶⁰² Instead, he believes that "[the US] ethanol policy of energy security, of better environmental factors, and a reduction in the cost of petroleum use in [the US] is the right policy direction."⁶⁰³

At the World Food Summit held in June 2008, Secretary Schafer stated that the US was very supportive of the declaration issued during the conference, which called on countries to meet "urgent humanitarian needs," and on donors and international organizations to "support expanded food production." The document also urged for continued efforts on trade liberalization, and recognized the important role of investments in science and technology in ensuring food security in the long term. Secretary Schafer stated that the US has pledged USD5 billion over the next two years for immediate food relief effort.

On 1 May 2008, President Bush proposed an additional USD770 million to be allocated for emergency food assistance for poor countries at the beginning of the next fiscal year. ⁶⁰⁸ President Bush also called on Congress to provide his administration greater flexibility in dispersing assistance

Agriculture Organization, (Brussels), 5 June 2008. Date of Access: 10 June 2008.

http://www.fao.org/newsroom/en/news/2008/1000858/index.html.

⁵⁹⁷ Secretary Ed Schafer Conference Call from Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washington DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2008/06/0150.xml. ⁵⁹⁸ Bush Seeks More Food Aid for Poor Countries, The New York Times, (New York), 2 May 2008. Date of Access: 11 June 2008. http://www.nytimes.com/2008/05/02/world/02prexy.html. ⁵⁹⁹ G8 to issue special paper on food crisis: climbing prices to receive extra attention at July Summit, The Japan Times Online, (Tokyo), 1 June 2008. Date of Access: 10 June 2008. http://search.japantimes.co.jp/cgi-bin/nn20080601a1.html. 600 Statement By Secretary of Agriculture Ed Schafer on the High Level Conference on Food Security in Rome, Italy, US Department of Agriculture, (Washington DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2008/06/0151.xml. ⁶⁰¹ G8 to issue special paper on food crisis: climbing prices to receive extra attention at July Summit, The Japan Times Online, (Tokyo), 1 June 2008. Date of Access: 10 June 2008. http://search.japantimes.co.jp/cgi-bin/nn20080601a1.html. ⁶⁰² Secretary Ed Schafer Conference Call From Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washing DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2008/06/0150.xml. ⁶⁰³ Secretary Ed Schafer Conference Call From Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washing DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/s.7 0 A/7 0 1OB?contentidonly=true&contentid=2008/06/0150.xml. ⁶⁰⁴ Secretary Ed Schafer Conference Call From Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washing DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2008/06/0150.xml. ⁶⁰⁵ Secretary Ed Schafer Conference Call From Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washing DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2008/06/0150.xml. ⁶⁰⁶ Secretary Ed Schafer Conference Call From Rome with Reporters to Discuss the UN Food and Agriculture Organization Conference, US Department of Agriculture, (Washing DC), 5 June 2008. Date of Access: 11 June 2008. http://www.usda.gov/wps/portal/!ut/p/ s.7 0 A/7 0 1OB?contentidonly=true&contentid=2008/06/0150.xml. ⁶⁰⁷ Renewed financial effort in fight on hunger: Countries increase commitment at Rome Food Summit, Food and

⁶⁰⁸ Bush Seeks More Food Aid for Poor Countries, The New York Times, (New York), 2 May 2008. Date of Access: 11 June 2008. http://www.nytimes.com/2008/05/02/world/02prexy.html.

so that he could use "a quarter of all the American aid to buy food from local farmers in foreign countries rather than here in the US." 609

In April 2008, the Bush Administration requested the Department of Agriculture to allocate USD200 million in commodities (primarily foodstuffs) that would be covered by a special trust fund. The USAID also promised USD40 million more in emergency aid to countries that are being hit the hardest by soaring prices and food shortages.⁶¹⁰

Scoring Guidelines

- The G8 fails to achieve any measurable results with respect to the current global food crisis as evidenced by a deficiency in communiqués and/or policy statements released at the Summit.
- There is evidence to suggest that the G8 engaged in discussion about the food crisis but no significant progress or measurable action was achieved as evidenced by the lack of any new commitments as manifested in an action plan, communiqué or statement.
- **0.50** The G8 releases communiqués and/or makes statements committing to an action plan positively related to the food crisis, but they are highly diluted and heavily compromised by the fact that they neither provide any emergency aid including food relief aid NOR set any mid to long-term targets/timelines.
- **0.75** The G8 releases communiqués and/or makes statements committing to an action plan positively related to the food crisis, specifically in establishing commitments in the provision of immediate food relief, and the elimination of barriers to free flow of food BUT fails to set any mid- to long-term targets and timelines.
 - The G8 releases communiqués and/or makes statements committing to an action plan positively related to the food crisis, specifically committing to emergency aid, including immediate food relief, the elimination of barriers to free flow of food, and sets mid- and/or long-term targets/timelines.

Prospects

Although it is unlikely that any G8 country will dispute the urgency of the current global food crisis, the US may encounter some difficulty in promoting the kind of comprehensive approach it desires due to different viewpoints on the use of biofuel and the safety of genetically modified foods, especially given the resistance shown by its European and Japanese counterparts. However, the US may reach some consensus among G8 leaders on the provision of immediate food relief and the elimination of trade barriers with regard to food aid.

Postscript

The US objective of food security has registered a score of 1 based on the G8 leaders' renewed commitment to ensure food security both in the short and long term. In G8 Leaders Statement on Global Food Security released on 8 July 2008, the G8 leaders "renew[ed] [their] commitment to address this multifaceted and structural crisis" in food security and indicated that they "are determined to take all possible measures in a coordinated manner." The G8 called on other donors to meet "remaining...humanitarian needs" in addition to the aid commitment of over USD10 billion by G8 since January 2008, while urging them "to provide access to seeds and fertilizers for the

⁶⁰⁹ Bush Seeks More Food Aid for Poor Countries, The New York Times, (New York), 2 May 2008. Date of Access: 11 June 2008. http://www.nytimes.com/2008/05/02/world/02prexy.html.

⁶¹⁰ Bush Seeks More Food Aid for Poor Countries, The New York Times, (New York), 2 May 2008. Date of Access: 11 June 2008. http://www.nytimes.com/2008/05/02/world/02prexy.html.

upcoming planting season."⁶¹¹ With regards to the elimination of barriers to the free flow of food, the G8 agreed to "work toward the urgent and successful conclusion of an ambitious, comprehensive and balanced Doha Round."⁶¹² The Statement also emphasized the urgent need to "remove export restrictions and expedite the current negotiation at the WTO."⁶¹³ Finally, the G8 leaders were able to agree on a goal of "6.2% annual growth in agricultural productivity" suggested by the Comprehensive Africa Agricultural Development Programme (CAADP) and promised to "work toward the goal of doubling production of key food staples in African countries…in five or ten years in a sustainable manner."⁶¹⁴

Analyst: Yunjie Shi

Objective 4: Non-proliferation [1]

At this year's Hokkaido Toyako Summit, the Japanese Presidency has indicated that nuclear nonproliferation will again emerge as a major agenda issue. In particular, Japan has indicated that its nuclear nonproliferation agenda will specifically aim to "send a strong message toward strengthening the non-proliferation regime" and place new pressure on defiant states such as North Korea and Iran to abandon their nuclear ambitions. Within this context, there is a high likelihood that the US will work closely with Japan to build a consensus on commitments related to nuclear nonproliferation. In the months prior to the Hokkaido Toyako Summit, the Bush Administration demonstrated its ambition to make headway on the issue.

At the Proliferation Security Initiative held on 28 May 2008, US National Security Advisor Stephen Hadley addressed the issue of increased challenges of nuclear non-proliferation, identifying North Korea and Iran as 'proliferation risks' as they "pursue nuclear programs and other WMD capabilities," emphasizing that responsible states should feel "increasing pressure" to prevent the prospect of "a nuclear arms race in the Middle East, and other regions of tension in the world." ⁶¹⁶

With respect to North Korea, President Bush has high expectations of the ongoing six-party framework and anticipates that North Korea will fulfil all of its obligations, including "a full declaration of its nuclear programs that is complete, correct, and verifiable; dismantlement of the plutonium production infrastructure; abandonment of any alternate route for producing nuclear weapons material; and an end to all proliferation activity."

With regards to Iran, President Bush has explicitly articulated US opposition to Iran's uranium enrichment program, stating that his administration "will continue to turn up the pressure on the

⁶¹¹ G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html.

⁶¹² G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html.

⁶¹³ G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html.

⁶¹⁴ G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_182602.html.

⁶¹⁵ Main themes at Hokkaido Toyako Summit and Japan's objectives, G8 Hokkaido Toyako Summit, (Tokyo), 2008. Date of Access: 9 June 2008. http://www.g8Summit.go.jp/eng/info/theme.html.

⁶¹⁶ Remarks by National Security Advisor Stephen J. Hadley at the Proliferation Security Initiative Fifth Anniversary Senior Level Meeting, The White House, (Washington DC), 28 May 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/05/20080528-3.html.

⁶¹⁷ Remarks by National Security Advisor Stephen J. Hadley at the Proliferation Security Initiative Fifth Anniversary Senior Level Meeting, The White House, (Washington DC), 28 May 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/05/20080528-3.html.

[Iranian] regime over its uranium enrichment activity" with other international partners, by means of "diplomatic isolation, implementation of UN sanctions, and ...additional financial pressure." 618

At the Fifth Proliferation Security Initiative Security held in May 2008, Security Advisor Hadley echoed President Bush's stance with respect to the issue of nuclear nonproliferation and the prevention of "proliferators from transferring weapons of mass destruction, their delivery systems, and related materials using the avenues of global commerce." Security Advisor Hadley urged all nations present at the meeting to deepen their commitment to nuclear nonproliferation by increasing information-sharing capacity among nations as well as individual capacities in laws and export controls. He also warned against the exploitation of the international financial system by proliferators and facilitators, emphasizing the need "to know our customers better, scrutinize suspect transactions, freeze the assets of bad actors, and close down the banks that facilitate their activities."

On 10 June 2008, during President Bush's last official trip to Europe, the US and the EU issued a joint statement threatening Iran with "further sanctions unless it verifiably suspends nuclear enrichment." The two parties released the EU-US Summit Declaration in Slovenia which includes steps to prevent Iranian banks from supporting proliferation and terrorism, and urges the Iranian government to comply with the demand of the UN Security Council to cease uranium enrichment. The declaration specifically stipulated that "[the US and the EU] will fully and effectively implement" the existing UN sanctions and that they are "ready to supplement the sanctions with additional measures."

Scoring Guidelines

- The G8 fails to achieve any measurable results with respect to nuclear non-proliferation and terrorism as evidenced by a deficiency in communiqués and/or policy statements released at the Summit.
- There is evidence to suggest that the G8 engaged in discussion on nuclear non-proliferation with specific regard to North Korea and Iran, but no significant progress or measurable action was achieved as evidenced by the lack of any new commitments articulated in an action plan, communiqué or statement released.
- The G8 releases communiqués and/or makes statements positively related to nuclear non-proliferation, but they are highly diluted and heavily compromised by the fact that they are vague and fail to specifically address the denuclearization of North Korea and Iran AND fail to establish commitments strengthening information-sharing capacity between nations with respect to proliferators and facilitators.

⁶¹⁸ Remarks by National Security Advisor Stephen J. Hadley at the Proliferation Security Initiative Fifth Anniversary Senior Level Meeting, The White House, (Washington DC), 28 May 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/05/20080528-3.html.

⁶¹⁹Remarks by National Security Advisor Stephen J. Hadley at the Proliferation Security Initiative Fifth Anniversary Senior Level Meeting, The White House, (Washington DC), 28 May 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/05/20080528-3.html.

⁶²⁰Remarks by National Security Advisor Stephen J. Hadley at the Proliferation Security Initiative Fifth Anniversary Senior Level Meeting, The White House, (Washington DC DC), 28 May 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/05/20080528-3.html.

⁶²¹ Remarks by National Security Advisor Stephen J. Hadley at the Proliferation Security Initiative Fifth Anniversary Senior Level Meeting, The White House, (Washington DC DC), 28 May 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/05/20080528-3.html.

⁶²²US and EU issue new Iran warning, BBC News Online, (London), 10 June 2008. Date of Access: 10 June 2008. http://news.bbc.co.uk/2/hi/europe/7445370.stm.

⁶²³ US and EU issue new Iran warning, BBC News Online, (London), 10 June 2008. Date of Access: 10 June 2008. http://news.bbc.co.uk/2/hi/europe/7445370.stm.

⁶²⁴US and EU issue new Iran warning, BBC News Online, (London), 10 June 2008. Date of Access: 10 June 2008. http://news.bbc.co.uk/2/hi/europe/7445370.stm.

The G8 releases communiqués and/or makes statements positively related to nuclear non-proliferation that makes reference to the denuclearization of North Korea and Iran and the strengthening of information-sharing capacity between nations, but fails to build a G8 consensus to step up pressure to thwart Iran's uranium enrichment program.

The G8 releases communiqués and/or makes statements positively related to nuclear non-proliferation with reference to the denuclearization of North Korea and Iran, and includes an agreement to intensify actions to halt Iran's uranium enrichment program AND commitments to strengthen information-sharing capacity between nations with respect to proliferators and facilitators.

Prospects

With a general consensus on the importance of coordinating effective institutions that deal with nuclear proliferation and with the recent demolition of the cooling tower at Yongbyon's nuclear reactor, G8 leaders are expected to discuss the topic of non-nuclear proliferation at length at the upcoming Summit. Due to the fact that the US has already secured the backing of both the EU and Japan in adopting a more aggressive policy towards Iran's defiance of UNSC requirements to halt its uranium enrichment process, it is likely that the US will garner further support in establishing stronger language and actions to thwart Iran's nuclear development program. With regards to North Korea, however, there still appears to be some divergent opinions with respect to the recent cooling tower demolition and the upcoming removal of North Korea from the US list of terrorist states, thereby posing potential challenges for the US to meet all of its nuclear non-proliferation objectives at the Summit with regards to North Korea.

Postscript

In the Chair's Summary, the G8 made numerous commitments related to nuclear non-proliferation. The G8 specifically committed to curtail the proliferation of WMD and their delivery to terrorists by "upholding, strengthening and universalizing" all relevant multilateral non-proliferation and disarmament instruments. The G8 also expressed "serious concern" and urged Iran to fully comply with UNSCR Resolutions. The G8 also agreed to collectively work to "achieve a successful outcome" of the 2010 NPT Review Conference. Significant progress in this respect was achieved as the G8 reaffirmed their "full commitment to all three pillars (non-proliferation, peaceful uses of nuclear energy and disarmament)" of the NPT and pledged to "redouble" efforts to uphold and strengthen the Treaty. The G8 agreed to "strongly support" the immediate commencement and conclusion of negotiation of a Fissile Material Cut-off Treaty in the Conference on Disarmament. Based on the comprehensive and far-reaching commitments in relation to nuclear non-proliferation, the United States receives a full score of 1.

Analyst: Yunjie Shi

Objective 5: Climate Change [0.25]

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⁶²⁵ Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁶²⁶ Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁶²⁷ Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁶²⁸ Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁶²⁹ Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

The US will likely play an important role in developing new statements with respect to climate change. Within this scope, President Bush is likely to support G8 commitments that emphasise the development and proliferation of new climate-friendly energy technologies in conjunction with a model of sustainable economic growth. The US has also that the language of any statements or communiqués with respect to post-Kyoto climate commitments must also include other major emitters, particularly China and India. The US will also likely attempt to leverage commitments to thwart any agreement on internationally binding targets in favour of nationally based targets.

The US has made it clear that it understands the need for an agreement on climate change and has shown some willingness to lead efforts in crafting a post-Kyoto climate change agreement under the UNFCCC.

On 31 May 2007 President Bush announced a new initiative to host the first Major Economies Meeting hosted in Washington on 27 September 2008 with respect to climate change and energy security. 630

On 27 September 2007 at the Major Economies Meeting, US Secretary of State Condoleezza Rice remarked that the US fully understands its role as a "major emitter" and was "prepared to expand [its] leadership to address the challenge."

Although the US has demonstrated a more receptive tone to climate change talks as of late, it has still shown some reluctance with respect to hard targets and timetables.

In December 2008 at the UNFCCC Bali Summit, the US demonstrated resistance to the EU proposal of reducing GHG emissions by 50% by 2050, instead arguing for more "feasible and realistic" objectives in spite of the fact that the US has previously agreed to such a target at the 2007 Heiligendamm Summit. With respect to medium-term targets, the US has taken the position that such targets should be tailored for individual countries within the scope of national climate change plans. It is thus probable that the US will take a position at the upcoming Summit that dilutes any statements or communiqués that establish hard global targets in favour of country-specific targets.

The US has also emphasized the importance of developing and deploying new clean energy technologies as a crucial ingredient in any global strategy to tackle climate change.

On 16 April 2008, President Bush stated that "all responsible approaches" are dependent on accelerating the "development and deployment of new technologies." President Bush also reiterated the need for financing and improving access to clean energy technologies as going hand-in-hand with economic growth for both developing and developed nations. The US, with the

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⁶³⁰ President Bush Discusses International Development Agenda, Office of the Press Secretary, (Washington DC), 31 May 2007. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2007/05/20070531-9.html.

⁶³¹ Remarks at the Major Economies Meeting on Energy Security and Climate Change, US Department of State, (Washington DC), 27 September 2007. Date of Access: 9 June 2008. http://www.state.gov/secretary/rm/2007/09/92893.htm.

⁶³²G8 Environment Ministers Agree on 2050 Climate Goal, Environment News Service, (Kobe), 27 May 2008. Date of Access: 29 May 2008. http://www.ens-newswire.com/ens/may2008/2008-05-27-04.asp.

⁶³³ Midterm Goal Differences Aired at the G8, Yomiuri Shimbun, (Kobe), 27 May 2008. Date of Access: 31 May 2008. http://www.yomiuri.co.jp/dy/national/20080527TDY02308.htm.

⁶³⁴ Fact Sheet: Taking Additional Action to Confront Climate Change, Office of the Press Secretary, (Washington DC), 16 April 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/04/20080416-7.html.

⁶³⁵ President Bush Discusses Climate Change, Office of the Press Secretary, (Washington DC), 16 April 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/04/20080416-6.html.

⁶³⁶ President Bush Discusses Climate Change, Office of the Press Secretary, (Washington DC), 16 April 2008. Date of Access: 9 June 2008. http://www.whitehouse.gov/news/releases/2008/04/20080416-6.html.

support of the UK and Japan, has also promoted the creation of an international clean energy technology fund aimed at developing and disseminating emissions reducing technology.⁶³⁷ In this respect, there is a high likelihood that the US will place clean energy technology high on its climate agenda at Toyako.

The US has also made it clear that any climate change plan that can effectively cut GHG emissions must also promote sustainable economic growth. On 5 December 2008 following the UNFCCC meeting in Bali, Chairman for the White House Council on Environmental Quality Jim Connaughton affirmed this position, stating that "sustained economic growth is a necessary precondition to being able to achieve any reasonably aggressive target for reducing emissions."

The US has also stated repeatedly that newly emerging economies must also be included in any new agreement to reduce GHG emissions. On 18 April 2008 at a press briefing regarding the third round of the Major Economies Meetings, Chairman Connaughton articulated this position, stating it was sensible to consider "the level of effort that the major developing countries should be undertaking along with the rest of us," and that a lack of involvement by developing nations would no longer been tolerated as acceptable. 639

US Assistant Secretary for Economic, Energy, and Business Affairs Daniel Sullivan reiterated this position, recently announcing that it was "essential" for the involvement of "major emerging economies" and that "substantial commitments" be made by such nations for there to be any success in establishing an agreement on new climate-related commitments at the Summit.

Scoring Guidelines

- The G8 fails to achieve any measurable results with respect to climate change as evidenced by a deficiency in communiqués and/or policy statements released at the Summit.
- There is evidence to suggest that the G8 engaged in discussion related to climate change but no significant progress or measurable action was achieved as evidenced by the lack of an action plan, communiqué and statements.
- The G8 releases communiqués and/or statements committing to an action plan positively related to climate change, but they are highly-diluted and heavily compromised by the fact that they lack timetables, targets, and are non-binding.
- The G8 releases communiqués and/or statements committing to an action plan positively related to climate change, but notable concessions have been made with respect to the language relating to targets and timelines, and they exclude other major economies, specifically China and India.

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⁶³⁷ Fact Sheet: Increasing Our Energy Security and Confronting Climate Change Through Investment in Renewable Technologies, Office of the Press Secretary, (Washington DC), 5 March 2008. Date of Access: 30 May 2008. http://www.whitehouse.gov/news/releases/2008/03/20080305-2.html.

⁶³⁸ Press Briefing by Chairman of Environmental Quality James Connaughton and Under Secretary of State for Democracy and Global Affairs Paula Dobriansky on U.N. Convention on Climate Change, Office of the Press Secretary, (Washington DC), 5 December 2007. Date of Access: 10 June 2008.

http://www.whitehouse.gov/news/releases/2007/12/20071205-9.html.

⁶³⁹ Press Briefing by Chairman of Environmental Quality James Connaughton and Under Secretary of State for Democracy and Global Affairs Paula Dobriansky on U.N. Convention on Climate Change, Office of the Press Secretary, (Washington DC), 5 December 2007. Date of Access: 10 June 2008. http://www.whitehouse.gov/news/releases/2007/12/20071205-9.html.

⁶⁴⁰ Interview with Yasuo Takeuchi, Nikkei Shimbun, US Department of State, (Washington DC), 9 May 2008. Date of Access: 31 May 2008. http://www.state.gov/e/eeb/rls/rm/2008/104694.htm.

⁶⁴¹ Interview with Yasuo Takeuchi, Nikkei Shimbun, US Department of State, (Washington DC), 9 May 2008. Date of Access: 31 May 2008. http://www.state.gov/e/eeb/rls/rm/2008/104694.htm.

⁶⁴² Interview with Yasuo Takeuchi, Nikkei Shimbun, US Department of State, (Washington DC), 9 May 2008. Date of Access: 31 May 2008. http://www.state.gov/e/eeb/rls/rm/2008/104694.htm.

The G8 releases communiqués or makes statements committing to an action plan positively related to climate change that is highly aligned with post-Kyoto climate negotiations and establishes a consensus that includes other major economies, specifically China and India.

Prospects

US success on climate change depends on several factors. First, the US insistence that all major economies, including emerging economies such as China and India, be included in any new commitments on climate change is not likely to meet with successlikely to fail because these players will not be party to any G8 discussions, and therefore any G8 statement or commitment that is agreed upon will exclude the consensus of these countries.

However, commitments promoting the development and deployment of new clean energy technology are likely to succeed in large part due to the overall consensus among other G8 players with regards to this issue as demonstrated from previous summits and other multilateral forums such as the UNFCCC Summits in Bali and Hawaii. Finally, the dilution of any hard targets is also likely to occur as the US possesses the ability to influence the drafting and editing of any and all G8 statements that are produced at the Summit.

Postscript

On 8 July 2008 the G8 released it communiqué on Environment and Climate Change. In the communiqué there is evidence to suggest that the G8 engaged in positive discussion related to climate change. The G8 specifically agreed to take "strong leadership" in tackling climate change, and endorsed decisions in Bali and the vision of the UNFCCC as the foundation for reaching a multilateral agreement on climate change. He G8 also reaffirmed the Heiligendamm long-term climate target of achieving "at least 50%" reduction of global emissions by 2050 under auspices of the UNFCCC, and consistent with the principle of "common but differentiated responsibilities and respective capabilities." The document also emphasized the importance of "development and deployment of low-carbon technologies" as an essential strategy in achieving any mid or long term targets. In spite of these accomplishments, however, the communiqué was highly diluted and heavily compromised as G8 members were unable to achieve consensus on binding climate controls for short, mid and long-targets, and also were unable to agree on any baselines. Thus, the United States receives a score of 0.75 for achieving many of its objectives on climate change at this year's summit.

Analyst: Conrad Lochovsky

Objective 6: Regional Security [0.50]

The US is expected to continue its call for regional peace and security in the broader Middle East, particularly seeking statements of support from the G8 for the ongoing operations in Afghanistan and Iraq, as well as an intensification of pressure on Iran to halt its uranium enrichment program.

⁶⁴³ Climate Change and Environment, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

⁶⁴⁴ Climate Change and Environment, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

Climate Change and Environment, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html

⁶⁴⁶ Climate Change and Environment, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html.

⁶⁴⁷ Climate Change and Environment, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_143446.html.

On 6 March 2008, Deputy Secretary of State John Negroponte stated that "Afghanistan is a top foreign policy priority for the US." The US is currently leading twelve Afghanistan Provincial PRTs which provide critical support for Afghanistan's move towards improved security and democratic governance. In addition, NATO allies and US-Coalition partners lead fourteen other PRTs. Therefore, it is likely that President Bush will ask the G8 to reaffirm its support for the operation of NATO forces in Afghanistan by reiterating the G8 Foreign Ministers' 2002 Kananaskis Statement on Afghanistan.

On 10 April 2008, in a speech on Iraq, President Bush urged "all nations to increase their support [for the war in Iraq] this year." In light of this statement, it is highly likely that the president will use the G8 forum as a means to pressure other G8 members to increase support for operations in Iraq.

With respect to Iran, on 13 January 2008 President Bush identified Iran as "the world's leading state sponsor of terror" and declared US intentions of rallying "friends around the world to confront this danger." On 8 April 2008, in defiance of the UN, Iran announced that it had begun to dramatically increase its capacity to produce enriched uranium. The announcement has worried the US, the EU and Israel that Iran's uranium enrichment program will lead to the development of a capacity for the speedy production of nuclear weapons. In light of these recent nuclear developments, the US will likely encourage the G8 to take tougher steps to curtail Iran's uranium enrichment program.

The Japanese Presidency has set both Afghanistan and nuclear nonproliferation as high priorities for the upcoming Summit. Based on past summits, the G8 is also expected to issue statements of support for democracy and security in Afghanistan and Iraq. The G8 will also likely discuss the challenges of Iran's defiant conduct. Therefore, it is highly likely that the US will have an opportunity to build support in some of its efforts in addressing security in the broader Middle East, specifically with respect to Iran and Afghanistan.

Scoring Guidelines

The G8 fails to achieve any measurable results with respect to peace and security in the broader Middle East as evidenced by a deficiency in communiqués and/or policy statements released at the Summit.

There is evidence to suggest that the G8 engaged in discussion on security in the broader Middle East but no significant progress or measurable action was achieved as evidenced by the lack of any new commitments articulated in an action plan, communiqué or statement released.

⁶⁴⁸ Address by Deputy Secretary of State John D. Negroponte before the House Appropriations Committee, US Department of State, (Washington DC), 6 March 2008. Date of Access: 10 June 2008. http://www.state.gov/s/d/2008/101841.htm.

⁶⁴⁹Fact Sheet: Helping Afghanistan Achieve Sustainable Progress, Office of the Press Secretary, (Washington DC), March 2008. Date of Access: 10 June 2008. http://www.whitehouse.gov/news/releases/2008/03/20080313-4.html. ⁶⁵⁰Fact Sheet: Helping Afghanistan Achieve Sustainable Progress, Office of the Press Secretary, (Washington DC), March 2008. Date of Access: 10 June 2008. http://www.whitehouse.gov/news/releases/2008/03/20080313-4.html. ⁶⁵¹G8 Foreign Ministers' Statement On Afghanistan G8 Information Center (Toronto), 12 June 2002. Date of Access:

⁶⁵¹G8 Foreign Ministers' Statement On Afghanistan, G8 Information Center, (Toronto), 12 June 2002. Date of Access: 10 June 2008. http://www.g7.utoronto.ca/foreign/fm130602a.htm.

Address by President Bush at Cross Hall, Office of the Press Secretary, (Washington DC), 10 April 2008. Date of Access: 7 June 2008. http://www.whitehouse.gov/news/releases/2008/04/20080410-2.html.
 Address by President Bush at Emirates Palace Hotel in Abu Dhabi, Office of the Press Secretary, (Washington DC),

Address by President Bush at Emirates Palace Hotel in Abu Dhabi, Office of the Press Secretary, (Washington DC), 13 January 2008. Date of Access: 1 June 2008. http://www.whitehouse.gov/news/releases/2008/01/20080113-1.html.

⁶⁵⁴ Iran expands nuclear enrichment, The Hindu, (Delhi), 9 April 2008. Date of Access: 29 June 2008. http://www.thehindu.com/2008/04/09/stories/2008040959901800.htm.

⁶⁵⁵ Iran says it is boosting nuclear capacity, LA Times, (Los Angeles), 9 April 2008. Date of Access: 30 May 2008. http://www.latimes.com/news/printedition/asection/la-fg-iran9apr09,1,4214186.story.

- The G8 releases communiqués and/or makes statements positively related to security in the broader Middle East, but they are highly diluted and heavily compromised by the fact that they do not secure any support for operations in Iraq, Afghanistan or in stepping up pressure in thwarting Iran's uranium enrichment program.
- The G8 releases communiqués and/or makes statements positively related to security in the broader Middle East, including support for operations in Iraq, Afghanistan, but fails to build a consensus to step up pressure in halting Iran's uranium enrichment program.
 - The G8 releases communiqués and/or makes statements positively related to security in the broader Middle East, including support for operations in Iraq, Afghanistan and an agreement to intensify actions to halt Iran's uranium enrichment program.

Prospects

Given that stability and reconstruction in Afghanistan and nuclear non-proliferation have both been set as Summit priorities by the Japanese Presidency, it is likely that these issues will receive substantial attention at the Summit. Since most G8 countries have some interest in developing commitments to address these issues, it is a possibility that the US will achieve some success in gaining support for an agreement that supports operational efforts in Afghanistan, and in taking further steps towards halting Iran's uranium enrichment program.

Postscript

In the Chair's Summary, G8 leaders expressed serious concern over Iran's failure to comply with its UN-sanctioned obligations to suspend its enrichment-related activities. The G8 also offered their continued commitment to a diplomatic solution and supported the efforts of the six-nation negotiations. The G8 also reaffirmed their commitment to support Afghanistan, specifically in strengthening mandate of UNAMA and Special Representative of UN Secretary-General Kai Eide. The G8 also agreed to accelerate assistance for the Afghan National Army and Police, and committed to "working toward increasing aid effectiveness" to Afghanistan. Thus, the United States receives a score of 0.5 for achieving some but not all of its objectives on regional security in the Broader Middle East at this year's summit.

Analyst: Denitza Koev

Objective 7: World Economy [0.50]

Given the recent downturn of the economy, the US is expected to play a critical role in Summit discussions on world trade, particularly focusing on the promotion of "stronger market discipline, enhance[d] risk management, and improve[d] efficiency and stability of...capital markets."

The recent US economic recession is due, in part, to a housing market bust and the credit crunch. It may also serve as an impetus to reach some agreement at the G8 in the area of financial security and supervision. On 7 April 2008, the FSF released a report that identified the US sub-prime mortgage market, risk management practices, and regulatory frameworks as factors in the "underlying causes"

⁶⁵⁶ Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁶⁵⁷Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁶⁵⁸Chair's Summary, Ministry of Foreign Affairs of Japan, (Tokyo), 9 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080709_144220.html.

⁶⁵⁹Address by US Treasury Secretary Henry Paulson at the Meeting of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411_paulson.htm.

and weaknesses" of the present global market crisis. ⁶⁶⁰ To enhance the resilience of markets and financial institutions, the report prescribed public and private sector actions in five key areas: oversight of capital, liquidity, and risk management; transparency and valuation; the role and use of credit rating; authorities' responsiveness to risk; and dealing with stress in financial systems. ⁶⁶¹ On 11 April 2008, at their meeting in Washington, the G7 Finance Ministers and Central Bank Governors decided to endorse the FSF proposals for "full and effective" implementation by the end of 2008. ⁶⁶²

In addition to the implementation of the FSF proposals, the US has undertaken a rigorous action plan to counteract the current financial market turmoil. Key issue areas include strengthening global financial stability, limiting the impact of financial turmoil at home, and addressing - on both a national and international level - detrimental factors contributing to financial turmoil. These issues will most likely come up in G8 discussions on the world economy.

Regarding the strengthening of global financial stability, the US has actively sought to "open investment policies and to combat rising protectionism." On 9 February 2008, the US and its fellow G8 members stressed the "urgent need" for a successful conclusion of the Doha Development Round, which will lower tariffs and other trade barriers substantially." Days before the G8 Finance Ministers meeting in Osaka, Treasury Under Secretary David McCormick said that Ministers are likely to "redouble efforts" to finalize the Doha.

Meanwhile, it is possible the US will use the G8 forum to report its current financial market status and the initiatives that have been undertaken to limit the impact of financial turmoil at home. US Treasury Secretary Henry Paulson is expected to tell his colleagues that "housing correction, financial market turmoil, and high energy prices continue to weigh on the US economy," and that a faster pace of US economic growth is expected before the end of the year. Secretary Paulson will mention the economic stimulus package, which was signed into law in February 2008 and will provide over USD150 billion for businesses and individuals in 2008. The package is expected to stimulate the creation of more than 500,000 additional jobs by the end of the year. Further initiatives to be disclosed include the HOPE NOW alliance that has been designed to "minimize the

⁶⁶⁰ Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience, Financial Stability Forum, (Basel), 7 April 2008. Date of Access: 10 June 2008.

 $http://www.\bar{f}sforum.org/publications/FSF_Report_to_G7_11_April.pdf.$

⁶⁶¹ Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience, Financial Stability Forum, (Basel), 7 April 2008. Date of Access: 10 June 2008.

http://www.fsforum.org/publications/FSF_Report_to_G7_11_April.pdf.

⁶⁶² Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411.htm.

⁶⁶³ Address by US Treasury Secretary Henry Paulson at the Meeting of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411_paulson.htm.

⁶⁶⁴ Statement of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Tokyo), 9 February 2008. Date of Access: 9 June 2008. http://www.g8.utoronto.ca/finance/fm080209.pdf.

Paulson to tell G8 US growth will speed up, Reuters, (Washington DC), 10 June 2008. Date of Access: 10 June 2008. http://www.reuters.com/article/reutersComService_3_MOLT/idUSWAT00963520080610.

⁶⁶⁶ Address by Treasury Under Secretary David H. McCormick in advance of G8 Finance Ministers Meeting, THS, (Washington DC), 10 June 2008. Date of Access: 10 June 2008.

 $http://7 th space.com/headlines/284126/under_sec_mccormick_statement_in_advance_of_g_8_finance_ministers_meeting .html.$

⁶⁶⁷ Address by Treasury Under Secretary David H. McCormick in advance of G8 Finance Ministers Meeting, THS, (Washington DC), 10 June 2008. Date of Access: 10 June 2008.

 $http://7 th space.com/head lines/284126/under_sec_mccormick_statement_in_advance_of_g_8_finance_ministers_meeting .html.$

⁶⁶⁸ Address by US Treasury Secretary Henry Paulson at the Meeting of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411_paulson.htm.

spillover from the housing sector to the real economy." Secretary Paulson will also mention PWG, which has reviewed policy issues and is now tracking and assessing the implementation of FSF prescriptions. The US is likely to encourage other G8 countries to comply with the FSF proposals.

The US is also likely to promote efforts to combat money laundering and terrorist financing. On 11 April 2008, Secretary Paulson addressed the importance of "safeguard[ing] the integrity of the global financial system." At the same time, the G7 identified Iran as a threat to that system. Due to the US' continued call for regional peace and security in the Middle East, the US may urge all countries to implement the financial provisions of UN Security Council resolutions 1737, 1747, and 1803. The US may also address jurisdictional deficiencies in Iran's anti-money laundering and counterterrorist financing regime.

Based on current statistics, the US has a substantial need to push for financial market recovery and, therefore, to achieve its objective at the Hokkaido Toyako Summit. US macroeconomic risk in 2008 merits a "D" rating, with a moderate to high risk of further turmoil to come. ⁶⁷⁴ In addition, since 2005, the real GDP growth has dropped an estimated 2.9 percent (from 3.5 to 0.6 percent). ⁶⁷⁵

The Bush Administration has participated in G7 ministerial meetings, implementing policy changes under PWG and FSF guidelines, remedying inappropriate subprime lending practices, ⁶⁷⁶ putting the housing market back on track, and creating initiatives that aim to reduce market woes. Designed to steer financial markets towards growth and stability, these measures are likely to receive support from G8 member states.

The US will achieve success on the financial security and supervision objective if it is able to coordinate policies with other G8 countries to limit the effect of the current financial market turmoil. Further success would include progress towards a stronger and more stable global financial system.

Scoring Guidelines

The G8 fails to achieve any measurable results with respect to financial security and supervision as evidenced by a deficiency in communiqués and/or policy statements released

⁶⁶⁹ Address by US Treasury Secretary Henry Paulson at the Meeting of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411_paulson.htm.

Address by Treasury Under Secretary David H. McCormick in advance of G8 Finance Ministers Meeting, THS, (Washington DC), 10 June 2008. Date of Access: 10 June 2008.

http://7thspace.com/headlines/284126/under_sec_mccormick_statement_in_advance_of_g_8_finance_ministers_meeting_html

⁶⁷¹ Address by US Treasury Secretary Henry Paulson at the Meeting of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411_paulson.htm.

Address by US Treasury Secretary Henry Paulson at the Meeting of G7 Finance Ministers and Central Bank

Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411_paulson.htm.

⁶⁷³ Address by US Treasury Secretary Henry Paulson at the Meeting of G7 Finance Ministers and Central Bank Governors, G8 Information Centre, (Toronto), 11 April 2008. Date of Access: 8 June 2008. http://www.g8.utoronto.ca/finance/fm080411_paulson.htm.

⁶⁷⁴ USA Risk: Macroeconomic Risk, G8 Live, (Toronto), 21 May 2008. Date of Access: 30 May 2008. http://g8live.org/2008/05/21/usa-risk-macroeconomic-risk.

⁶⁷⁵Gross Domestic Product: First Quarter 2008 (Preliminary), Bureau of Economic Analysis, (Washington DC), 29 May 2008. Date of Access: 9 June 2008. http://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm.

⁶⁷⁶ Address by SEC Commissioner Paul S. Atkins at the President's Advisory Council, U.S Securities and Exchange Commission, (Washington DC), 28 May 2008. Date of Access: 6 June 2008. http://www.sec.gov/news/speech/2008/spch052808psa.htm.

at the Summit.

- There is evidence to suggest that the G8 engaged in discussion on financial security and supervision but no significant progress or measurable action was achieved as evidenced by the lack of any new commitments articulated in an action plan, communiqué or statement released.
- The G8 releases communiqués and/or makes statements positively related to financial security and supervision, but they are highly diluted and compromised by the fact that they do not set any targets or timelines AND the Financial Stability Forum is not adopted.
- The G8 releases communiqués and/or statements committing on financial security and supervision but the Financial Stability Forum is not adopted as part of the commitments.
- The G8 releases communiqués and/or statements committing on financial security and supervision including the adoption of the Financial Stability Forum (FSF) as part of the commitments.

Prospects

Since problems surrounding financial stability and economic growth are matters of interest for all G8 countries, the US will likely succeed in 1) coordinating policies to limit the effect of recent financial market turmoil, and in 2) building a stronger international financial system. In particular, the US is likely to garner support for a commitment with respect to the FSF plan that supports a stronger and more resilient financial system, and renew previous Summit commitments relating to open investment, and to efforts against money laundering and terrorist financing. These policies will be in line with the US' call for stronger market discipline, enhanced risk management, and improved market stability.

Postscript

On 8 July 2008, the G8 released its communiqué on the World Economy. In the statement there is evidence to suggest that the G8 engaged in discussion on financial security and supervision. The document praised the good progress made thus far in implementing the recommendations of the Financial Stability Forum (FSF) in April 2008. The G8 also underscored the importance in further implementing the FSF's report's recommendations recently established at the G8 Finance Ministers' Statement in Osaka. The G8 also urged member nations to collaborate with private-sector players, national supervisory authorities and international bodies to "rapidly implement all FSF recommendations to strengthen resilience of the financial system." Although the United States achieved its objective on financial security and obtaining an endorsement of the FSF, it receives a score of 0.5 by the fact that the FSF was not adopted and no targets or timelines were set.

Analyst: Denitza Koev

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⁶⁷⁷ Climate Change and Environment, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

⁶⁷⁸ Climate Change and Environment, Ministry of Foreign Affairs of Japan, (Tokyo), 8 July 2008, Date of Access: 9 July 2008. http://www.mofa.go.jp/u_news/2/20080708_115219.html.

EUROPEAN UNION [0.63]

Economic Data

Currency: Euro

Population: 491,018,677

Gross Domestic Product (official exchange rate): USD16.62 trillion

Gross Domestic Product per capita (PPP): USD32,300

Major Trading Partners: US, Switzerland, Russia, China, Japan

Political Data

Type of government: a hybrid intergovernmental and supranational organization; 27 Member States

Date of Establishment: 1 November 1993

Legislature: European Parliament and Council of the European Union

Head of State: President José Manuel Barroso Head of EU Council: President Nicolas Sarkozy

Background

The EU will be represented at the 2008 Hokkaido Summit by European Commission President José Manuel Barroso and French President Nicholas Sarkozy, who assumed the EU Council Presidency on 1 July 2008. France will be the first of a new Trio of Council Presidencies, to be followed successively by the Czech Republic and Sweden. The Trio is developing a programme for their collective priorities for the eighteen-month period during which they will successively preside over the Council.⁶⁷⁹

This will be the fourth consecutive G8 Summit at which President Barroso has represented the European Commission. In ministerial meetings leading up to the Hokkaido Summit, the EU has been represented by relevant European Commissioners as well as Slovenian Ministers. Slovenia holds the EU Council Presidency for January – June 2008.

The objectives of the EU for the 2008 Hokkaido Summit are similar to those held for the 2007 Heiligendamm summit. The top priority will be pursuing development of climate change commitments for aggressive cuts in GHG emissions from all G8 members. The EU will also be seeking pledges for increased volume as well as better-coordinated aid to Africa as its second priority for the Summit.

Global economic volatility and the rise in oil prices have made the world economy a priority objective for the EU, as it seeks to sustain internal growth and employment. Agreements on measures that will enhance the EU's economic prospects are thus the third objective for the Hokkaido Summit. Rising oil prices have also contributed to increased concerns in energy security; thus, the EU will be pressing the G8 to join it in aggressively seeking renewable energy alternatives and to support the IPEEC, recently agreed to by all G8 members. Addressing the global rise in food prices is a fifth and partially related objective for the EU; it will seek cooperation from other member states in developing a coordinated short and long-run program to help developing countries navigate the large, recent rise in food prices.

⁶⁷⁹ EU to Focus on Energy Security and Climate Change in the next 18-months, International Herald Tribune (Prague), 27 May 2008. Date of Access: 9 June 2008. http://www.iht.com/articles/ap/2008/05/27/europe/EU-GEN-EU-Rotating-Presidency.php.

The EU will also be seeking a commitment from the G8 to the conclusion of the Doha round as its sixth objective, ideally on a timeframe that will see its conclusion within 2008. The EU's seventh and final objective for the Summit is an affirmation of support for peace and security in regions that the EU has strong interests, namely in the Western Balkans and in the region on the western border of Darfur, where the EU is deploying its military force for conflict management and humanitarian purposes.

Lead Analyst: Julie Wilson

Objective 1: Climate Change [0.25]

An agreement on aggressive and concrete measures to combat climate change is the EU's top priority going into the 2008 G8 Summit. The EU has been advocating for stringent GHG emissions cuts and a 2°C limit to global warming as two of the major aspects of a post-2012 UN agreement. It will seek to ensure that the G8 commits to such targets in both the medium and the long-term.

At the Hokkaido Summit, the EU will be looking to gain acceptance of its proposal for the post-2012 UN agreement for climate change, which focuses primarily on binding reductions in GHG emissions. Specifically, the EU will be seeking G8 support for a binding target of 30% reduction of greenhouse gas emissions below 1990s levels by 2020, and a 50% reduction by 2050.680 The EU has been actively trying to gain support for its plan since its appeals failed at the 2007 Heiligendamm Summit. Just prior to the EU-Japan Summit that took place 23 April 2008, Commission President Barroso stated that, "Climate change is the single most important of these [global challenges] and industrialized countries must lead by example...A lot is riding on the G8 meeting which Japan will host in July."681

Demonstrating its own commitment to climate change, the EU has pledged a 20% reduction of greenhouse gases by 2020 regardless of what other countries do. 682 Differing from other emissions reduction proposals, the EU believes that industrialized countries should be the only ones required to make emissions reductions at this point in time because they have the technological and financial capacity to do so.⁶⁸³ According to the EU, developing countries should only be required to start reducing their greenhouse gas emissions growth rate, with absolute reductions to be made by 2020. 684 The EU had a similar objective at the 2007 Heiligendamm summit. Ultimately, US opposition, among others, prevented the G8 from coming to a comprehensive agreement.⁶⁸⁵

⁶⁸⁰ Combating Climate Change: The EU leads the way, European Commission, (Brussels), September 2007. Date of Access: 9 June 2008. http://ec.europa.eu/publications/booklets/move/70/index_en.htm.

⁶⁸¹ EU and Japan discuss global challenges like climate change at Summit on 23 April 2008, European Union, (Brussels), 22 April 2008. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/620&format=HTML&aged=0&language=EN&guiLangu

age=en. 682 Combating Climate Change: The EU leads the way, European Commission, (Brussels), September 2007. Date of Access: 9 June 2008. http://ec.europa.eu/publications/booklets/move/70/index_en.htm.

⁶⁸³ Boosting growth and jobs by meeting our climate change commitments, European Union, (Brussels), 23 January 2008. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/80&format=HTML&aged=0&language=EN&guiLanguage=E

ge=en.

684 Boosting growth and jobs by meeting our climate change commitments, European Union, (Brussels), 23 January 2008. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/80&format=HTML&aged=0&language=EN&guiLangua

ge=en. 685 Bush, Putin, Merkel Agree on One Thing: All Won at G8 Talks, Bloomberg Online Edition, (New York), 11 June 2007. Date of Access: 9 June 2008.

http://www.bloomberg.com/apps/news?pid=20601101&sid=aFp1RDXoLvKA&refer=japan.

The EU participated in the UN climate change conference in Bali, Indonesia from 3-14 December 2007. ⁶⁸⁶ Just prior to this, the EU Council environment ministers agreed upon what the EU would like to see in such an agreement. The eight "building-blocks" are as follows: limiting global warming to 2°C; deep emissions reductions by industrialized countries; fair and effective cuts by developing countries; strengthening and extending the global carbon market; more cooperation on research; greater attempts to address adaptation to climate change; to address emissions from aviation and shipping; reducing emissions caused by deforestation. ⁶⁸⁷

Over the past year the EU has been active internationally garnering support for climate change related issues. In April 2008, the EU participated in Summits with the Latin American and Caribbean civil society organizations as well as with Japan. At both of the Summits, the parties agreed upon the necessity of combating climate change internationally. On 29 March 2008, the EU announced the launch of the Global Energy Efficiency and Renewable Energy Fund (GEEREF), which involves committing EUR80 billion for the purpose of boosting energy efficiency and developing renewable energy sources in developing countries. As such, the EU has been making an effort to boost international recognition of the need for action against climate change and specifically to gain support for its proposal.

The EU has taken steps internally over the past year that may help the international agreements it seeks to obtain at the Hokkaido Summit. First, the EU has been explicit in the methods it would use to attain the desired GHG reduction so as to demonstrate a clear path for other countries to take. On 23 January 2008, the Commission put forth a proposed "climate action and renewable energy package" that specified how the EU would meet its emission reduction targets. ⁶⁹¹ One component is the Emissions Trading System (ETS). On 6 June 2008 Stavros Dimas, Commissioner for Environment, emphasized the effectiveness of the European ETS and its potential to be expanded and used by other countries in their efforts at reducing greenhouse gas emissions. ⁶⁹²

The EU has also argued that emission-reductions do not necessarily greatly hamper economic performance. On 23 January 2008 European Commission President Barroso stated that instead of harming the economy, reducing greenhouse gases will create thousands of new businesses and

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⁶⁸⁶ Climate change: Bali conference must launch negotiations and fix 'roadmap' for new UN agreement, European USion, (Brussels), 27 November 2007. Date of Access: 9 June 2008.

 $[\]label{lem:http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1773\&format=HTML\&aged=0\&language=EN\&guiLanguage=en.$

⁶⁸⁷ Climate change: Bali conference must launch negotiations and fix 'roadmap' for new UN agreement, European Union, (Brussels), 27 November 2007. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1773&format=HTML&aged=0&language=EN&guiLanguage=en.

⁶⁸⁸ EU-Latin America Summit: EESC calls for active civil society involvement to fight climate change, European Union, (Brussels), 29 April 2008. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=CES/08/41&format=HTML&aged=0&language=EN&guiLanguage=en.

⁶⁸⁹ EU and Japan discuss global challenges like climate change at Summit on 23 April 2008, European Union, (Brussels), 22 April 2008. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/620&format=HTML&aged=0&language=EN&guiLanguage=en

⁶⁹⁰ New €80 million fund to boost energy efficiency and renewables in the fight against climate change in developing countries, European Union, (Brussels), 28 March 2008. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/473&format=HTML&aged=0&language=EN&guiLanguage=en.

age=en.

691 Climate Action, Environment, European Commission, (Brussels). Date of Access: 12 June 2008. http://ec.europa.eu/environment/climat/climate_action.htm.

⁶⁹²Speech by Stavros Dimas, Green Week: A reality check on consumption and sustainability, European Union, (Brussels), 6 June 2008. Date of Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/310&format=HTML&aged=0&language=EN&guiLanguage=en.

millions of jobs.⁶⁹³ Similarly, the EU has stated that if their proposed emissions reductions are enacted it will only cut GDP growth by 0.2%.⁶⁹⁴ This claim is supported by independent observer Moody's Investment Service, which found that the ambitious reduction targets will not necessarily harm the economy outside of the most emissions-intensive industries.⁶⁹⁵

The EU will achieve success on this objective if G8 member states agree to binding targets for emissions-reduction that are within its proposal of 30% emission reductions from 1990-levels by 2020 and 50% emission reductions from 1990-levels by 2050.

Scoring Guidelines

- G8 agrees upon no binding emission reduction targets or timelines, in principle or concretely **OR** the G8 agrees upon the need to set binding emission reduction targets for 2050, but does not agree upon specific emission reductions.
- **0.25** The G8 agrees upon binding emission reduction targets for 2050 in line with the EU's goals.
- **0.50** The G8 agrees upon binding emission reduction targets for 2050 in line with the EU's goals, and agrees upon the principle of binding emission reduction targets by 2020.
- The G8 agrees upon binding emission reduction targets for 2050 in line with the EU's goals, and agrees upon 2020 targets that are below the EU's desired targets.
 - The G8 agrees upon binding emission reduction targets of 30% by 2020 **AND** 50% by 2050 to which all G8 countries adhere to.

Prospects

The US is the most likely to oppose the EU's goals. The US will probably not agree to any significant reduction targets for 2020, as US climate change negotiator Harlan Watson has said that such targets are "not do-able for us," although stating that it might be possible for the US to agree to a 50% reduction by 2050. The main sticking point will be the role of developing countries and whether they should be required to meet emission reduction targets. The US has been refusing to make any firm commitments unless major developing countries such as China and India also agree to reductions. Therefore it will be difficult for the EU to achieve its full climate change related goals. A compromise settlement may be reached, but it is equally likely that no emissions targets will be set at the Hokkaido Summit.

Postscript

The EU has been awarded a score of 0.25 for its objective on climate change. This is a compromise score as the outcome of the Summit reflects elements of scoring guidelines for both 0 and 0.5.

The relevant text of the G8 Statement on Environment and Climate Change is highly ambiguous. "We seek to share with all parties to the UNFCCC [United Nations Framework Convention on

⁶⁹³ Boosting growth and jobs by meeting our climate change commitments, European Union, (Brussels), 23 January 2008. Date of Access: 9 June 2008.

 $[\]label{lem:http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/80\&format=HTML\&aged=0\&language=EN\&guiLanguage=en.$

ge=en.

16 Combating Climate Change: The EU leads the way, European Commission, (Brussels), September 2007. Date of Access: 9 June 2008. http://ec.europa.eu/publications/booklets/move/70/index_en.htm.

⁶⁹⁵ E.U. climate change policies may affect emission-intensive industries – Moody's, Forbes Online Edition, (New York), 21 May 2008. Date of Access: 9 June 2008.

http://www.forbes.com/afxnewslimited/feeds/afx/2008/05/21/afx5032435.html.

⁶⁹⁶ Tough 2020 climate goals unachievable-U.S., Reuters U.S. Online Edition, (New York), 4 June 2008. Date of Access: 9 June 2008. http://www.reuters.com/article/newsOne/idUSN0337238320080604.

⁶⁹⁷ U.S. seeks to deflect emissions cuts from G8, Reuters U.S. Online Edition, (New York), 2 June 2008. Date of Access: 9 June 2008. http://www.reuters.com/article/latestCrisis/idUSL02643763.

Climate Change] the vision of, and together with them to consider and adopts in the UNFCCC negotiations, the goal of achieving at least 50% reduction of global emissions by 2050, recognizing that this global challenge can only be met by a global response, in particular, by the contributions from all major economies, consistent with the principle of common but differentiated responsibilities and respective capabilities."⁶⁹⁸

A literal reading of this text demonstrates that the G8 has not unequivocally agreed to 50% reductions of emissions by 2050. The language of "consider" is present along with that of "adopt," suggesting that G8 members are not yet resolved on this matter. Also, the statement could be read to mean that G8-adoption of these targets is dependent upon other countries, notably emerging economies, agreeing to them as well. Furthermore, no base year for emission reductions was specified, which has important implications for the volume of overall emission reductions. The EU's desired base year was 1990. Therefore, the G8 did not agree to long-term emission reduction targets in line with the EU's goal, represented by 50% emission reduction below 1990 levels by 2050. Even this language, however, demonstrates an increased acceptance of 50% reductions by 2050, beyond merely agreeing to the principle of such binding targets.

The G8 did, however, agree to the principle of mid-term targets. "Making progress towards the shared vision, and a long-term global goal will require mid-term goals and national plans to achieve them."

The EU has argued that its "benchmark for success at this Summit has been achieved," claiming that "We have agreed a long-term goal of at least 50% reduction of emissions by 2050." Our score of 0.25 disagrees with this assessment of the EU's success. The reasons for this discrepancy are two-fold: first, our reading of the text suggests that the G8 has not in-fact agreed to the EU's long-term emissions reduction goal. Second, the benchmark to which European Commission President Barroso referred was only presented on 7 July 2008, the first day of the Summit. Given that the majority of negotiations on Summit outcomes are actually conducted prior to the Summit itself, the EU was likely already aware of the limited scope for achieving its actual objectives of concrete and aggressive mid- and long-term emissions reductions, namely 30% below 1990 levels by 2020 and 50% below 1990 levels by 2050. We are using the EU's initial objectives for the Summit to score their success, rather than the benchmarks that were outlined publicly on 7 July 2008.

Analyst: Andrew Wright

Objective 2: African Development [0.25]

The EU will be seeking concrete pledges to increase the volume and enhance the effectiveness and coordination of international Official Development Assistance (ODA) at the 2008 Hokkaido Summit.

The EU is the biggest ODA donor in the world, and has also pledged the greatest proportion of future increases; the EU accounts for both 90% of global commitments to increase aid levels, and 90% of the increased aid to Africa. Achieving the Millennium Development Goals (MDGs) by 2015 is the cornerstone of the EU's development policy. To achieve the MDGs, the EU has stated that "specific

⁶⁹⁸ Environment and Climate Change, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-climate.html

 ⁶⁹⁹ European Commission President Barroso's Press Conference on 8 July 2008, European Commission, (Brussels), 8 July 2008. Date of Access: 9 July 2008. http://ec.europa.eu/commission_barroso/president/index_en.htm
 ⁷⁰⁰ Commission: EU must stand by its promises and deliver on development aid if we are to meet the Millennium

Development Goals, Europa Press Releases, (Brussels), 9 April 2008. Date of Access: 13 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/548&format=HTML&aged=0&language=EN&guiLanguage=fr.

action in education, health, the environment, water, agriculture, growth and infrastructure" are required, beyond simply improvements in the volume and effectiveness of aid. 701

The EU has pledged to increase aid to 0.56% of GNI by 2010 and 0.7% by 2015. At the Hokkaido Summit, the EU will be seeking commitments to match or surpass its own from G8 member states, with year-by-year contributions clearly specified. Commission President Barroso stated that "...[EU Member States] should set out clearly what they are prepared to spend on aid, year by year, until 2015. This will be an important subject for the European Council in June and for the G8 in July."

The EU will also seek to use and develop its leadership in international aid by pressing for greater coordination amongst donors at the Hokkaido Summit; this was a major focus of the 9 April 2008 communication from the Commission on meeting the EU's development goals, which called for "radical changes" in the way that aid is coordinated. The EU will thus be seeking reaffirmed commitments from all G8 members to support the Third High Level Forum on Aid Effectiveness in Accra, Ghana 2-4 September 2008.

Finally, the EU will be seeking reaffirmed commitments from G8 member states to the WTO Aid for Trade program, which seeks to improve developing-country market access by helping develop transportation and communications infrastructure. ⁷⁰⁶

The EU has been active in recent months garnering international support for increased and better-coordinated aid. African development was a primary agenda item at the EU-Japan Summit on 23 April 2008, and both parties reaffirmed their commitments to discuss the topic at the Hokkaido summit in July. The EU also attended the Fourth Tokyo International Conference on African Development (TICAD IV) from 28-30 May 2008, which laid out a variety of concrete steps to promote economic growth and help the continent address climate change. The EU-Africa Summit in Lisbon, Portugal from 8-9 December 2007 took an explicit partnership approach, moving away from stereotypical donor-recipient models of interaction. "It is time to leave the paternalism behind," said

⁷⁰¹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: The EU – A global partner for development; speeding up the Millennium Development Goals, (Brussels), 9 April 2008. Date of Access: 13 June 2008.

http://ec.europa.eu/commission_barroso/michel/Policy/key_documents/index_en.html,

Commission: EU must stand by its promises and deliver on development aid if we are to meet the Millennium Development Goals, Europa Press Releases, (Brussels), 9 April 2008. Date of Access: 13 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/548&format=HTML&aged=0&language=EN&guiLangu

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/548&format=HTML&aged=0&language=EN&guiLanguage=fr.

⁷⁰³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: The EU – A global partner for development; speeding up the Millennium Development Goals, (Brussels), 9 April 2008. Date of Access: 13 June 2008. http://ec.europa.eu/commission barroso/michel/Policy/key documents/index en.html,

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: The EU – A global partner for development; speeding up the Millennium Development Goals, (Brussels), 9 April 2008. Date of Access: 13 June 2008.

 $http://ec.europa.eu/commission_barroso/michel/Policy/key_documents/index_en.html,$

⁷⁰⁵ Accra High Level Forum, Third High Level Forum on Aid Effectiveness. Date of Access: 13 June 2008. http://www.accrahlf.net/WBSITE/EXTERNAL/ACCRAEXT/0,,menuPK:64861886~pagePK:4705384~piPK:4705403~t heSitePK:4700791,00.html.

⁷⁰⁶ Commission: EU must stand by its promises and deliver on development aid if we are to meet the Millennium Development Goals, Europa Press Releases, (Brussels), 9 April 2008. Date of Access: 13 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/548&format=HTML&aged=0&language=EN&guiLanguage=fr

age=fr. ⁷⁰⁷ 17th EU-Japan Summit, Joint Press Statement (Tokyo) 23 April 2008, Key Statements, President Barroso, European Commission. Date of Access: 13 June 2008.

 $http://ec.europa.eu/commission_barroso/president/press/statements/index_en.htm.$

Commission President Barroso.⁷⁰⁸ The Summit launched the Africa-EU Strategic Partnership and a 2008-2010 Action Plan, signed along with thirty-one African nations, taking a cooperative approach to development and promising EUR8 million between 2008 and 2013.⁷⁰⁹

Scoring Guidelines

- African development is not on the Summit agenda OR G8 Member States release a statement reaffirming their support for African development, but no rhetorical commitments to increasing volume, coordination, or effectiveness are made.
- **0.25** G8 Member States commit to increasing volume and coordination of aid, but no specific commitments are provided.
- **0.50** G8 Member States commit to increasing volume and coordination of aid; specific commitments are made, but are below the EU's targets AND are on a longer timeline.
- **0.75** G8 Member States commit to increasing volume and coordination of aid; specific commitments are made, but are below the EU's targets OR are on a longer timeline.
 - G8 Member States make firm and specific commitments to increase aid to levels and on a timeline on par with the EU's commitments of 0.56% of GNI by 2010 and 0.7% percent of GNI by 2015 AND make concrete commitments to enhance aid coordination and effectiveness.

Prospects

African development is a priority objective for the Japanese Presidency, as well as for many other member states; thus, at least general commitments to improve aid quantity and effectiveness are likely. Specific proposals, however, on ODA/GDP or ODA/GNI percentages are less likely to result from the Hokkaido Summit, and it is highly unlikely that all G8 members will commit to the same shares and timelines as the EU. The EU's volume and share of GDP of ODA declined from EUR47.7 billion in 2006 to EUR46.1 billion in 2007. This difficulty in securing contributions from its own member states will likely undermine its bargaining position when seeking increased commitments from the G8. It is likely, however, that the G8 will issue a statement that reaffirms their Gleneagles commitment to double aid to Africa by 2010, and that they will also commit to attending the High Level Forum on Aid Effectiveness in Accra in September 2008.

Postscript

The EU has been awarded a score of 0.25 for its objective on African Development. The statement on Development and Africa includes no mention of ODA as a share of GNI or GDP, but does reiterate the Gleneagles commitment to "increasing, compared to 2004, with other donors, ODA to Africa by US\$ 25 billion a year by 2010."

Tools EU-Africa: Towards a partnership of equals, 10 December 2007, In Focus, President Barroso, European Commission. Date of Access: 13 June 2008. http://ec.europa.eu/commission_barroso/president/focus/eu-africa_122007/index_en.htm. Tools 8 milliards d'euros: un grand pas en avant pour le développement et des partenariats ambitieux pour 31 Etats d'Afrique sub-saharienne et la Commission, Press Releases, European Commission. (Brussels), 9 December 2007. Date of Access: 13 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1880&format=HTML&aged=0&language=FR&guiLanguage=en.

⁷¹⁰Commission: EU must stand by its promises and deliver on development aid if we are to meet the Millennium Development Goals, Press Releases, Europa, (Brussels), 9 April 2008. Date of Access: 13 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/548&format=HTML&aged=0&language=EN&guiLanguage=fr.

⁷¹¹ Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-africa.html

This does not constitute a specific commitment because the \$25 billion per year is "with other donors." This results in no concrete commitment for G8 members, even as a collective pledge to increase the absolute value of aid to Africa. Notably, this commitment was region-specific, and is only to increase aid to Africa. There was only a vague reference to the importance of ODA for development more broadly. Furthermore, such statements lacks the framework of ODA as share of GNI or GDP, and is unspecific about the magnitudes and timelines on which individual G8 members are to increase aid.

On the subject of aid effectiveness, G8 leaders stated that "we will reaffirm during the Third High Level Forum on Aid Effectiveness our commitment to make our aid more effective based on the Paris Declaration principles."⁷¹²

Analyst: Julie Wilson

Objective 3: World Economy [0.50]

After a year of volatility on the international markets, the EU will be promoting a number of economic policy positions at the Hokkaido Summit. Proposed measures will likely address exchange rate stability, oil prices, and improving the regulation of financial markets. If successful, the EU will see some or all of its concerns reflected in Summit declarations on the world economy.

Over the last six months, the value of the US dollar has fallen considerably against the euro. Rising fuel and food prices have lead to significant inflation within the euro zone, so despite slowing economic growth, the European Central Bank has avoided cutting interest rates. The US Federal Reserve, however, has cut interest rates repeatedly, further contributing to the weak dollar.

While US officials claim to be concerned with the value of the dollar, they have done little to change it, likely because the weak dollar increases US exports in the midst of its current economic slowdown. The ECB, on the other hand, is worried about the weak US dollar, which could hurt euro zone exports, further slowing growth rates. ECB President Jean-Claude Trichet has argued that the US has a "special responsibility" to maintain the value of the dollar. Some ECB officials have also expressed concern at the day-to-day volatility of currency markets. EU representatives will likely seek a Summit declaration that includes language on reducing the volatility of currency markets and improving the US fiscal position, perhaps a stronger version of last year's declaration, which noted: "The United States is targeting the elimination of its federal budget deficit by 2012. Policies also have been proposed to strengthen long-term fiscal sustainability."

⁷¹² Development and Africa, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-africa.html

Officials say US should match words with action as dollar slumps, Market News International, 17 March 2008. Date of Access: 10 June 2008. http://g8live.org/2008/03/17/officials-say-us-should-match-words-with-action-as-dollar-slumps. Officials say US should match words with action as dollar slumps, Market News International, 17 March 2008. Date of Access: 10 June 2008. http://g8live.org/2008/03/17/officials-say-us-should-match-words-with-action-as-dollar-slumps. Officials say US should match words with action as dollar slumps, Market News International, 17 March 2008. Date of Access: 10 June 2008. http://g8live.org/2008/03/17/officials-say-us-should-match-words-with-action-as-dollar-slumps. Officials say US should match words with action as dollar slumps, Market News International, 17 March 2008. Date of Access: 10 June 2008. http://g8live.org/2008/03/17/officials-say-us-should-match-words-with-action-as-dollar-slumps. Euro intervention edging nearer, but still distant, Reuters, 20 March 2008. Date of Access: 7 June 2008. http://g8live.org/2008/03/20/euro-intervention-edging-nearer-but-still-distant.

⁷¹⁸ ECB's Papademos calls recent forex moves excessive, Reuters, 20 March 2008. Date of Access: 7 June 2008. http://g8live.org/2008/03/20/ecbs-papademos-calls-recent-fx-moves-excessive.

⁷¹⁹Growth and Responsibility in the World Economy, Summit Declaration, (Heilingendamm), 7 June 2008. Date of Access: 12 June 2008. http://www.g7.utoronto.ca/Summit/2007heiligendamm/g8-2007-economy.html.

The subprime mortgage crisis has also sparked an international conversation on improving the regulation of financial markets. At the recent EU-US Summit, a joint statement promised to work together on measures "strengthening prudential oversight, improving risk and liquidity management, enhancing transparency, and fostering international cooperation between supervisors and central banks." Following the EU-Japan Summit in April, a joint press release promised to "work together to promote stability in financial markets, including through the strengthening of financial systems." These statements suggest that the EU intends to address financial regulation at the G8 Summit.

At a meeting in Brussels in March, EU finance ministers agreed to some new internal guidelines: "Banks must disclose risks and write-downs more fully, particularly for off-balance sheet transactions. Credit-ratings agencies will have to abide by a code of conduct and be more accountable for the recommendations they make." Charlie McCreevy, European Commissioner for the Internal Market, has spoken has stressed the importance of regulating financial markets on a global scale: "we need more regulatory and supervisory coordination and cooperation at the international level, not less, and in many more financial sectors." On another occasion, he said: "An efficient early warning system, common prudential rules among major international parties and strengthened institutions to handle financial crisis are urgently needed." Despite these discussions, the EU has not yet laid out a unified vision of what those rules and institutions should be, perhaps because of internal divisions over how centralized financial market regulation should be.

Currently a major concern within the EU, rising oil prices will undoubtedly be discussed during the Hokkaido Summit. Oil is fuelling an increase in inflation in the EU which is of particular concern in a period of slowing economic growth. At a joint press conference during the recent EU-US Summit, Slovenia's Prime Minister Janez Jansa stressed the need to develop new technologies to address oil prices in the long run. The EU is likely to promote short-term solutions at the Hokkaido Summit as well, however. After a meeting in early June, European finance ministers and EU Commission officials promised to look for ways to reign in speculation through coordination within the G8.

The policy response to rising oil prices proposed by the Commission on 11 June 2008 also suggests that "[supporting] the organisation of a global Summit on oil markets between main oil producing and consuming countries and [strengthening] existing regional and bilateral dialogues in order to achieve better market access and transparency;" may also be objectives of the EU at the Hokkaido Summit.⁷²⁷

⁷²⁰ 2008 EU-US Summit Declaration, The White House (Washington), 10 June 2008. Date of Access: 10 June 2008. http://www.whitehouse.gov/news/releases/2008/06/20080610-8.html.

⁷²¹ 17th Japan-EU Summit Tokyo, 23 April 2008 Joint Press Statement, Government of Japan, 23 April 2008. Date of Access: 7 June 2008. http://www.mofa.go.jp/region/europe/eu/Summit/joint0804.html.

⁷²² EU Summit to target inflation, slow growth, The Wall Street Journal, (New York), 3 April 2008. Date of Access: 10 June 2008. http://g8live.org/2008/04/03/eu-Summit-to-target-inflation-slow-growth.

⁷²³ Latest developments on policy response to financial turmoil, European Parliament's Committee on Economic and Monetary Affairs, (Brussels), 1 April 2008. Date of Access: 12 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/62&format=HTML&aged=0&language=EN.

725 Text of Bush-EU News conference, Associated Press, 10 June 2008. Date of Access: 10 June 2008.

http://ap.google.com/article/ALeqM5iBAo1yCOOLr02NJfYtgrYmyZQKxAD917C8F80.

⁷²⁶ Inflation spurs US and EU to go after speculators, International Herald Tribune, (New York), 3 June 2008. Date of Access: 12 June 2008. http://www.iht.com/articles/2008/06/03/business/fed.php.

⁷²⁷ Commission calls for swift adoption of energy and climate policies as best response to rising oil prices, Press Releases, Europa (Brussels). Date of Access: 12 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/916&format=HTML&aged=0&language=EN&guiLanguage=en.

Scoring Guidelines

- None of the EU's concerns on the global economy are reflected in the Summit agenda OR only one of the EU's three concerns is supported rhetorically, but no concrete actions are promised.
- The G8 releases a statement of broad support for exchange rate stability AND/OR financial market regulation AND/OR measures to stabilize oil prices in the short run, but no concrete actions are promised (2/3 or 3/3 issues).
- The G8 releases a statement of broad support for exchange rate stability AND financial market regulation AND measures to stabilize oil prices in the short run, AND concrete actions are pledged on one issue.
- The G8 releases a statement of broad support for exchange rate stability AND financial market regulation AND measures to stabilize oil prices in the short run, AND concrete actions are pledged on two issues.
 - The G8 releases a statement of broad support for exchange rate stability AND financial market regulation AND measures to stabilize oil prices in the short run, AND concrete actions are pledged on all three issues.

Prospects

The EU is unlikely to score below 0.5 on this objective. The world economy is an objective for which many G8 members have converging objectives; the value of the US dollar is the objective that is least likely to be addressed at the Summit.

Improving financial regulation is an issue which most other G8 members are committed to discussing at the Summit, though their preferred methods and outcomes obviously differ. The US will likely continue to pay lip service to exchange rate stability. Motivating the US to either raise interest rates or intervene in the foreign exchange market to raise the value of the US dollar seems relatively unlikely, however. A foreign exchange intervention would be a dramatic step with relatively little benefit for US citizens, and even an interest rate increase is not strictly controlled by officials who will be present at the Hokkaido Summit. Improved coordination suppliers and consumers in oil markets will likely be supported rhetorically, but agreeing to concrete measures to support this is less likely. The role of speculation in volatile and rising prices will likely be alluded to in a statement, but, again, a concrete proposal for reducing the role of speculators is less likely to result from the Hokkaido Summit.

Postscript

The World Economy statement contained rhetorical support and concrete actions for both financial market regulation and stabilizing oil prices, but did not mention the topic of exchange rate stability among the world's industrialized economies. The EU has thus been awarded a compromise score of 0.5 for rhetorical and concrete support on two of its world economy objectives.

G8 leaders proposed a new initiative on oil prices: "To enhance energy security, we propose holding an energy forum to focus on energy efficiency and new technologies, which could also contribute to dialogue between producers and consumers." ⁷²⁸

On the subject of financial market regulation, the G8 reaffirmed support for several pre-determined concrete actions or institutions, such as the recommendations of the Financial Stability Forum (FSF), but proposed no new initiatives.

⁷²⁸ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html

There was no mention of exchange rates among the G8. It was stated, however, that "In some emerging economies with large and growing current account surpluses, it is crucial that their effective exchange rates move so that necessary adjustment will occur. We will promote continued consultation with our partner countries."

Analyst: Allison Martell

Objective 4: Energy Security [1]

Energy security is a priority objective of the EU internally, and one that the recent rise in oil prices has made particularly prominent. At the Hokkaido Summit, the EU will be seeking cooperation from G8 states in the development of, and commitment to, renewable energy sources as well as in working towards better market access and transparency in global energy markets. The EU will also be seeking a firm commitment to energy efficiency from the G8 to be orchestrated through the newly-created IPEEC.

The EU's goal from last year's Summit and throughout most of this year was achieved at the G8 Energy Ministerial meeting on 8 June 2008, with the signing of the IPEEC between the G8 countries, China, India, South Korea and the EU.⁷²⁹ The IPEEC will help to add structure to international debates on energy efficiency, and will be a "flexible forum for high level policy discussion, regular strategic cooperation and exchanges focused exclusively on energy efficiency."⁷³⁰ Therefore, a primary goal regarding energy efficiency for the 2008 G8 Summit negotiations was achieved at the Energy Ministerial meeting. However as EU Energy Commissioner Andris Piebalgs has stated, there are still numerous ways in which international cooperation can help energy security.⁷³¹

Oil markets are an area for which the EU will likely be seeking such international cooperation at the Hokkaido Summit. To help address rising and volatile oil prices, the EU supported the "organisation of a global Summit on oil markets between main oil producing and consuming countries and strengthen existing regional and bilateral dialogues in order to achieve better market access and transparency." Such a summit took place in Jidda, Saudi Arabia on 22 June 2008, but is generally considered to have made little progress. Working with the G8 to achieve transparent and well-functioning global oil markets will thus likely be a goal for the Hokkaido summit.

The EU has placed much emphasis upon renewable energy, whether for electricity generation or in the form of biofuels, both domestically and internationally. A commitment from the G8 to renewable energy sources and increased cooperation on standards for such resources would be a welcome

⁷²⁹ The International Partnership for Energy Efficiency Cooperation, Press Releases, European Commission, (Brussels), 8 June 2008. Date of Access: 2 July 2008.

 $http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/08/380\&format=HTML\&aged=0\&language=EN\&gui\ Language=en.$

⁷³⁰ The International Partnership for Energy Efficiency Cooperation, European Union, (Brussels), 8 June 2008. Date of Access: 9 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/08/380.

⁷³¹ The International Partnership for Energy Efficiency Cooperation, European Union, (Brussels), 8 June 2008. Date of Access: 9 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/08/380.

⁷³² Commission calls for swift adoption of energy and climate policies as best coordinated response to rising oil prices, Press Releases, European Commission, (Brussels), 8 June 2008. Date of Access: 2 July 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/916&format=HTML&aged=0&language=EN&guiLangu

nttp://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/916&format=H1ML&aged=0&fanguage=EN&guiLanguage=en.

733 Commission calls for swift adoption of energy and climate policies as best coordinated response to rising oil prices,

Press Releases, European Commission, (Brussels), 8 June 2008. Date of Access: 2 July 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/916&format=HTML&aged=0&language=EN&guiLangu

age=en. ⁷³⁴ Agreements are Elusive in Oil Talks in Saudi Arabia, New York Times, (New York), 23 June 2008. Date of Access: 5 July 2008. http://www.nytimes.com/2008/06/23/world/middleeast/23saudi.html?8br

outcome of the Hokkaido Summit. Piebalgs has recognized the importance of renewable and sustainable energy sources, and how they can help to solve the EU's energy security problems. Internally, the EU has committed itself to fulfilling more of its energy needs with renewable sources (20% by 2020) in order to diversify energy supply and enhance security. Furthermore, the EU has indicated that it will assist developing countries in increasing their energy efficiency and diversification as a part of its energy security policy. The contentious topic of biofuels was addressed by the EU Commissioner for Agriculture and Rural Development, Mariann Fischer Boel on 13 March 2008. She emphasized the need for biofuels to be used for transportation, and made a solid defence of the viability of biofuels despite some accusations that they force agriculture prices up or do not save greenhouse gases. She suggested that there should be standards for imported biofuels. Therefore the EU would most likely welcome an international agreement that set standards for biofuels or to increase cooperation in regards to other renewable energy sources.

Energy security is important for the EU as it increasingly depends on imported fossil fuels to meet its energy needs. The EU predicts that by 2030, 93% of the oil that it uses will be imported, as will 84% of the gas it uses. The EU predicts that by 2030, 93% of the EU that it obtains half its natural gas from just three sources: Russia, Norway and Algeria. As such, EU Commissioner for Energy Andris Piebalgs stated on 1 November 2007 that "The main pillars of the EU's external energy policy are diversification, security and interdependence."

Outside the context of the G8, the EU has taken many steps to achieve energy security. Internationally, the EU has been most active in signing bilateral agreements with key energy providers. Throughout the past year the EU has conducted talks with many countries from Eastern Europe, Central Asia and the Middle East. Memorandums of Understanding were signed with Turkmenistan, Azerbaijan, Kazakhstan and Ukraine, which generally recognized that EU companies would invest in the energy sector there and that the EU can be a consumer of those countries' energy products. On 5 May, the EU met with senior officials from Syria, Iraq, Jordan, Lebanon and Turkey so as to coordinate cooperation with Iraq and Turkey on the Arab Gas Pipeline. Similar discussions have been held with Russia as part of the EU-Russia Energy Dialogue. All of the

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/916&format=HTML&aged=0&language=EN&guiLanguage=en.

http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/07/786.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/799.

⁷³⁵ Boosting growth and jobs by meeting our climate change commitments, European Union, (Brussels), 23 January 2008. Date of Access: 9 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/80.

⁷³⁶ Combating Climate Change: The EU leads the way, European Commission, (Brussels), September 2007. Date of Access: 9 June 2008. http://ec.europa.eu/publications/booklets/move/70/index_en.htm.

⁷³⁷ Commission calls for swift adoption of energy and climate policies as best coordinated response to rising oil prices, Press Releases, European Commission, (Brussels), 8 June 2008. Date of Access: 2 July 2008.

⁷³⁸ Speech by Mariann Fischer Boel, Biofuels: not a magic wand, but a valuable policy tool, European Union, (Brussels), 13 March 2008. Date of Access: 9 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/145.

⁷³⁹ Speech by Mariann Fischer Boel, Biofuels: not a magic wand, but a valuable policy tool, European Union, (Brussels), 13 March 2008. Date of Access: 9 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/145.

⁷⁴⁰ Combating Climate Change: The EU leads the way, European Commission, (Brussels), September 2007. Date of Access: 9 June 2008. http://ec.europa.eu/publications/booklets/move/70/index_en.htm.

⁷⁴¹ Combating Climate Change: The EU leads the way, European Commission, (Brussels), September 2007. Date of Access: 9 June 2008. http://ec.europa.eu/publications/booklets/move/70/index_en.htm.

⁷⁴² Speech by Andris Piebalgs, Tackling the global security and climate change challenges, European Union, (Brussels), 1 November 2007. Date of Access: 9 June 2008.

⁷⁴³ The EU and Turkmenistan strengthen their energy relations with a Memorandum of Understanding, European Union, (Brussels), 26 May 2008. Date of Access: 9 June 2008.

⁷⁴⁴Commissioners host meeting to boost energy cooperation with Mashreq countries, Iraq and Turkey, European Union, (Brussels), 5 May 2008, Date if Access: 9 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/677.

⁷⁴⁵Commissioner Piebalgs and Minister Khristenko discuss EU-Russia Energy Cooperation, European Union, (Brussels), 5 May 2008. Date of Access: 9 June 2008. http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/681.

aforementioned bilateral discussions are critical aspects of the EU's energy security policy. The nature of these discussions, however, necessitates that they remain bilateral and it is unlikely that any similar agreement could be formulated through the G8.

Internally, the EU has been active in liberalizing its internal energy market over the past few years. The European Commission proposed liberal energy-sharing mechanisms to deal with supply crises internally, and integration of the electricity and gas markets should lead to a more competitive energy sector. The EU may thus also seek liberalization of international energy markets, specifically by enhancing possibilities for cross-border investment.

Given the recent formation of the IPEEC, the EU's objectives for the Summit will include a clear statement of support for the organization, as well as international progress on renewable energy resources and the functioning of global oil and energy markets.

Scoring Guidelines

- The G8 makes no mention of the IPEEC or of renewable energy/biofuels or the functioning of global oil/energy markets.
- **0.25** The G8 issues a statement supporting the creation of the IPEEC.
- The G8 issues a statement supporting the creation of the IPEEC **AND** the possibility of an agreement for cooperation in renewable energy/biofuels or global oil/energy markets is discussed.
- The G8 issues a statement supporting the creation of the IPEEC **AND** concrete steps are proposed to work towards an agreement for cooperation in renewable energy/biofuels **OR** global oil/energy markets.
 - The G8 issues a statement supporting the creation of the IPEEC **AND** concrete steps are proposed to work towards an agreement for cooperation in renewable energy/biofuels **AND** global oil/energy markets.

Prospects

The G8 is likely to issue a statement of support for the IPEEC as all its members are also members of the latter organization. Discussions of renewable energy resources are also likely to take place at the Summit; within these, biofuels will be a particularly contentious subject, however it is possible that the G8 will begin a process to regulate them and/or study their environmental impact. Concrete programs of action regarding other renewable energy sources, however, are only moderately likely to result from the Summit as other members do not prioritize them as highly as the EU, or hold differing views on their necessity. It is likely that the functioning of global oil markets will be discussed at the Summit; however this is both a politically and economically difficult issue to navigate. The EU's expressed interest in a global Summit on oil markets may be received favourably by G8 members. An agreement to move forward with this would achieve the EU's goal regarding oil markets for the Summit, despite that the biggest challenges would only be encountered at this Summit itself.

Postscript

The EU has been awarded a score of 1 for achieving its objective on energy security.

The Environment and Climate Change statement included support for IPEEC. "We welcome the recent decision to establish the International Partnership for Energy Efficiency Cooperation (IPEEC),

⁷⁴⁶ New EU energy plan – more security, less pollution, European Commission, (Brussels), 1 October 2007. Date of Access: 9 June 2008. http://ec.europa.eu/news/environment/070110_1_en.htm.

of which the terms of association will be determined by the end of this year, as a high level forum for enhancing and coordinating our joint efforts to accelerate the adoption of sound energy efficiency improvement practices. We invite all interested countries to join those efforts."⁷⁴⁷

The World Economy statement also included a statement on energy security, which proposed "holding an energy forum to focus on energy efficiency and new technologies, which could also contribute to dialogue between producers and consumers." This represents a concrete proposal for alternative energy and oil markets.

The statement also included a reference to improve cross-border investment in energy markets and also called for supply increases in the short run. "On the supply side, production and refining capacities should be increased in the short term. Joint efforts are also necessary to expand upstream and downstream investment in the medium term. Oil-producing countries should ensure transparent and stable investment environments conducive to increasing the production capacity needed to meet rising global demand. On the demand side, it is important to make further efforts to improve energy efficiency as well as pursue energy diversification."

On the subject of biofuels, the food security statement included that "[The G8] will...ensure the compatibility of policies for the sustainable production and use of biofuels with food security and accelerate development and commercialization of sustainable second-generation biofuels from non-food plant materials and inedible biomass; in this regard, we will work together with other relevant stakeholders to develop science-based benchmarks and indicators for biofuel production and use[.]"

Analyst: Andrew Wright

Objective 5: Food Security [0.75]

Food security became a G8 objective for the EU following the recent massive rise in global food prices. Ensuring predictable access to food is a priority for the EU both as a development and internal objective. In a communiqué outlining the EU's policy response, released 20 May 2008, Commission President Barroso stated "The European Union has reacted rapidly to the sudden surge in food prices. We are dealing with a problem that has many root causes and many consequences. So we need to act on several fronts at the same time to address them... We will coordinate our response with our international partners within the UN and the G8."⁷⁵⁰

The EU's policy response to the food crisis takes several internal measures, and also outlines initiatives that will require global cooperation. The EU will be seeking to coordinate international response with G8 member states at the Hokkaido Summit.

The EU will likely press for further immediate measures to address humanitarian needs resulting from the large jump in food prices. The European Commission announced in April that it planned to

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⁷⁴⁸ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html

World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html

⁷⁵⁰Commission outlines European response to mitigate effects of rising global food prices, Press Releases, European Commission, (Brussels), 20 May 2008. Date of Access: 13 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/763&format=HTML&aged=0&language=EN&guiLanguage=en.

provide an additional EUR117.25 million in food aid, which brings the EU's 2008 humanitarian food aid budget up to EUR283.35 million.⁷⁵¹

Despite the billions promised at the Food and Agricultural Organization's (FAO) biannual food Summit in Rome 3-5 June 2008, the Summit concluded with calls for further increased assistance from the industrialized world. The EU will likely be advocating increased, and most importantly, better coordinated, immediate aid for those suffering most from the rise in food prices.

The EU will be pushing primarily for a concerted long-term plan to improve agricultural productivity in developing countries. This is a substitution of the substitutio was also a primary outcome of the FAO Rome food Summit. 754 The EU would also include plans to diversify energy sources as part of a coordinated response to the food crisis. ⁷⁵⁵ Doing so domestically and helping developing countries with energy diversification would be part of the international response to extremely high food prices that the EU is seeking to negotiate at the Hokkaido summit. Biofuels will undoubtedly be a contentious element of such a coordinated plan; the EU is a supporter of sustainable biofuels, and its objective within a food-security context is to minimize the impact that biofuels have on food prices.⁷⁵⁶

Scoring Guidelines

Food security is not discussed at the Hokkaido summit.

- G8 member states pledge to sustain and increase food aid or otherwise to help developing **0.25** countries navigate higher food prices in the short or long term, without any specificity as to the magnitudes of this assistance or the forms in which it will be offered.
- G8 member states offer concrete proposals to help ease the impact of high food prices on developing countries, but this proposal either excludes or is not specific about improving the productivity of agricultural sectors in developing countries and energy diversification.
- G8 member states agree to a coordinated response to the food crisis that lacks specificity on **0.75** either short term assistance or long-term assistance in productivity improvements and energy diversification.
 - G8 member states agree to a multi-faceted and coordinated response to the food crisis that includes specific proposals regarding increased and coordinated short term assistance to
 - developing countries AND assistance for agricultural productivity in developing countries AND commitments to energy diversification in both developed and (assistance for) developing countries.

⁷⁵¹ European Commission launches €117.25 million food aid boost, Press Room, The EU in the United Kingdom, European Commission, 23 April 2008. Date of Access: 13 June 2008. http://ec.europa.eu/unitedkingdom/press/frontpage/17042010_en.htm.

⁷⁵² Food Summit Calls for More Investment in Agriculture, FAO Newsroom, Food and Agricultural Organization, (Rome), 6 June 2008. Date of Access: 13 June 2008. http://www.fao.org/newsroom/en/news/2008/1000856/index.html.

⁷⁵³ Commission outlines European response to mitigate effects of rising global food prices, Press Releases, European Commission (Brussels), 20 May 2008. Date of Access: 13 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/763&format=HTML&aged=0&language=EN&guiLangu

age=en. ⁷⁵⁴ Food Summit Calls for More Investment in Agriculture, (Rome), FAO Newsroom, Food and Agricultural Organization, 6 June 2008. Date of Access: 13 June 2008.

http://www.fao.org/newsroom/en/news/2008/1000856/index.html.

⁷⁵⁵ Commission calls for swift adoption of energy and climate policies as best coordinated response to rising oil prices, Press Releases, European Commission (Brussels), 11 June 2008. Date of Access: 13 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/916&format=HTML&aged=0&language=EN&guiLangu

⁷⁵⁶ Commission outlines European response to mitigate effects of rising global food prices, Press Releases, European Commission (Brussels), 20 May 2008. Date of Access: 13 June 2008.

http://europa.eu/rapid/pressReleasesAction.do?reference=IP/08/763&format=HTML&aged=0&language=EN&guiLangu age=en.

Prospects

With the exception of the subject of biofuels, the coordination of a response to the food crisis will not likely be a contentious issue at the Hokkaido Summit. Rather, the prospect that the EU will not achieve its objective comes more from the possibility that it will be pushed down the Summit agenda by objectives that are more within member states' narrow self-interest. It is likely that the G8 will discuss a response to the food crisis, but also that the outcome will lack some specificity with regard to the measures that the EU would like to see.

Postscript

The statement provided no concrete pledges for short term assistance, but stated that "We call on other donors to participate along with us in making commitments, including through the World Food Programme (WFP), to meet remaining immediate humanitarian needs and to provide access to seeds and fertilizers for the upcoming planting season. We will also look for opportunities to help build up local agriculture by promoting local purchase of food aid. We underline the importance of strengthening the effective, timely and needs-based delivery of food assistance and increasing agricultural productivity."⁷⁵⁷

The commitments on long-term assistance in agricultural productivity were of a more concrete nature, and included 11 (a-k) specific commitments to this end. Furthermore, leaders tasked a G8 Experts Group to "monitor the implementation of [their] commitments and identify other ways in which the G8 can support the work of the High Level Task Force on the Global Food Crisis and work with other interested parties for the next UN General Assembly to realize the global partnership." ⁷⁵⁸

Analyst: Julie Wilson

Objective 6: Trade [0.25]

One of the EU's objectives during the Hokkaido Summit will be to resolve, in its favour, issues surrounding the World Trade Organization's (WTO) Doha Development Round. Doha has been in negotiation intermittently since November 2001, but the participants have yet to reach any agreement. A longstanding dispute is over agricultural subsidies, which are still in place in much of the developed world, notably the US and the EU. Developed countries, for their part, are seeking access to industrial goods markets in several large developing countries, such as Brazil, China and India.⁷⁵⁹

Bringing the Doha round to its conclusion has long been, at least officially, one of the European Commission's priorities, but action and communication on Doha has intensified this spring. Regotiations between key WTO actors are currently underway in Geneva, and so far there have been no significant breakthroughs. EU officials have stressed the importance of resolving Doha as

⁷⁵⁷ G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html

⁷⁵⁸ G8 Leaders Statement on Global Food Security, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html

⁷⁵⁹ Global trade talks at risk of failing before deadline, International Herald Tribune, (New York), 3 June 2008. Date of Access: 9 June 2008. http://www.iht.com/articles/2008/06/03/business/trade.php.

⁷⁶⁰ The EU and the WTO, European Commission, (Brussels). Date of Access: 7 June 2008. http://ec.europa.eu/trade/issues/newround/index en.htm.

⁷⁶¹US, EU call for urgent progress on trade talks, The Guardian, (London), 10 June 2008. Date of Access: 10 June 2008. http://www.guardian.co.uk/business/feedarticle/7576032.

quickly as possible. "The time to move is now," said European Commission President Barroso in a recent news conference. "We have a fair and balanced deal in our grasp which will help us meet the challenges of globalisation." ⁷⁶²

The pressure is on to conclude negotiations before the US presidential election this fall. Speaking to the press in Paris, Peter Mandelson, EU Trade Commissioner, said: "Our options are running out. The US political calendar is against us. Nobody realistically believes this deal will be easier to do in October or November. Everyone knows that those who are playing it long are playing for failure." Mandelson further condemned unnamed negotiators for not being "sufficiently engaged." ⁷⁶⁴

The EU would prefer to reach agreement in line with their interests before the G8 Summit, but it seems likely that Doha will be on the agenda in Hokkaido. With the inclusion of the "outreach eight" states, most parties concerned will be in attendance. To fully meet its objectives, EU officials may also need to engage with one of its own member states – France is apparently less eager to rush into an agreement. ⁷⁶⁵

The EU will fully succeed in this objective if discussions at the G8 produce a consensus on agricultural subsidies and industrial market access that makes a conclusion of the round possible this summer, and if that is achieved with few EU concessions.

Scoring Guidelines

- The Doha round is not discussed or it is discussed, but no statement or agreement results from that discussion.
- **0.25** The G8 releases a strong statement in support of concluding the Doha round, but no timetable is mentioned.
- The Doha round is discussed and no agreements are reached. The G8 releases a strong statement in support of concluding the Doha round AND provides a timeline that would see its conclusion before November.
- 0.75 Discussions at the Summit lead to a breakthrough on the Doha round, but the EU is forced to make major concessions on either agricultural subsidies or industrial market access.
 - 1 Discussions at the Summit lead to a breakthrough on the Doha Round. The EU makes no major concessions.

Prospects

Complete success in this objective seems unlikely. With the international economic system still feeling the aftershocks of the subprime mortgage crisis, few states are likely to be generous with their economic policy – protectionism, or at least delay, is a more likely response to instability. If the looming US election is Doha's deadline, then the EU may already have missed its window of opportunity. US President George W. Bush is well on his way out of the international arena, as his ability or willingness to compromise. Finally, subtle dissent within its own ranks, specifically from France, may undermine the EU's negotiating position.

⁷⁶² US, EU call for urgent progress on trade talks, The Guardian, (London), 10 June 2008. Date of Access: 10 June 2008. http://www.guardian.co.uk/business/feedarticle/7576032.

⁷⁶³ Statement by Peter Mandelson on the Doha Round at the OECD Ministerial - Paris, European Commission, (Brussels), 5 June 2008. Date of Access: 7 June 2008.

http://trade.ec.europa.eu/doclib/docs/2008/june/tradoc_139087.pdf.

⁷⁶⁴ Statement by Peter Mandelson on the Doha Round at the OECD Ministerial - Paris, European Commission, (Brussels), 5 June 2008. Date of Access: 10 June 2008.

http://trade.ec.europa.eu/doclib/docs/2008/june/tradoc_139087.pdf.

⁷⁶⁵ US, EU warn Doha trade talks risk failure, Reuters, (Paris), 5 June 2008. Date of Access: 9 June 2008. http://www.reuters.com/article/politicsNews/idUSL0529376720080605?pageNumber=1&virtualBrandChannel=0.

The G8 often makes some declaration in support of the latest WTO trade round in its Summit declarations and Hokkaido will likely be no exception. A key test of the EU's success will be whether that declaration incorporates a timetable in line with the EU's informal November deadline.

Postscript

The World Economy statement included a call to conclude the Doha round, but no timetable was provided, despite the language of urgency.

"A successful conclusion of an ambitious, balanced and comprehensive WTO Doha agreement is critical to economic growth and development. Given the crucial stage of negotiations, we reiterate our determination to work as a matter of urgency toward the conclusion of the negotiations and call on all WTO Members to make substantial contributions with a view to establishing modalities for Agriculture and NAMA (Non-Agricultural Market Access) and achieving positive and tangible results on Services."

This is in contrast to the 2007 Heligendamm statement, which included a call to conclude the Doha Round by the end of 2007. The conclude the Doha Round by the end of 2007.

The 2008 World Economy statement additionally stated that the G8 welcomed the convening of a ministerial meeting on 21 July 2008.

Analyst: Allison Martell

Objective 7: Regional Security [0.25]

The EU is becoming an increasingly prominent actor in promoting international peace and security, and is seeking diplomatic support from other G8 nations for its regional objectives. The European Security and Defense Policy (ESDP) is a major element of the Common Foreign and Security Policy (CFSP). The EU has its own military forces intended primarily for peace support operations and crisis management, as well as civilian forces to support and provide training in international peace building and capacity-building efforts. The European Union has current operations in the Western Balkans (Bosnia and Herzegovina and Kosovo), the Middle East (Palestinian Territories and Iraq), Africa (Guinea-Bissau, Democratic Republic of the Congo, and Chad/Central African Republic) and Afghanistan, as well as a Border Assistance Mission to Moldova and Ukraine. The European Union has current operations in the Western Balkans (Bosnia and Herzegovina and Kosovo), the Middle East (Palestinian Territories and Iraq), Africa (Guinea-Bissau, Democratic Republic of the Congo, and Chad/Central African Republic) and Afghanistan, as well as a Border Assistance Mission to Moldova and Ukraine.

At the Hokkaido Summit, the EU will likely seek affirmations from other G8 nations of their commitment to peace and security in the Western Balkans. This region is of obvious critical importance to the EU, due to its proximity and potential to trigger regional conflict and instability, as well as the number of EU Missions currently operating in the region. The EU will likely also seek commitments to support peace and security in the region encompassing western Sudan (notably Darfur), Chad, and the Central African Republic, where the EU is leading regional security efforts.

The EU closely monitors and seeks to mitigate the risk of conflict in the Balkans, which remains considerable due to ongoing political tension and instability, persisting inter-ethnic violence, and weak rule of law. The EU is particularly focused on the situation in both Kosovo and Bosnia and

⁷⁶⁶ World Economy, G8 Summit 2008 Hokkaido Toyako, (Hokkaido Toyako), 8 July 2008. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html

⁷⁶⁷ G8 Trade Declaration, G8 Summit 2007 Heilegendamm, (Heiligendamm), 8 June 2007. Date of Access: 9 July 2008. http://www.g8.utoronto.ca/summit/2007heiligendamm/g8-2007-trade.html

⁷⁶⁸ European Security and Defense Policy (ESDP), Council of the European Union, (Brussels). Date of Access: 10 June 2008. http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=268&lang=EN&mode=g.

Herzegovina, and has several military and peace support missions in both countries. The EU Military Operation EUFOR-Althia has 2,500 troops on the ground in Bosnia and Herzegovina, mandated to prevent and respond to security challenges. The EU Police Mission in Bosnia and Herzegovina (EUPM – Bosnia and Herzegovina) seeks to assist the country in developing an effective and self-sufficient police force; this Mission began in 2003 and was the first ESDP Operation to be launched. The European Union also recently mandated a rule of law mission for Kosovo (EULEX – Kosovo), which is currently being prepared by an on-the-ground planning mission. The EU's ultimate objectives for this region are democratic and stable polities and well-functioning and growing economies, such that the countries can ultimately accede to the EU.

The EU is also supporting regional peace and security in Africa, particularly in the conflict system enveloping Darfur. The EU has undertaken a military operation in Eastern Chad and Northeastern Central African Republic (EUFOR – tChad/RCA), which reached Initial Operating Capacity in March 2008 and is progressing towards Final Operating Capacity. This mission takes a regional approach to the crisis in Darfur, and seeks to protect refugees and other civilians in danger, facilitate the distribution of humanitarian aid, and also is also mandated to work closely with the UN Mission in the Central African Republic and Chad (MINURCAT). A statement of support for regional security surrounding Darfur, or any rhetorical or material support for peace and security in Darfur, would then be welcomed by the EU.

Scoring Guidelines

- No statement or communiqué is released affirming support for either the Balkans region or Darfur and the surrounding region.
- G8-members release a statement or communiqué affirming their commitment to peace and security in Darfur and/or the surrounding region; no new concrete steps are pledged towards this end.
- **0.50** G8-members release a statement or communiqué affirming their commitment to peace and security in the Western Balkans; no new concrete steps are pledged towards this end.
- G8-members release a statement or communiqué affirming their commitment to peace and security in the Western Balkans and in Darfur and/or the surrounding region; no new concrete steps are pledged towards this end.
 - G8-members release a statement or communiqué affirming their commitment to peace and security in the Western Balkans and in Darfur; new initiatives are planned to promote peace and security in either of the two regions.

Prospects

A statement or communiqué on Sudan/Darfur is likely to result from the Hokkaido Summit, as it remains an active conflict and its resolution is a stated objective of all G8 member states. A communiqué on Sudan/Darfur was released at the Heiligendamm Summit and the present conflict

⁷⁶⁹ Factsheet on EU Military Operation in Bosnia and Herzegovina (Operation EUFOR – Althea) February 2008, EU Operations, Council of the European Union (Brussels). Date of Access: 11 June 2008. http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=1045&lang=en.

⁷⁷⁰ European Union Police Mission in Bosnia and Herzegovina, EU Operations, Council of the European Union (Brussels). Date of Access: 11 June 2008. http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=585&lang=EN.

⁷⁷¹ European rule of law mission in Kosovo (EULEX – Kosovo), EU Operations, Council of Europe (Brussels). Date of Access: 11 June 2008. http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=1458&lang=EN&mode=g

⁷⁷² Western Balkans Communication – 5 March 2008, Enlargement, European Commission (Brussels). Date of Access:

Western Balkans Communication – 5 March 2008, Enlargement, European Commission (Brussels). Date of Access: 11 June 2008. http://ec.europa.eu/enlargement/balkans_communication/index_en.htm.

⁷⁷³ EUFOR – TCHAD/RCA, EU Operations, Council of Europe (Brussels). Date of Access: 11 June 2008. http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=1366&lang=EN&mode=g.

⁷⁷⁴ EUFOR – TCHAD/RCA, EU Operations, Council of Europe (Brussels). Date of Access: 11 June 2008. http://www.consilium.europa.eu/cms3_fo/showPage.asp?id=1366&lang=EN&mode=g.

has been discussed at all Summits since 2004. The substance of any statement about peace and security in the Western Balkans, however, would be much more contentious. Russia firmly opposes the independence of Kosovo from Serbia; all other G8 member states have recognized Kosovo as an independent state, and the EU has yet to do either. More generally, there are sharp divisions in interests and policies towards the Western Balkans, with the division typically falling between Russia and the other G8 countries. Any concrete pledges, therefore, to advance peace and security in this region are unlikely. Though Japan has expressed an interest in avoiding the divisive issue, it is still likely to be discussed at the summit. The summit of the summit of the summit of the summit.

Postscript

There was no mention of the Balkans region in any statement from the 2008 Hokkaido Summit. Darfur was mentioned in the Chair's Summary, but not in the statement on Political Issues or on Development and Africa.

The Chair's Summary stated that further actions may be taken through the Security Council, but did not make any new commitments at this time:

"With regard to Darfur, we call on all parties concerned to abide by their obligations under the relevant UNSCRs; we would otherwise support further appropriate action in the UN Security Council. We call on Sudan and Chad to comply with the existing peace agreements. We also call on the parties concerned to fully implement the 2005 Comprehensive Peace Agreement in good faith and reiterate our support for UNMIS."

Analyst: Julie Wilson

⁷⁷⁵ Japan's 2008 G8: Plans for the Hokkaido Toyako Summit, citing Agence France Presse, 15 February 2008. Date of Access: 11 June 2008. http://www.g8.utoronto.ca/evaluations/2008hokkaido/2008plan/2008plan.html#political.