

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

2013 Lough Erne G8 Summit Interim Compliance Report

18 June 2013 to 13 January 2014

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Preface

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

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

For the 2013 Interim Compliance Report, 18 priority commitments were selected from the 214 commitments made at the Lough Erne Summit, hosted by the United Kingdom from 17 to 18 June 2013. This report assesses the results of compliance with those commitments as of 13 January 2014. The G8 Research Group in Toronto has, for the eighth year, worked with a team at the National Research University Higher School of Economics (HSE) in Moscow led by Mark Rakhmangulov, specifically on the reports for Russia.

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

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

John Kirton
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Executive Summary

The University of Toronto G8 Research Group Interim Compliance Report on the 2031 Lough Erne Summit is based on an analysis of compliance by G8 member states and the European Union with 18 priority commitments made at the Lough Erne Summit and covers the period from 18 June 2013 to 13 January 2014.

The Interim Compliance Scores are contained in Table A. This report is intended to provide an assessment of G8 members' compliance with the commitments made at Lough Erne. The observations contained in this report are therefore based on information relevant to actions taken between 18 June 2013 and 13 January 2014.

The Overall Interim Compliance Score

The results of the G8 Research Group's assessments indicate that, for the period June 2013 to January 2014, the G8 members received an average interim compliance score of +0.40. Individual scores are assigned on a scale where +1 indicates full compliance with the stated commitment, 0 is awarded for partial compliance or a work in progress, and -1 is reserved for those countries that fail to comply or that take action that is directly opposite to the stated goal of the commitment.

Compliance by Member

G8 members' rankings are roughly in line with past interim reports, with slight variations. The United States and the European Union are tied for first place among G8 member states with each receiving an overall score of +0.61. The United Kingdom follows with +0.56, just ahead of Canada and France each with +0.44, followed by Italy and Germany with +0.28, and Russia with +0.22. Japan ranks last among G8 members with an interim compliance score of +0.17.

The Compliance Gap Between Members

This year, the difference between the highest and lowest G8 compliance scores is 0.44, similar to the difference in the 2010 interim report, but much lower than the 2012 final compliance score of 0.70.

Compliance by Commitment

Overall compliance by commitment is almost uniformly distributed from 0 to +1, with the sole exception of Climate Finance (-0.11). Like in previous years, only one commitment scored a 0 average. Eight commitments scored between 0 and +0.50 with the remaining eight commitments scoring above +0.50. No commitments scored a +1, a decline from one in 2011, and three in 2010.

Compliance was strongest on the Global Imbalances commitment, which saw seven member states plus the EU score full compliance. The other macroeconomic policy commitment on Global Demand received a considerably lower score, although it was still a positive +0.33. Compliance was also generally strong on Information and Communication, which received an +0.67 and Deepening Impact on Malnutrition, which scored a +0.56. Members received an average score of +0.56 for the Countering Violent Extremism, the Deauville Partnership commitment, as well as the Regional Security: Syria commitment.

Compliance varied for the two transparency-related commitments. Members were awarded a score of +0.56 for Corporate Transparency, while transparency for Extractive Industries received a score of +0.44.

The three trade commitments received varying scores, with African Trade and Infrastructure receiving a +0.56. The remaining commitments scored lower, with the Trade deals commitment

scoring a +0.44 and Trade: Green Growth receiving a 0. Members scored a +0.44 on Tax Evasion and Profit Shifting, while scoring a +0.11 on Stolen Asset Recovery.

Members received an average score of +0.22 for both Anti-Money Laundering and Development: Country-Led Reforms, which were two of the lowest scores during this stage of the cycle.

Members appeared to have the most difficulty with the two Climate Change commitments, receiving low scores on both. They received an average of +0.33 for the Climate and Clean Air Coalition. Furthermore, the only negative average for the cycle was the commitment for Climate Finance, which received a -0.11.

Future Research and Reports

The information contained within this report provides G8 member countries and other stakeholders with an indication of their compliance results in the post-Lough Erne period. As with previous compliance reports, this report has been produced as an invitation for others to provide additional or more complete information on country compliance. As always, comments are welcomed and would be considered as part of an analytical reassessment. Please send your feedback to g8@utoronto.ca.

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Table A: 2013 Lough Erne Interim Compliance Scores

	Commitment Name	CDN	FRA	GER	ITA	JPN	RUS	UK	US	EU	Average
1	Trade [8]	+1	0	+1	0	0	+1	0	0	+1	+0.44
2	Macroeconomic Policy: Global Demand [37]	0	0	0	0	+1	+1	0	+1	0	+0.33
3	Macroeconomic Policy: Global Imbalances [45]	+1	+1	-1	+1	+1	+1	+1	+1	+1	+0.78
4	Trade: Green Growth [54]	+1	0	-1	-1	+1	+1	-1	0	0	0
5	Trade: African Trade and Infrastructure [69]	+1	+1	0	+1	0	-1	+1	+1	+1	+0.56
6	Finance: Tax Evasion and Profit Shifting [76]	0	+1	+1	+1	0	+1	0	0	0	+0.44
7	Transparency: Corporate Transparency [87]	0	0	+1	+1	0	+1	+1	+1	0	+0.56
8	Crime and Corruption: Anti-Money Laundering [95]	0	-1	0	-1	0	+1	+1	+1	+1	+0.22
9	Transparency: Extractive Industries [97]	+1	0	0	+1	0	-1	+1	+1	+1	+0.44
10	Information and Communication [115]	0	+1	0	+1	+1	+1	+1	0	+1	+0.67
11	Health: Deepening Impact on Malnutrition [136]	+1	+1	+1	+1	0	-1	+1	0	+1	+0.56
12	Climate Change: Climate and Clean Air Coalition [145]	+1	0	+1	0	-1	-1	+1	+1	+1	+0.33
13	Climate Change Climate Finance [150]	-1	0	+1	-1	0	-1	0	0	+1	-0.11
14	Development: Country-Led Reforms [157]	-1	+1	0	0	0	0	+1	+1	0	+0.22
15	Finance: Stolen Asset Recovery [162]	0	0	0	0	+1	0	0	0	0	+0.11
16	Terrorism: Countering Violent Extremism [183]	+1	+1	0	+1	-1	0	+1	+1	+1	+0.56
17	Regional Security: Deauville Partnership [186]	+1	+1	0	0	0	0	+1	+1	+1	+0.56
18	Regional Security: Syria [198]	+1	+1	+1	0	0	+1	0	+1	0	+0.56
	Country Average	0.44	0.44	0.28	0.28	0.17	0.22	0.56	0.61	0.61	0.40
	2012 Final Compliance Average	0.71	0.65	0.76	0.29	0.65	0.18	0.65	0.88	0.59	0.60
	2011 Final Compliance Average	0.67	0.50	0.44	0.33	0.56	0.56	0.61	0.61	0.61	0.54
	2010 Final Compliance Average	0.61	0.44	0.50	0.17	0.28	0.61	0.50	0.56	0.44	0.46
	2010 Interim Compliance Average	0.61	0.22	0.50	0.22	0.27	0.38	0.44	0.50	0.50	0.40

1. Trade: Trade Deals [8]

Commitment:

“[We will break down barriers to trade at home and abroad by] concluding a set of ambitious trade deals.”

2013 G8 Lough Erne Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France		0	
Germany			+1
Italy		0	
Japan		0	
Russia			+1
United Kingdom		0	
United States		0	
European Union			+1
Average Score	+0.44		

Background:

G8 leaders described trade and investment as “key engines of global economic growth, job creation and sustainable development.”¹ Globalization has radically transformed the nature of international trade, with almost 60 per cent of trade in goods in components.² Goods are increasingly being produced internationally through complex supply chains that use components from a variety of countries in production. Moreover, trade in services accounts for a growing proportion of the global economy and is increasingly tied to trade in goods.

This current economic landscape provides context for the G8 leaders’ commitment to drive forward free trade “based on a fair, strong rules-based trading system, protecting and promoting interests, and deepening economic integration.”³ Thus, the G8 pledged to take action in order to further the potential of trade and investment to boost growth, jobs and sustainable development. They further agreed to refrain from and restrict protectionist measures, while calling on others to do the same.

During the 2013 Lough Erne Summit, the G8 leaders restated their support for the central role of the World Trade Organization (WTO) in reducing barriers to trade, resisting protectionist economic policies, establishing global trade standards, and ensuring enforcement to support a level playing field in world trade.⁴ The G8 leaders stressed that streamlining bureaucracy at borders would cut the costs of trade. They reiterated their intent to reach agreement at the 9th

¹ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

² G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

³ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

⁴ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

WTO Ministerial Conference in Bali in December 2012 on a package that focuses on Trade Facilitation.

The G8 pledged to provide, within their current Aid for Trade commitments, “substantial technical assistance and capacity building to help implement a WTO Trade Facilitation deal, in particular to the benefit of the Least Developed Countries.”⁵ Furthermore, the G8 welcomed the trade and economic integration of Russia with some countries in the region, which was to be pursued in line with World Trade Organization (WTO) principles. The G8 reiterated their commitment to strengthening the multilateral trading system and securing a WTO deal in December that aimed to cut bureaucracy in order to more efficiently facilitate the transport of goods across borders. The G8 pledged to keep their promise to help developing countries slash barriers to trade that impede growth.⁶

Commitment Features:

The G8 welcomed the launch of negotiations for an EU-U.S. trade agreement, the progress made towards the Trans Pacific Partnership, the launch of the EU-Japan trade agreement negotiations, and the completion of the EU-Canada trade agreement. The G8 stated their goal to finalize all of the aforementioned deals as soon as possible.⁷

The G8 leaders demonstrated their commitment to open markets by pledging to conclude ambitious and genuinely liberalizing bilateral, regional, and multilateral agreements. These agreements were designed to address a wide variety of trade issues, as well as “tariff reductions, including behind-the-border barriers, rules, and regulatory coherence and better alignment of standards, all of which are central to unleashing the full potential of trade.”⁸ These deals were designed to be consistent with and supportive of the WTO framework by serving as a foundation for future multilateral agreements in the WTO, which remain the most effective means of reducing international trade barriers.⁹

Scoring Guidelines:

-1	G8 member does not make any effort to break down barriers, either by implementing new policy or opening trade negotiations.
0	G8 member implements policies that facilitate trade BUT does not significantly advance in negotiations nor conclude negotiations of a bilateral, regional or multilateral trade deal.
+1	G8 member significantly advances in negotiations or concludes negotiations of a bilateral, regional or multilateral trade deal.

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⁵ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

⁶ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

⁷ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

⁸ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

⁹ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

Canada: +1

Canada has fully complied with its commitment to break down barriers to trade at home and abroad by concluding a set of ambitious trade deals, liberalizing trade laws, and facilitating trade through other mediums, such as the WTO.

On 25 July 2013, the 18th round of Trans-Pacific Partnership (TPP) negotiations concluded in Malaysia.¹⁰

On 20 August 2013, Canadian Minister of International Trade Ed Fast noted that the recently created Canada-ASEAN Business Council (CABC) is working to improve trade and investment ties between Canada and the Association of Southeast Asian Nations (ASEAN).¹¹

On 25 August 2013, the Canadian government announced that the first meeting of the Canada-Kuwait Joint Committee on Trade and Investment Co-operation will be held this fall.¹²

On 26 August 2013, Canadian and Turkish governments announced their intentions to create a joint economic and trade committee. During the meeting between Minister Fast and the Turkish Minister of Economy, Zafer Çağlayan, they also expressed support for the conclusion of exploratory talks toward an ambitious and comprehensive free trade agreement.¹³

The 19th round of TPP negotiations took place in Bandar Seri Begawan, Brunei, from August 22 to 30, 2013.¹⁴

On 17 September 2013, the Canadian government announced the conclusion of negotiations on a foreign investment promotion and protection agreement (FIPA) between Canada and Serbia.¹⁵

On 19 September 2013, Canada announced it will participate in several meetings related to the TPP negotiations, including a meeting of senior negotiators in Washington DC.¹⁶

¹⁰ Foreign Affairs, Trade, Development Canada. "Harper Government Advances Canada's Priorities in Trans-Pacific Partnership Negotiations." Harper Government Advances Canada's Priorities in Trans-Pacific Partnership Negotiations. <http://www.international.gc.ca/media/comm/news-communiques/2013/07/25a.aspx?lang=eng> (accessed January 7, 2014)

¹¹ Foreign Affairs, Trade, Development Canada. "Harper Government Continues to Deepen Canada's Economic Ties in Southeast Asia." Harper Government Continues to Deepen Canada's Economic Ties in Southeast Asia. <http://www.international.gc.ca/media/comm/news-communiques/2013/08/20a.aspx?lang=eng>

¹² Foreign Affairs, Trade, Development Canada. "Canada Deepens Commercial Ties with Kuwait." Canada Deepens Commercial Ties with Kuwait. <http://www.international.gc.ca/media/comm/news-communiques/2013/08/25a.aspx?lang=eng>

¹³ Foreign Affairs, Trade, Development Canada. "Canada and Turkey Commit to Working Toward Increased Trade and Investment." Canada and Turkey Commit to Working Toward Increased Trade and Investment. <http://www.international.gc.ca/media/comm/news-communiques/2013/08/27a.aspx?lang=eng>

¹⁴ Foreign Affairs, Trade, Development Canada. "Trans-Pacific Partnership Members Advance Negotiations in Brunei." Trans-Pacific Partnership Members Advance Negotiations in Brunei. <http://www.international.gc.ca/media/comm/news-communiques/2013/08/30a.aspx?lang=eng>

¹⁵ Foreign Affairs, Trade, Development Canada. "Harper Government Concludes Investment Agreement with Serbia." Harper Government Concludes Investment Agreement with Serbia. <http://www.international.gc.ca/media/comm/news-communiques/2013/09/17a.aspx?lang=eng> (accessed January 8, 2014).

The latest round of negotiations for a trade in services agreement took place in Geneva, Switzerland, from September 16 to 20, 2013, with 23 WTO members including Canada participating.¹⁷

On 26 September 2013, Canadian Minister of International Development and La Francophonie Christian Paradis announced the conclusion of negotiations on a FIPA between Canada and Côte d'Ivoire.¹⁸

On 26 September 2013, Minister Fast met with U.S. Secretary of Commerce Penny Pritzker in Washington DC for their first ever meeting. Minister Fast and Secretary Pritzker committed to strong bilateral cooperation regarding the Beyond the Border and Regulatory Cooperation Council Action Plans. These two initiatives focus on enhancing the two countries' mutual security, prosperity and economic competitiveness by increasing regulatory alignment and efficiency at the border.¹⁹

On 30 September 2013, Minister Fast announced that Canada's expanded free trade agreement with Chile is in effect.²⁰

On 1 October 2013, the Canadian and Emirati governments launched the Canada-United Arab Emirates Business Council (CUBC) with its first meeting in Montreal.²¹

On 9 October 2013, the Canadian Government announced the launching of the first meeting of the Canada-ASEAN (Association of Southeast Asian Nations) Business Forum in Singapore. The Business Forum is a major initiative of the Canada-ASEAN Business Council (CABC).²²

¹⁶ Foreign Affairs, Trade, Development Canada. "Trans-Pacific Partnership Negotiations Continue in Washington, D.C.." Trans-Pacific Partnership Negotiations Continue in Washington, D.C..
<http://www.international.gc.ca/media/comm/news-communiques/2013/09/19a.aspx?lang=eng> (accessed January 8, 2014)

¹⁷ Foreign Affairs, Trade, Development Canada. "Minister Fast Marks Conclusion of Latest Round on Trade in Services Agreement Negotiations." Minister Fast Marks Conclusion of Latest Round on Trade in Services Agreement Negotiations. <http://www.international.gc.ca/media/comm/news-communiques/2013/09/20a.aspx?lang=eng> (accessed January 8, 2014).

¹⁸ Foreign Affairs, Trade, Development Canada. "Canada Concludes Investment Agreement with Côte d'Ivoire." Canada Concludes Investment Agreement with Côte d'Ivoire.
<http://www.international.gc.ca/media/comm/news-communiques/2013/09/26a.aspx?lang=eng> (accessed January 8, 2014)

¹⁹ Foreign Affairs, Trade, Development Canada. "Minister Fast Travels to U.S. Capital to Advance Canadian Interests." Minister Fast Travels to U.S. Capital to Advance Canadian Interests.
<http://www.international.gc.ca/media/comm/news-communiques/2013/09/26d.aspx?lang=eng> (accessed January 8, 2014).

²⁰ Foreign Affairs, Trade, Development Canada. "Harper Government Expands and Modernizes Free Trade Agreement with Chile." Harper Government Expands and Modernizes Free Trade Agreement with Chile.
<http://www.international.gc.ca/media/comm/news-communiques/2013/09/30a.aspx?lang=eng> (accessed January 8, 2014).

²¹ Foreign Affairs, Trade, Development Canada. "Minister Ed Fast Announces Canadian Members of Canada-United Arab Emirates Business Council." Minister Ed Fast Announces Canadian Members of Canada-United Arab Emirates Business Council. <http://www.international.gc.ca/media/comm/news-communiques/2013/10/01a.aspx?lang=eng> (accessed January 8, 2014).

On 18 October 2013, an announcement was released regarding successful conclusion of negotiations for a Comprehensive Economic and Trade Agreement (CETA) between the European Union and Canada. The Canada-EU CETA addresses a wide range of issues, including improved access for goods and services; greater certainty, transparency and protection of investments; enhanced cooperation in areas of mutual interest, such as regulatory development and labour mobility; and new opportunities in procurement markets.²³

On 31 October 2013, Minister Fast told business leaders attending the energy security panel at the Toronto Global Forum that the Canada-European Union trade agreement will contribute to global energy security. “Lowering trade barriers, opening our economy to foreign investment and investing in infrastructure all contribute to making Canada’s energy production more available to our trading partners,” said Minister Fast.²⁴

On 1 November, the Canadian government announced that Canada has ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, known as the ICSID Convention. Canadian investors will have access to an impartial, less expensive and more effective dispute-resolution mechanism to resolve investment disputes with host states.²⁵

On 5 November 2013, Minister Fast and José Adonis Lavaire, Minister of Industry and Commerce for Honduras, signed the Canada-Honduras Free Trade Agreement.²⁶

On 8 November 2013, the Canadian government concluded the latest round of negotiations in Geneva for a trade in services agreement, which aims to open new markets and create a more predictable and stable environment for Canadian providers of services.²⁷

²² Foreign Affairs, Trade, Development Canada. “Minister Fast Launches First Canada-ASEAN Business Forum.” Minister Fast Launches First Canada-ASEAN Business Forum.
<http://www.international.gc.ca/media/comm/news-communiques/2013/10/09a.aspx?lang=eng> (accessed January 8, 2014).

²³ Foreign Affairs, Trade, Development Canada. “Declaration by the President of the European Commission and the Prime Minister of Canada “A new era in EU-Canada relations”.” Declaration by the President of the European Commission and the Prime Minister of Canada.
<http://www.international.gc.ca/media/comm/news-communiques/2013/10/18a.aspx?lang=eng> (accessed January 8, 2014).

²⁴ Foreign Affairs, Trade, Development Canada. “Canada’s Pro-Trade Plan Contributes to Global Energy Security.” Canada’s Pro-Trade Plan Contributes to Global Energy Security.
<http://www.international.gc.ca/media/comm/news-communiques/2013/10/31a.aspx?lang=eng> (accessed January 8, 2014).

²⁵ Foreign Affairs, Trade, Development Canada. “Canada Ratifies Important International Treaty on Investment Disputes.” Canada Ratifies Important International Treaty on Investment Disputes.
<http://www.international.gc.ca/media/comm/news-communiques/2013/11/01a.aspx?lang=eng> (accessed January 8, 2014).

²⁶ Foreign Affairs, Trade, Development Canada. “Minister Fast Signs Canada-Honduras Free Trade Agreement as Canada Secures Full Market Access for Beef and Pork.” Minister Fast Signs Canada-Honduras Free Trade Agreement as Canada Secures Full Market Access for Beef and Pork.
<http://www.international.gc.ca/media/comm/news-communiques/2013/11/05a.aspx?lang=eng> (accessed January 8, 2014).

²⁷ Foreign Affairs, Trade, Development. “Latest Round of Negotiations Concludes on Trade in Services Agreement.” Latest Round of Negotiations Concludes on Trade in Services Agreement.
<http://www.international.gc.ca/media/comm/news-communiques/2013/11/08a.aspx?lang=eng> (accessed January 8, 2014).

On 27 November 2013, Minister Fast unveiled a new trade plan through a report, entitled the “Global Markets Action Plan: The Blueprint for Creating Jobs and Opportunities for Canadians Through Trade” during a speech to the Economic Club of Canada in Ottawa.²⁸

On 27 November 2013, Canadian government announced that Canada and Albania concluded negotiations on a FIPA.²⁹

On 3 December 2013, Canada announced it has ratified the modernized WTO Agreement on Government Procurement (GPA). The announcement was made in Bali, Indonesia, during the ninth WTO Ministerial Conference.³⁰

On 5 December 2013, Canadian government announced the conclusion of negotiations on a FIPA between Canada and Guinea.³¹

On 5 December 2013, Canadian government announced that the FIPA between Canada and Tanzania will come into force in the coming days.³²

On 6 December 2013, Minister Fast concluded his participation at the World Trade Organization’s Ninth Ministerial Conference in Bali, Indonesia, by welcoming progress that will re-establish the WTO as an organization that advances trade liberalization around the world.

A new trade facilitation agreement (TFA) will reduce border transaction costs for Canadians doing business abroad by up to nine percent. The TFA will introduce binding rules for all WTO members on how goods are handled at borders to reduce bureaucracy and delays.³³

On 10 December 2013, Minister Fast highlighted progress made at a successful meeting with trade ministers from the countries of the TPP. The TPP ministerial meeting was held in

²⁸ Reuters. “Harper Government Launches New International Trade Plan.” Reuters. <http://www.reuters.com/article/2013/11/27/idUSnCCN7dNjdQ+1c9+MKW20131127> (accessed January 8, 2014).

²⁹ Foreign Affairs, Trade, Development Canada. “Harper Government Concludes Investment Agreement with Albania.” Harper Government Concludes Investment Agreement with Albania. <http://www.international.gc.ca/media/comm/news-communiques/2013/11/27b.aspx?lang=eng> (accessed January 8, 2014).

³⁰ Foreign Affairs, Trade, Development Canada. “Canada Ratifies Revised WTO Government Procurement Agreement.” Canada Ratifies Revised WTO Government Procurement Agreement. <http://www.international.gc.ca/media/comm/news-communiques/2013/12/03a.aspx?lang=eng> (accessed January 8, 2014).

³¹ Foreign Affairs, Trade, Development Canada. “Harper Government Concludes Investment Agreement with Guinea.” Harper Government Concludes Investment Agreement with Guinea. <http://www.international.gc.ca/media/comm/news-communiques/2013/12/05a.aspx?lang=eng> (accessed January 8, 2014).

³² Foreign Affairs, Trade, Development Canada. “Harper Government Announces Entry into Force of Investment Agreement with Tanzania.” Harper Government Announces Entry into Force of Investment Agreement with Tanzania. <http://www.international.gc.ca/media/comm/news-communiques/2013/12/05b.aspx?lang=eng> (accessed January 8, 2014).

³³ Foreign Affairs, Trade, Development Canada. “Canada Welcomes Progress at WTO.” Canada Welcomes Progress at WTO. <http://www.international.gc.ca/media/comm/news-communiques/2013/12/06b.aspx?lang=eng> (accessed January 8, 2014).

Singapore. Ministers identified potential outcomes for key outstanding areas of the text and agreeing to continue work to conclude market access negotiations.³⁴

On 12 December 2013, the Canadian government announced that Canada and Moldova concluded negotiations toward a FIPA.³⁵

On 30 December 2013, Minister Fast looked at accomplishments of the past year which include reaching a historic Canada-European Union trade agreement, bringing into force or signing free trade agreements with three priority countries and concluding or bringing into force a record 10 FIPAs.³⁶

Canada has fully complied with its commitment by breaking down barriers to trade at home and abroad by concluding a set of ambitious trade deals, liberalizing trade laws, and facilitating trade through other mediums, such as the WTO. Thus, it receives a score of +1.

Analyst:

France: 0

France has partially complied with its commitment in facilitating trade by breaking down some trade barriers while maintaining others.

France has consistently sustained its aid towards the World Trade Organization (WTO) Trust Funds. On 29 November 2013 France donated EUR 500,000 to the WTO, which will be put towards technical assistance programs for developing countries.³⁷ An additional EUR 500,000 will be allocated to internship programs to build expertise in trade policy for weak and transitioning economies.³⁸ France has contributed EUR 10.077 million to the WTO Trust Funds since 2010.³⁹ These contributions will ultimately increase the negotiating capacity of weaker economies in trade deals.

³⁴ Foreign Affairs, Trade, Development Canada. "Trans-Pacific Partnership Negotiations Continue in Singapore." Trans-Pacific Partnership Negotiations Continue in Singapore. <http://www.international.gc.ca/media/comm/news-communiques/2013/12/10c.aspx?lang=eng> (accessed January 8, 2014).

³⁵ Foreign Affairs, Trade, Development Canada. "Harper Government Concludes Investment Treaty with Moldova." Harper Government Concludes Investment Treaty with Moldova. <http://www.international.gc.ca/media/comm/news-communiques/2013/12/12d.aspx?lang=eng> (accessed January 8, 2014).

³⁶ Foreign Affairs, Trade, Development Canada. "Harper Government Records Most Successful Year for Trade and Investment in Canadian History." Harper Government Records Most Successful Year for Trade and Investment in Canadian History. <http://www.international.gc.ca/media/comm/news-communiques/2013/12/30a.aspx?lang=eng> (accessed January 8, 2014).

³⁷ France Donates EUR 1,000,000 to Strengthen Negotiating Capacity of Developing Countries, World Trade Organization 29 November 2013. Date of Access: 23 December 2013. http://www.wto.org/english/news_e/pres13_e/pr706_e.htm

³⁸ France Donates EUR1,000,000 to Strengthen Negotiating Capacity of Developing Countries, World Trade Organization 29 November 2013. Date of Access: 23 December 2013. http://www.wto.org/english/news_e/pres13_e/pr706_e.htm

³⁹ France Donates EUR1,000,000 to Strengthen Negotiating Capacity of Developing Countries, World Trade Organization 29 November 2013. Date of Access: 23 December 2013. http://www.wto.org/english/news_e/pres13_e/pr706_e.htm

France has intensified trade with Russia in compliance with its commitment. France is currently the 2nd largest European exporter to Russia reaching EUR 9.1 billion in exports in 2012.⁴⁰ The 20th French-Russian Economic Financial and Trade Council held on 30 September 2013 culminated in agreements of greater cooperation in the fields of agriculture, health and pharmaceuticals and railway transport between the two powers.⁴¹ Minister of Foreign Trade Nicole Bricq welcomed greater Russian investment in France and highlighted the achievements they already made in the aerospace industry.⁴² Further development in high tech industries is expected in the future.⁴³ She stated, “The Russian market is difficult to access” and thus launched the “Health Club” in an effort to break down barriers for small and medium-sized enterprises engaged in the biotechnology and pharmaceutical industries.⁴⁴

France has had an equivocal position towards free trade. Foreign Trade Minister Nicole Bricq suggested that under the current context of the accord, the free trade agreement between the EU and Canada signed on 18 October 2013 would be beneficial for France.⁴⁵ Conversely, France maintained its protectionist stance by vetoing inclusion of film and music industries, and laid out strict rules on agriculture in the talks meant to further the EU transatlantic trade pact.⁴⁶

France’s steps to improve bilateral trade with Russia and its continued aid to developing nations via the WTO are in compliance with its commitments. However, its stance in hindering progress with respect to the EU transatlantic trade pact has resulted in France being awarded a score of 0 for partial compliance. France will need to break down these barriers in order to achieve full compliance.

Analyst: Araf Khaled

Germany: +1

Germany has partially complied with its commitment to break down barriers to trade at home and abroad by making progress towards concluding a set of ambitious trade deals and facilitating trade through other mediums, such as the World Trade Organization.

⁴⁰ 20e Conseil Économique, Financier et Commercial Franco-Russe, Le Portail du Ministère du Commerce Extérieure 2 October 2013. Date of Access: 23 December 2013. <http://www.commerce-exterieur.gouv.fr/20e-conseil-economique-financier-et-commercial-franco-russe>

⁴¹ 20e Conseil Économique, Financier et Commercial Franco-Russe, Le Portail du Ministère du Commerce Extérieure 2 October 2013. Date of Access: 23 December 2013. <http://www.commerce-exterieur.gouv.fr/20e-conseil-economique-financier-et-commercial-franco-russe>

⁴² 20e Conseil Économique, Financier et Commercial Franco-Russe, Le Portail du Ministère du Commerce Extérieure 2 October 2013. Date of Access: 23 December 2013. <http://www.commerce-exterieur.gouv.fr/20e-conseil-economique-financier-et-commercial-franco-russe>

⁴³ 20e Conseil Économique, Financier et Commercial Franco-Russe, Le Portail du Ministère du Commerce Extérieure 2 October 2013. Date of Access: 23 December 2013. <http://www.commerce-exterieur.gouv.fr/20e-conseil-economique-financier-et-commercial-franco-russe>

⁴⁴ Lancement du « club Santé » Russie afin d’aider les PME Françaises sur le Marché Russe, Le Portail du Ministère du Commerce Extérieure 3 October 2013. Date of Access: 23 December 2013. <http://www.commerce-exterieur.gouv.fr/lancement-du-club-sante-russie>

⁴⁵ L’Union Européenne et le Canada ont Conclu un Accord de Libre-Échange, Le Portail du Ministère du Commerce Extérieure 22 October 2013. Date of Access: 23 December 2013. <http://www.commerce-exterieur.gouv.fr/union-europeenne-canada-accord-libre-echange>

⁴⁶ France Maintains Hard Line on EU Transatlantic Trade Talks, Financial Times (Paris) 20 October 2013. Date of Access: 23 December 2013. <http://www.ft.com/intl/cms/s/0/5e39ef26-3709-11e3-b42e-00144feab7de.html#axzz2oGiriqRd>

Germany participated in the signing and conclusion of the Bali Package in December 2013.⁴⁷ The Federal Minister of Economics and Technology, Anne Ruth Harkes stated that Germany remains a “firm advocate of a successful multilateral trade system” and has as a goal to give “a fresh boost to the global trading system” through the Ninth WTO Ministerial Conference and the subsequent agreement.⁴⁸ The Bali package is designed to “streamline trade, allow developing countries more options for providing food security, boost least developed countries’ trade and help development more generally.”⁴⁹ This agreement could also boost the German economy by EUR 60 billion every year.⁵⁰

As part of the European Union, Germany has also started trade talks with the United States. The comprehensive Transatlantic Trade and Investment Partnership (TTIP) between the two partners is a “high priority” for Chancellor Angela Merkel despite diplomatic difficulties caused by an eavesdropping scandal.⁵¹ Free Trade talks between the European Union and Japan have also begun and shown progress.⁵² A deal with Canada has been signed and is pending approval by the Canadian Parliament and the national governments of the European Union, including Germany.⁵³

Germany has shown positive developments regarding substantial trade agreements, especially regarding the WTO’s Bali Package. However there is still a way to go for most other substantial trade agreements to come to completion. As a result, Germany has received a score of 0 for partial compliance to its commitment.

Analyst: Kevin Parra Duque

Italy: 0

Italy has partially complied with its commitment and has begun to break down barriers to trade at home and abroad, demonstrates resolve in concluding the Transatlantic Trade and Investment Partnership (TTIP) between the EU and the U.S., as well as an EU-Japan free trade agreement. Italy also participated in and supported the WTO Bali multilateral agreement for the liberalization of trade, concluded on 7 December 2013.

On 16 December 2013, Prime Minister Enrico Letta approved an Italian government communique that stipulated the “Destination Italia” plan, designed to encourage trade with and investment in Italian businesses, through legal reform and increased focus on the use of trade-facilitating boards and commissions. The plan, founded by the Ministry of Foreign Affairs, includes several measures. It aims to align Italian investment practices with international standards, and establish better communication between foreign investors and Italian firms, with

⁴⁷ Ministerial Conference Ninth Session. December 4, 2013 Date of Access: December 21, 2013 https://mc9.wto.org/system/files/documents/W7R1_1.pdf

⁴⁸ Statement by H.E. Ms Anne Ruth Herkes, Federal Minister of Economics and Technology. Date of Access: December 21, 2013 http://www.wto.org/english/thewto_e/minist_e/mc9_e/stat_e/deu.pdf

⁴⁹ Days 3, 4 and 5: Round-the-clock consultations produce ‘Bali Package’. December 5-7, 2013. Date of Access: December 21, 2013 http://www.wto.org/english/news_e/news13_e/mc9sum_07dec13_e.htm

⁵⁰ WTO Bali agreement expected to boost growth. December 7, 2013. Date of Access: December 21, 2013. <http://www.dw.de/wto-bali-agreement-expected-to-boost-growth/a-17278088>

⁵¹ U.S.-EU free trade talks begin amid spying row. July 8, 2013. Date of Access: December 21, 2013. <http://www.dw.de/us-eu-free-trade-talks-begin-amid-spying-row/a-16935160>

⁵² Japan-EU free trade talks ‘going according to plan’. July 7, 2013. Date of Access: December 21, 2013. <http://www.dw.de/japan-eu-free-trade-talks-going-according-to-plan/a-16921564>

⁵³ European Union signs free trade agreement with Canada. October 10, 2013. Date of access: December 21, 2013. <http://www.dw.de/european-union-signs-free-trade-agreement-with-canada/a-17167835>

the aim of tax obligation compliance. Furthermore, the Destination Italia plan provides for methods to facilitate customs operations, and the functions of Italo-foreign Chambers of Commerce. Funding for the Italian foreign trade institute, the ICE, has been doubled for 2014.⁵⁴

On 1 August 2013, Italy and Russia signed an agreement on the “Green Customs Corridor” project, which will increase the efficiency of interaction between Italian and Russian customs agencies, cutting costs for the transfer of goods between the two states.^{55,56}

During a visit to the Foreign Ministry of Japan, on 10 October 2013, Secretary General of the Ministry of Foreign Affairs Michele Valensese affirmed the Italian government’s commitment to ratify a Italy-Japan agreement for social insurance institute reform that will remove non-tariff barriers to trade.⁵⁷ During the 25th General Assembly of the Italy-Japan Business Group, Deputy Foreign Minister Bruno Archi reiterated this desire for the removal of non-tariff barriers between the two states, as well as a hope for an EU-Japan free trade agreement.⁵⁸

On 17 October 2013, after a meeting with U.S. President Barack Obama in Washington, Prime Minister Enrico Letta stated that completing the EU-U.S. Transatlantic Trade and Investment Partnership (TTIP), which will eliminate tariff and remove costly regulations, will be a top priority for Italy’s EU presidency, which will preside for the second half of 2014.⁵⁹

In a 21 October 2013 press release, the Ministry of Foreign Affairs “welcomed” the political agreement reached by the European Commission and the Canadian Government on the content of the Comprehensive Economic and Trade Agreement (CETA).⁶⁰

On 7 December 2013, the WTO Bali Ministerial Meeting concluded with an agreement, signed by 159 states, including Italy, to implement various measures with the general effect of liberalizing trade, and assisting developing nations in integrating with global markets. Deputy

⁵⁴ Destinazione Italia — Plan approved, push toward internationalisation of businesses, Ministry of Foreign Affairs (Rome) 16 December 2013. Date of Access: 30 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/12/20131216_approvato_piano_imprese.htm.

⁵⁵ ITALY- RUSSIA: agreement on “green customs corridor”, Ministry of Foreign Affairs (Rome) 01 August 2013. Date of Access: 30 December 2013. http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2013/08/20130801_italia_russia_accordo_doganale.htm?LANG=EN

⁵⁶ Italy-Russia, Agreements Also In Terms of Customs, (San Donato Milanese) 28 November 2013. Date of Access: 30 December 2013. <http://www.snam.it/en/Media/energy-morning/news-upload669.html>.

⁵⁷ Italy-Japan — Valensese in Tokyo. Abe to visit Rome, possibly in January 2014, Ministry of Foreign Affairs (Rome) 10 October 2013. Date of Access: 30 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/10/20131010_itgiapvalenstok.htm.

⁵⁸ Italy-Japan Business Group: Archi in Tokyo for 25th General Assembly, Ministry of Foreign Affairs (Rome) 24 October 2013/ Date of Access: 30 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Comunicati/2013/10/20131024_ijbgarctokyo.htm.

⁵⁹ Italy’s Letta Says Trade Pact Between U.S., EU to Be Priority, Bloomberg News (New York) Oct 17, 2013 Date of Access: 30 December 2013. <http://www.bloomberg.com/news/2013-10-17/italy-s-letta-says-trade-pact-between-u-s-eu-to-be-priority.html>.

⁶⁰ EU-Canada: Italy welcomes agreement on CETA negotiations, Ministry of Foreign Affairs (Rome) 21 October 2013. Date of Access: 29 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Comunicati/2013/10/20131021_UeCanada.htm.

Minister of Economic Development Carlo Calenda, in an interview for an Italian newspaper, commented, “The EU and Italy have held a strong position of support for the package presented, contributing to the successful conclusion of the negotiations.”⁶¹

Thus, Italy has been awarded a score of 0 for partial compliance to its commitment. It has begun to remove some barriers and costs to trade, both internally and with specific states. Through its membership with the EU, it has completed some ambitious trade deals, as is the case with the Bali package and CETA, and demonstrates willingness for the completion of the EU-TTIP and EU-Japan free trade agreement.

Analyst: Gianluca Canaletti

Japan: 0

Japan has partially complied with its commitment to break down barriers to trade at home and abroad by making progress towards concluding a set of ambitious trade deals, liberalizing trade laws, or facilitating trade through other mediums, such as the WTO.

On 29 October 2013, The European Union and Japan held a third round of negotiations toward a free trade agreement that is expected to boost Europe’s economy by up to 0.8 per cent.⁶² The round focused on an analysis of each side’s proposals for the FTA’s text.⁶³ Discussions took place in a number of working groups, covering topics such as trade in goods and services, technical barriers to trade and non-tariff measures, rules of origin, customs and trade facilitation, investment, procurement, competition, and intellectual property, among others.⁶⁴

On 1 November 2013, Japan donated CHF 368,744 to the Doha Development Agenda Global Trust fund for 2013 to finance technical assistance programmes and training activities for developing countries, least-developed countries (LDCs) and economies in transition.⁶⁵ WTO Director General Roberto Azevedo said he welcomes this donation, which demonstrates Japan’s continuing commitment to help developing countries benefit from the multilateral trading system and better integrate in the global economy.⁶⁶

On 19 November 2013, the EU trade chief said Japan still has work to do in tearing down non-tariff barriers faced by European Union companies ahead of a decisive review of EU-Japan trade

⁶¹ Wto, approvato a Bali da 159 Paesi storico accordo multilaterale sul commercio, Il Sole 24 Ore (Milan) 7 December 2013. Date of Access: 30 December 2013. <http://www.ilsole24ore.com/art/notizie/2013-12-07/wto-approvato-bali-159-paesi-storico-accordo-multilaterale-commercio-094309.shtml>.

⁶² EU, Japan Progress With Trade Talks, Tax-News (Brussels) 29 October 2013. Date of Access: 15 December 2013. http://www.tax-news.com/news/EU_Japan_Progress_With_Trade_Talks____62515.html.

⁶³ EU, Japan Progress With Trade Talks, Tax-News (Brussels) 29 October 2013. Date of Access: 15 December 2013. http://www.tax-news.com/news/EU_Japan_Progress_With_Trade_Talks____62515.html.

⁶⁴ EU, Japan Progress With Trade Talks, Tax-News (Brussels) 29 October 2013. Date of Access: 15 December 2013. http://www.tax-news.com/news/EU_Japan_Progress_With_Trade_Talks____62515.html.

⁶⁵ Japan donates CHF 368,744 to WTO training programme for developing countries, World Trade Organization 2013 Press Releases (Geneva) 1 November 2013. Date of Access: 15 December 2013. http://www.wto.org/english/news_e/pres13_e/pr701_e.htm.

⁶⁶ Japan donates CHF 368,744 to WTO training programme for developing countries, World Trade Organization 2013 Press Releases (Geneva) 1 November 2013. Date of Access: 15 December 2013. http://www.wto.org/english/news_e/pres13_e/pr701_e.htm.

talks next April.⁶⁷ To address such concerns, Brussels and Tokyo have agreed on “roadmaps” for Japan’s elimination of such barriers and creating a level playing field for EU firms bidding for lucrative rail contracts.⁶⁸ EU Trade Commissioner Karel De Gucht said on non-tariff measures, a number of issues solutions have been found, and on others, there is only progress on process but not the content, so there is still some work to do before the one-year deadline.⁶⁹

On 29 November 2013, the third round of negotiations on a Free Trade Agreement (FTA) among Japan, China and the Republic of Korea (ROK) was held in Tokyo, Japan.⁷⁰ In this round of negotiations, various areas such as Trade in Goods, Trade in Services, Investment, Competition Policies, Intellectual Property, amongst others, were discussed.⁷¹ The three countries will work towards holding the next round of negotiations in Korea, around February next year.⁷²

On 17 December 2013, Japan’s exports decreased for a ninth consecutive month in November, led by car shipments to the United States and China, a sign the weak yen and a recovery in global demand are energizing a major growth driver in the world’s third-biggest economy.⁷³ The persistent trade deficit could be a source of concern for Japanese policymakers who had hoped a weakening currency would be more of a boon for the economy by making Japanese goods cheaper overseas.⁷⁴ Weak net exports were the main reason Japan’s economic growth slowed in July to September as growth faltered in Japan’s Asian trading partners.⁷⁵

Thus, Japan has been awarded a score of 0 for partial compliance to its commitment, by beginning to make progress towards breaking down barriers to trade and liberalizing trade laws.

Analyst: Jiwon Chun

⁶⁷ Japan not ready yet to pass non-tariff barrier test: EU trade chief, Reuters (Tokyo) 19 November 2013. Date of Access: 15 December 2013. <http://www.reuters.com/article/2013/11/19/us-eu-japan-trade-idUSBRE9AI0HP20131119>.

⁶⁸ Japan not ready yet to pass non-tariff barrier test: EU trade chief, Reuters (Tokyo) 19 November 2013. Date of Access: 15 December 2013. <http://www.reuters.com/article/2013/11/19/us-eu-japan-trade-idUSBRE9AI0HP20131119>.

⁶⁹ Japan not ready yet to pass non-tariff barrier test: EU trade chief, Reuters (Tokyo) 19 November 2013. Date of Access: 15 December 2013. <http://www.reuters.com/article/2013/11/19/us-eu-japan-trade-idUSBRE9AI0HP20131119>.

⁷⁰ Third Round of Negotiations on a Free Trade Agreement (FTA) among Japan, China and the ROK (Tokyo) 29 November 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000112.html.

⁷¹ Third Round of Negotiations on a Free Trade Agreement (FTA) among Japan, China and the ROK (Tokyo) 29 November 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000112.html.

⁷² Third Round of Negotiations on a Free Trade Agreement (FTA) among Japan, China and the ROK (Tokyo) 29 November 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000112.html.

⁷³ Japan exports rise but trade gap widens on weak yen, Reuters (Tokyo) 17 December 2013. Date of Access: 18 December 2013. <http://www.reuters.com/article/2013/12/18/us-japan-economy-trade-idUSBRE9BH01N20131218>.

⁷⁴ Japan exports rise but trade gap widens on weak yen, Reuters (Tokyo) 17 December 2013. Date of Access: 18 December 2013. <http://www.reuters.com/article/2013/12/18/us-japan-economy-trade-idUSBRE9BH01N20131218>.

⁷⁵ Japan exports rise but trade gap widens on weak yen, Reuters (Tokyo) 17 December 2013. Date of Access: 18 December 2013. <http://www.reuters.com/article/2013/12/18/us-japan-economy-trade-idUSBRE9BH01N20131218>.

Russia: +1

Russia has fully complied with its commitment on trade.

On 26 November 2013, Head of the Federal Customs Service (FCS) of Russia Andrey Beliyaninov signed two agreements on Russo-Italian bilateral customs cooperation – Protocol on information exchange between the Russian FCS and Italian Customs and Monopoly Agency, and memorandum of understanding between FCS and Italian Financial Guard. These agreements are aimed at increasing the efficiency of interactions between the customs agencies and will reportedly allow to facilitate the movement of goods and ultimately to increase trade turnover between the countries.⁷⁶

On 24 December 2013, the Supreme Eurasian Economic Council meeting took place in Moscow. The leaders of the three original member states of the Customs Union as well as the heads of state of the two potential ones — Armenia and Kyrgyzstan, participated in a meeting. The roadmap for Armenia's accession to the Customs Union and the Common Economic Area was approved. A similar plan for Kyrgyzstan was also discussed.⁷⁷

On 24 December 2013, Russian Government's Legislative Commission approved a draft law "On ratification of the protocol on the use of the free trade zone agreement of 18 October 2011 between its parties and the Republic of Uzbekistan." The draft law was prepared by the Russian Ministry of Foreign Affairs to facilitate Uzbekistan's involvement into cooperation in the framework of CIS and to further the alignment of Customs Union's members' and Uzbekistan's trade regimes. The protocol implies non-application of import duties in trade between the parties.⁷⁸ On 22 January 2014, the government submitted the Protocol on implementing the free trade zone agreement with Uzbekistan to the State Duma for ratification.⁷⁹

Russia has concluded a number of trade deals, which will lower barriers to trade. Thus, Russia gets a score of +1 for fully complying with the commitment.

Analyst: Andrei Sakharov

United Kingdom: 0

The United Kingdom has partially complied with its commitment to break down barriers at home and abroad by concluding a set of ambitious trade deals.

Since the Lough Erne Summit in June 2013, the United Kingdom has made minimal significant policy changes in order to ease trade barriers.

⁷⁶ Furthering Russo-Italian Customs Cooperation, Federal Customs Service of Russia 29 November 2013 http://www.customs.ru/index.php?option=com_content&view=article&id=18575:2013-11-29-11-20-39&catid=40:2011-01-24-15-02-45&Itemid=2094&Itemid=1835.

⁷⁷ Supreme Eurasian Economic Council meeting took place in Moscow, Eurasian Economic Commission 24 December 2013. <http://www.eurasiancommission.org/ru/nae/news/Pages/24-12-2013-4.aspx>

⁷⁸ Russian Government's Legislative Commission approved a draft law "On ratification of the protocol on the use of the free trade zone agreement of 18 October 2011 between its parties and the Republic of Uzbekistan", Russian Government 24 December 2013. http://government.ru/dep_news/9229.

⁷⁹ Decree N43 of 14 January 2014 "On submission for ratification of the Protocol on the implementation of the free trade zone agreement of 18 October 2011 between its parties and the Republic of Uzbekistan", Government of Russia 14 January 2014. <http://government.ru/media/files/41d4b8a2fc5c860a4f75.pdf>.

On 7 December 2013, the Doha round of the WTO talks finally made progress and made its first deal since the talks began in 2001.⁸⁰ The talks involved a series of agreements that aimed to “bring down tariffs and various other trade barriers.”⁸¹ As a member of the WTO, Britain is now committed to reducing international trade barriers in order to create a more open international market through the recently made agreement, once the details of the agreement are finalized.

On 9 December 2013, British Business Secretary Vince Cable began a four-day trip to India to delegate 25 British companies that plan to move there.⁸² The UK also sent 120 companies to China.⁸³ Prime Minister David Cameron stated, “linking Britain to fast-growing markets like China is a vital part of the government’s plan to provide sustainable growth and compete in the global race.”⁸⁴

The UK government has been working towards having 100,000 more UK businesses exporting⁸⁵ and thus has highly encouraged companies to export overseas.⁸⁶ The UK government financed a GBP 450 million deal to export petrochemicals to Saudi Arabia.⁸⁷ A statement put forth by the government about this action notes that “exporting is one of the Government’s priorities.”⁸⁸

The UK has worked to strengthen existing partnerships with Hong Kong,⁸⁹ Kazakhstan,⁹⁰ Sweden,⁹¹ Finland,⁹² Greece,⁹³ and Korea⁹⁴ through various deals with each country.

⁸⁰Unaccustomed Victory, The Economist (London) 14 December 2013. Date of Access: 17 December 2013. <http://www.economist.com/news/finance-and-economics/21591625-global-trade-talks-yield-deal-first-time-almost-20-years-unaccustomed>.

⁸¹Unaccustomed Victory, The Economist (London) 14 December 2013. Date of Access: 17 December 2013. <http://www.economist.com/news/finance-and-economics/21591625-global-trade-talks-yield-deal-first-time-almost-20-years-unaccustomed>.

⁸²Business Secretary Vince Cable Takes Trade Delegation to India’s Growing Regional Cities, UK Trade & Investment (London) 9 December 2013. Date Accessed: 18 December 2013 <http://www.ukti.gov.uk/export/exporthome/pressRelease/670380.html>.

⁸³£5.6 Billion Worth of Deals Signed With China, UK Trade & Investment (London) 6 December 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/pressRelease/669660.html>.

⁸⁴£5.6 Billion Worth of Deals Signed With China, UK Trade & Investment (London) 6 December 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/pressRelease/669660.html>.

⁸⁵New Creative Sector Taskforce to Boost Trade by £500 Million, UK Trade & Investment (London) 28 November 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/pressRelease/663920.html>.

⁸⁶Trade Boost Sought in Fast Growing Export Markets, UK Trade & Investment (London) 16 July 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/uktihome/media/pressRelease/548120.html>.

⁸⁷Massive Boost to British Industry in Biggest Ever Petrochemical Project, UK Trade & Investment (London) 24 June 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/news/528740.html>.

⁸⁸Massive Boost to British Industry in Biggest Ever Petrochemical Project, UK Trade & Investment (London) 24 June 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/news/528740.html>.

⁸⁹London — Hong Kong: A Tale of 2 Cities, UK Trade & Investment (London) 31 October 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/news/643740.html>.

⁹⁰UK Companies Win New Business in Kazakhstan, UK Trade & Investment (London) 1 July 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/pressRelease/535640.html>.

⁹¹Business Secretary Visits Sweden and Finland to Strengthen Trade and Investment Partnership, UK Trade & Investment (London) 23 September 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/pressRelease/615240.html>.

Therefore, the United Kingdom has focused heavily on exporting, and has worked to strengthen existing partnerships with particular countries. It has begun to break down trade barriers through the WTO deal breakthrough, although the details of this agreement have not yet been finalized.

However, no significant policy changes have been made in the UK in order to break down trade barriers overall, resulting in the UK being awarded a score of 0 for partial compliance to its commitment to break down barriers at home and abroad by concluding a set of ambitious trade deals.

Analyst: Margot Whittington

United States: 0

The United States has partially complied with its commitment to break down barriers at home and abroad by furthering the negotiation of ambitious trade deals.

The United States continues to negotiate two major trade agreements. With the European Union, the United States is currently negotiating the Transatlantic Trade and Investment Partnership.⁹⁵ On 15 November 2013, the United States and the European Union concluded Round Two of negotiations.⁹⁶ On 20 December 2013, the United States and the European Union concluded Round Three of negotiations.⁹⁷

The other major trade agreement that the United States is negotiating is the Trans-Pacific Partnership, which involves the United States, Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, and Vietnam.⁹⁸ On 10 December 2013 in Singapore, ministers and heads of delegation for the TPP countries concluded a four-day Ministerial meeting. Specific issues of potential “landing zones” and market access issues were discussed.⁹⁹

⁹²Business Secretary Visits Sweden and Finland to Strengthen Trade and Investment Partnership, UK Trade & Investment (London) 23 September 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/pressRelease/615240.html>.

⁹³City of London’s Global Shipping Centre Status Promoted to Greek Ship Owners, UK Trade & Investment (London) 29 November 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/news/665000.html>.

⁹⁴South Korea State Visit Delivers UK Trade Boost, UK Trade & Investment (London) 6 November 2013. Date Accessed: 18 December 2013. <http://www.ukti.gov.uk/export/exporthome/pressRelease/648440.html>.

⁹⁵European Union, Office of the United States Trade Representative (Washington DC) 2013. Date of Access: 8 January 2014. <http://www.ustr.gov/countries-regions/europe-middle-east/europe/european-union>.

⁹⁶Statement by U.S. Trade Representative Froman on the Conclusion of Round Two of T-TIP Negotiations, Office of the United States Trade Representative (Washington DC) 15 November 2013. Date of Access: 8 January 2014. <http://www.ustr.gov/countries-regions/europe-middle-east/europe/european-union>.

⁹⁷Statement by U.S. Trade Representative Froman of the Conclusion of the Third Round of T-TIP Negotiations, Office of the United States Trade Representative (Washington DC) 20 December 2013. Date of Access: 8 January 2014. <http://www.ustr.gov/countries-regions/europe-middle-east/europe/european-union>.

⁹⁸Statement of the Ministers and Heads of Delegation for the Trans-Pacific Partnership Countries, Office of the United States Trade Representative (Washington DC) 10 December 2013. Date of Access: 8 January 2014. <http://www.ustr.gov/tpp>.

⁹⁹Statement of the Ministers and Heads of Delegation for the Trans-Pacific Partnership Countries, Office of the United States Trade Representative (Washington DC) 10 December 2013. Date of Access: 8 January 2014. <http://www.ustr.gov/tpp>.

Because the United States is still in negotiations with various states regarding trade deals, it receives a score of 0 for partial compliance to its commitment.

Analyst: Sarah Danruo Wang

European Union: +1

The European Union has fully complied with its commitment to break down barriers to trade at home and abroad by concluding a set of ambitious trade deals. The EU has held consistent negotiations and roundtables to liberalize trade with both countries and international political associations.

On 6 December 2013, the European Union pledged EUR 400 million over five years to help developing states with the implementation of the World Trade Organisation Trade Facilitation Agreement.¹⁰⁰ The funds will go toward assisting developing states simplify domestic procedures in a quicker transition to the Trade Facilitation Agreement.

Japan and the EU have worked jointly to conclude an ambitious EU-Japan Free Trade Agreement. On 25 October 2013, the value of the bilateral trade agreement was projected to increase EU exports to Japan by 32.7 per cent and increase Japanese exports to the EU by 23.5 per cent.¹⁰¹

On 18 October 2013, the EU signed the EU-Canada Comprehensive Economic and Trade Agreement¹⁰² to open up jobs and foreign direct investment for both parties. The CETA has an added bilateral trade value of EUR 25.7 billion.¹⁰³

The EU has also held three sets of negotiations for the Transatlantic Trade and Investment Partnership¹⁰⁴ with the United States since the G8 Lough Erne Summit.

Thus, the EU has been awarded a score of +1 for fully complying to conclude the ambitious trade deal conclusions discussed at Lough Erne.

Analyst: Leah Bae

¹⁰⁰ EU pledges new financial support to help developing countries implement WTO Trade Facilitation Agreement, European Commission (Brussels) 6 December 2013. Date of Access: 18 December 2013. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=998>

¹⁰¹ Progress reached at the 3rd round of EU-Japan Trade Talks, European Commission (Brussels) 25 October 2013. Date of Access: 18 December 2013. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=979>

¹⁰² Canada, European Union sign sweeping trade pact, Toronto Star (Toronto) 18 October 2013. Date of Access: 18 December 2013.

http://www.thestar.com/news/canada/2013/10/18/canada_europe_sign_sweeping_trade_pact.html

¹⁰³ The EU's bilateral trade and investment agreements — where are we?, European Commission (Brussels) 1 August 2013. Date of Access: 18 December 2013.

http://trade.ec.europa.eu/doclib/docs/2012/november/tradoc_150129.doc.pdf

¹⁰⁴ Updates on the Third Round of Negotiations on a Transatlantic Trade and Investment Partnership, European Commission (Brussels) 18 December 2013. Date of Access: 18 December 2013. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1004>

2. Macroeconomic Policy: Global Demand [37]

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

2013 G8 Lough Erne Communiqué

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia			+1
United Kingdom			+1
United States			+1
European Union		0	
Average Score		+0.33	

Background:

Due to the division of labour between G8 and G20 share of macroeconomic policy issues on the G8 agenda decreased. However, at the Camp David Summit at several separate commitments were made concerning macroeconomic issues: fiscal consolidation which focussed on government reforms to become fiscally responsible,¹⁰⁵ productivity through structural reforms, and investments in infrastructure¹⁰⁶ and public private partnerships.¹⁰⁷

On 17 June 2013, the United Kingdom’s Prime Minister’s Office released a communiqué on the global economy working session.¹⁰⁸ During this discussion several key points emerged that form the mandate of what the G8 at the Lough Erne Summit describe as nurturing the global recovery: balancing importation and exportation issues through nurturing domestic industry, monetary policy focussed on price stability, restoring medium-term fiscal sustainability through making plans that are flexible enough to account for contingencies, and structural reforms to improve sustainable growth.¹⁰⁹ In other words, the G8 has committed to support the growth of the global economy through monetary and fiscal policies, which can take the form of a wide variety of policy initiatives.

¹⁰⁵ 2012 Camp David G8 Summit Final Compliance Report p.7, G8 Information Center (Toronto) 20 May 2012. Date of Access: 30 November 2013.

<http://www.g8.utoronto.ca/evaluations/2012compliance/index.html>

¹⁰⁶ 2012 Camp David G8 Summit Final Compliance Report p.26, G8 Information Center (Toronto) 20 May 2012. Date of Access: 30 November 2013.

<http://www.g8.utoronto.ca/evaluations/2012compliance/index.html>

¹⁰⁷ 2012 Camp David G8 Summit Final Compliance Report p.46, G8 Information Center (Toronto) 20 May 2012. Date of Access: 30 November 2013.

<http://www.g8.utoronto.ca/evaluations/2012compliance/index.html>

¹⁰⁸ G8 Summit: communiqué on global economy working sessions, Prime Minister’s Office (London) 17 June 2013. Date of Access: 30 November 2013. <https://www.gov.uk/government/news/g8-summit-communiqué-on-global-economy-working-session>

¹⁰⁹ G8 Summit: communiqué on global economy working sessions, Prime Minister’s Office (London) 17 June 2013. Date of Access: 30 November 2013. <https://www.gov.uk/government/news/g8-summit-communiqué-on-global-economy-working-session>

Commitment Features:

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

Traditional measures to foster aggregate demand through fiscal policies include stimuli such as an increase in direct spending by government on goods and services and measures directed at households and businesses, namely, tax cuts and additional transfers to raise their incomes.

Monetary-side measures to boost demand are those associated with easing monetary policy. These include lowering interest rates or, in case of liquidity trap,¹¹⁰ implementing unconventional expansionary monetary policies (quantitative easing).¹¹¹

The G8 members' actions to comply with this commitment should include the combination of monetary and fiscal policies aimed at boosting aggregate demand in the economy.

Scoring Guidelines:

-1	Member does not take actions towards nurturing the global recovery through supporting demand
0	Member takes actions towards supporting demand through either monetary or fiscal macroeconomic measures.
+1	Member takes actions towards supporting demand through both monetary and fiscal macroeconomic measures.

Lead Analyst: Akbar Khurshid

Canada: 0

Canada has taken partial action towards its commitment to nurture the global recovery by supporting demand.

On 22 October 2013, Jim Flaherty, Minister of Finance, announced the passage of the Economic Action Plan 2013 Act, No. 2, implementing structural reforms to help create jobs and promote sustainable growth.¹¹² The Canadian government will spend over CAD 53 billion in investments, including over CAD 47 billion in new funding in support of local and economic infrastructure projects over 10 years under a new Building Canada plan starting in 2014–15.¹¹³ CAD 225 million will be provided to expand and extend the temporary Hiring Credit for small business, allowing Canadian small business to reinvest in job creation and economic growth.¹¹⁴ Under

¹¹⁰ Liquidity Trap, Investopedia. Date of Access: 25 February 2014.
<http://www.investopedia.com/terms/l/liquiditytrap.asp>.

¹¹¹ The Federal Reserve System Purposes and Functions, Federal Reserve System June 2005. Date of Access: 25 February 2014. http://www.federalreserve.gov/pf/pdf/pf_2.pdf.

¹¹² Harper Government Focused on Job Creation and Economic Growth with Economic Action Plan 2013 Act, No. 2, Government of Canada (Ottawa) 22 October 2013. Date of Access: 17 December 2013.
<http://www.fin.gc.ca/n13/13-137-eng.asp>.

¹¹³ Budget 2013, Government of Canada (Ottawa). Date of Access: 18 December 2013.
<http://www.budget.gc.ca/2013/doc/bb/brief-bref-eng.html>.

¹¹⁴ Budget 2013, Government of Canada (Ottawa). Date of Access: 18 December 2013.
<http://www.budget.gc.ca/2013/doc/bb/brief-bref-eng.html>.

Economic Action Plan 2013 Act, No 1, CAD 18 million was provided to the Canadian Youth Business Foundation to help young entrepreneurs grow their firms.¹¹⁵

Canada's Economic Action Plan 2013, aims to drive economic progress while reinforcing a flexible fiscal policy. The Act sets out a low-tax plan to eliminate the deficit and return to balanced budgets by 2015-2016.¹¹⁶ Specifically, the Government of Canada will control direct program spending by federal departments, while maintaining the Government's commitment not to raise taxes or cut transfers to Canadians and other levels of government.¹¹⁷

Thus, Canada has been awarded a score of 0 for taking some significant action through legislation to nurture the global recovery by supporting demand. Canada has implemented structural reforms to promote sustainable growth and has created plans that foster flexible fiscal sustainability.

Analyst: Duja Muhanna

France: 0

France has partially complied with its commitment to nurture the global economic recovery by creating flexible fiscal policies and structural reforms designed to promote sustainable growth.

On 12 September 2013, French President François Hollande explained the framework and the objectives of the "New Industrial France." Advancing in energy transition, ecological reformation and technological innovation, the French Government hopes to build sustainable domestic economy and to nurture the global economic recovery, while uncompromising the traditional French model.¹¹⁸

Moreover, on 17 July 2013, the French Prime Minister proclaims the implementation of "shock simplification" measures to help the French Government save EUR 3 billion from its budget. Assessing all governmental aids to private companies, the project aims to effectively manage France's budget and to gain public confidence.¹¹⁹ Subsequently, the draft of the Finance Bill 2014 was also primarily designed to reduce government spending by EUR 15 billion.¹²⁰

On 8 November 2013, the French Minister of Economy Pierre Moscovici and Minister for Small and Medium Business, Innovation and the Digital Economy Fleur Pellerin announced a new

¹¹⁵ Canada Poised for Long-Term Prosperity With Passage of the Economic Action Plan 2013 Act, No. 1, Government of Canada (Ottawa) 10 June 2013. Date of Access: 18 December 2013. <http://www.fin.gc.ca/n13/13-085-eng.asp>.

¹¹⁶ Budget in Brief, Government of Canada 2013. Date of Access: 17 December 2013. <http://www.budget.gc.ca/2013/doc/bb/brief-bref-eng.html>.

¹¹⁷ Budget in Brief, Government of Canada 2013. Date of Access: 17 December 2013. <http://www.budget.gc.ca/2013/doc/bb/brief-bref-eng.html>.

¹¹⁸ Présidence de la République: Accueil: Intervention du président de la République sur « la nouvelle France industrielle», Office of the President (Paris) 16 September 2013. Date of Access: 19 December 2013. <http://www.elysee.fr/declarations/article/intervention-du-president-de-la-republique-sur-la-nouvelle-france-industrielle/>

¹¹⁹ Portail du Gouvernement: Modernisation de l'action publique : le Premier ministre annonce 3 milliards d'euros d'économies et 200 mesures de simplification, Prime Minister's Portal (Paris) 17 July 2013. Date of Access: 18 December 2013. <http://www.gouvernement.fr/premier-ministre/modernisation-de-l-action-publique-le-premier-ministre-annonce-3-milliards-d-euros->

¹²⁰ Portail du Gouvernement: Un budget 2014 pour le retour de la croissance et de l'emploi, Prime Minister's Portal (Paris) 26 September 2013. Date of Access: 20 December 2013. <http://www.gouvernement.fr/gouvernement/un-budget-2014-pour-le-retour-de-la-croissance-et-de-l-emploi>

tactic to promote business capital investment in 2014. Through public funding, the program hopes to develop sustainable economic growth for France.¹²¹

In addition, on 29 November 2013, the French Prime Minister Jean-Marc Ayrault began work on a draft policy for adopting a “Silver Economy” in France. Through the pillars of anticipation, adaptation, and accompaniment due to the loss of independence, the project aims to mobilize French society. The Parliament will review the bill in 2014.¹²²

Furthermore, on 4 December 2013, French President François Hollande declared France’s new economic partnership with Africa in order encourage further global economic integration. Based on three major principles: (1) collocation, (2) transparency in the mechanisms of developmental aid and (3) long-term commitment, the partnership will take place under the direction and the assistance of World Bank, African Development Bank and the French Developmental Agency.¹²³

France is awarded a score of 0 for undertaking action towards nurturing the global economic.

Analyst: Freda Zhang

Germany: 0

Germany has partially complied with its commitment to take significant action to promote sustainable growth.

On 12 November 2013 Germany’s trade surplus for the second quarter, that of EUR 45.9 billion, became a conspicuous target for the European Union (EU), and contradicts EU economic balance agreements.¹²⁴ In addition to the EU’s threat of investigating Germany’s fiscal imbalance, criticism from the United States and the International Monetary Fund stated that Germany’s dependence on exports is hindering European Growth.¹²⁵ EU Economic and Monetary Affairs Commissioner Olli Rehn suggested that Germany must focus on boosting domestic consumption and fostering higher wages. Some German official rebuked, saying imbalances are aimed at members who were insufficiently competitive, rather than those who are competitive.¹²⁶

¹²¹ Portail du Gouvernement: Un nouveau dispositif pour favoriser le capital investment d’entreprise, Prime Minister’s Portal (Paris) 8 November 2013. Date of Access: 18 December 2013.

<http://www.gouvernement.fr/gouvernement/en-direct-des-ministeres/un-nouveau-dispositif-pour-favoriser-le-capital-investissement>

¹²² Portail du Gouvernement Lancement de la concertation sur le projet de loi d’orientation et de programmation pour l’adaptation de la société au vieillissement, Prime Minister’s Portal (Paris) 29 November 2013. Date of Access: 18 December 2013. <http://www.gouvernement.fr/presse/lancement-de-la-concertation-sur-le-projet-de-loi-d-orientation-et-de-programmation-pour-l-0>

¹²³ Présidence de la République: Accueil: Discours de clôture de la Conférence pour un nouveau modèle de partenariat économique entre l’Afrique et la France, Office of the President (Paris) 4 December 2013. Date of Access: 18 December 2013. <http://www.elysee.fr/declarations/article/discours-de-cloture-de-la-conference-pour-un-nouveau-modele-de-partenariat-economique-entre-l-afrique-et-la-france/>

¹²⁴ Pressure Is on Germany to Narrow Its Trade Gap 12 November 2013. Date of access: 5 January 2014. http://www.nytimes.com/2013/11/13/business/international/germans-could-be-victims-of-their-own-success.html?_r=0

¹²⁵ Germany called to task on rising trade surplus 6 November 2013. Date of Access: 5 January 2014. <http://www.independent.ie/business/world/germany-called-to-task-on-rising-trade-surplus-29729767.html>

¹²⁶ Pressure Is on Germany to Narrow Its Trade Gap 12 November 2013. Date of access: 5 January 2014. http://www.nytimes.com/2013/11/13/business/international/germans-could-be-victims-of-their-own-success.html?_r=0

According to the German Finance Ministry, “in light of the significant current account surplus, the government sees no grave weaknesses in competitiveness.”¹²⁷

Furthermore, German Chancellor Angela Merkel expressed opposition to the Eurozone, stating that the term austerity is synonymous with “balancing the budget.”¹²⁸ The Deputy Leader for Merkel’s Christian Democrats (CDU), Michael Fuchs also observed that, “in truth no one [European Union Members] is really saving anyway, they’re just issuing less debt than before.” European Commission President Jose Barroso responded asserting austerity is reaching its limits. Barroso argued that Germany’s economy needs more flexibility and growth measures, claiming that.¹²⁹

However, on 19 December 2013, German Finance Minister Wolfgang Schaeuble confirmed that Germany was backing a EUR 55 billion resolution fund to aid struggling Eurozone banks, as well as cost-sharing procedures with France. Minister Schaeuble stated that the “establishment of the banking union is the most important element of the coming years.”

Germany failed to take new fiscal policy actions on supporting consumer demand, although it took steps to improve EU’s financial infrastructure. Therefore, Germany has been awarded a score of 0.

Analyst: Michael Humeniuk

Italy: 0

Italy has partially complied with its commitment to nurture global recovery through demand.

On 4 September 2013, the Italian Ministry of Economy and Finance announced that the “Tobin tax” will be applied on equity trading at high frequency.¹³⁰ This tariff was applied in an effort to balance domestic and foreign consumption.

In addition, on 24 September 2013, the Ministry of Economy and Finance announced that EUR 20 billion through decree law 35 was allocated to local public administrations to pay off debts.¹³¹ So far EUR 11.3 billion have been allocated to pay creditors.

On 29 October 2013, the Ministry of Economy and Finance announced that EUR 2.5 billion will be provided by the Treasury through decree law 102 for health debts, use in the Financial Stability Pact—contributions to finance European funds—and payments to municipalities so they

¹²⁷ Pressure Is on Germany to Narrow Its Trade Gap 12 November 2013. Date of access: 5 January 2014. http://www.nytimes.com/2013/11/13/business/international/germans-could-be-victims-of-their-own-success.html?_r=0

¹²⁸ Angela Merkel insists austerity measures aren’t ‘evil’ as Eurozone turns against Germany. 24 April 2013. Date of Access: 5 January 2014. <http://www.express.co.uk/news/world/394375/Angela-Merkel-insists-austerity-measures-aren-t-evil-as-Eurozone-turns-against-Germany>

¹²⁹ Germany Signals Austerity Leeway in Budget-Rule Flexibility 24 April 2013. Date of Access: 5 January 2014. <http://www.bloomberg.com/news/2013-04-24/germany-signals-leeway-in-austerity-with-budget-rule-flexibility.html>

¹³⁰ Tobin Tax: Clarification on High Frequency Trading (HFT) Ministero dell’Economia e delle Finance (Rome). 04 September 2013. Date of Access: 25 December 2013. http://www.tesoro.it/ufficio-stampa/comunicati/2013/comunicato_0149.html

¹³¹ Compared to the detection of the beginning of the month (7.2 billion), the MEF a sharp increase in payments made by local debtors to creditors, having reached the 57% of the 20 billion allocated by DL 35. Ministero dell’Economia e delle Finance (Rome). 24 September 2013. Date of Access: 25 December 2013. http://www.tesoro.it/ufficio-stampa/comunicati/2013/comunicato_0167.html

may stabilize their debts and maintain economic growth.¹³² Under decree law 102 a further EUR 4.7 billion is left to be allocated. The ministry has set up a regular monitoring of the funds were USD to ensure proper use.¹³³ Through such decree laws domestic fiscal sustainability at all levels will be a more realistic and attainable goal.

Moreover, on October 15, the Italian government adopted the 2014 Stability Law reform which calls for EUR 12 billion in spending cuts for 2014 and EUR 3.7 billion in tax cuts for business. This will ensure that Italy's budget deficit will not be more than 3 per cent of GDP.¹³⁴ This was invoked to maintain price stability during the current recession.

Additionally, on 18 December 2013, the Ministry of Economy and Finance announced a new municipal tax on services indivisible, Tasi, for first time homeowners will be reduced in 2014. The current tax with base rate, four per thousand, and basic reduction equals EUR 3.8 billion, but with Tasi at a base rate of one per thousand and no deductions will be EUR 1.7 billion.¹³⁵ However, the bill is still pending approval in parliament and will only be feasible with a State Budget allocation of EUR 500 million. This bill has the potential to boost sustainable economic growth and price stability upon approval.

Moreover, on 23 December 2013, Italian Prime Minister, Enrico Letta, announced that a formal coalition will be presented in January with reforms over an array of issues, particularly the reduction of taxes to promote company hiring and restructuring of employment laws.¹³⁶ Such reforms may improve the sustainable growth of the country.

Italy has been awarded a score of 0 for distribution of funding and legislative reforms to maintain price stability and promote sustainable growth.

Analyst: Daniel Szulc

Japan: +1

Japan has fully complied with its commitments to nurture global recovery by promoting demand.

On 8 August 2013, the Cabinet approved a medium term fiscal plan which aims to halve the deficit to GDP ratio by halve from 2010 levels in 2015 and to have a surplus in 2010. The Japanese government plans to decrease the issuance of bonds, reduce expenditures, bring down

¹³² Match phase two due to DL 102/2013: being paid by the Treasury other 2.5 billion to the regions for the payment of debts and health by the COP more than 1 billion to municipalities. Ministero dell'Economia e delle Finanze (Rome). 29 October 2013. Date of Access: 24 December 2013 http://www.tesoro.it/ufficio-stampa/comunicati/2013/comunicato_0198.html

¹³³ Match phase two due to DL 102/2013: being paid by the Treasury other 2.5 billion to the regions for the payment of debts and health by the COP more than 1 billion to municipalities. Ministero dell'Economia e delle Finanze (Rome). 29 October 2013. Date of Access: 24 December 2013 http://www.tesoro.it/ufficio-stampa/comunicati/2013/comunicato_0198.html

¹³⁴ Arens, Mariane. Italian government adopts austerity budget. International Committee of the Fourth International (ICFI) 21 October 2013. Date of Access: 25 December 2013. <http://www.wsws.org/en/articles/2013/10/21/ital-o21.html>

¹³⁵ In 2014 no tax burden on primary. Ministero dell'Economia e delle Finanze (Rome). 18 December 2013. Date of Access: 24 December 2013. http://www.tesoro.it/ufficio-stampa/comunicati/2013/comunicato_0254.html

¹³⁶ Italy PM Letta pledges reform pact in January. Reuters U.S. addition (Rome). 23 December 2013. Date of Access: 25 December 2013. <http://www.reuters.com/article/2013/12/23/us-italy-politics-idUSBRE9BM0P020131223>

the General Account's primary deficit by approximately YEN4 trillion in both 2014 and 2015 to meet the target. This falls in line with Japan's commitment to creating a flexible fiscal policy as it will remove both future interest burdens.¹³⁷

Additionally, on 5 December 2013, the Japanese Cabinet approved a YEN18.6 trillion package in hopes of pulling the economy out of deflation. The Cabinet expect the measures to add one percentage point to GDP and create around 250,000 jobs. Prime Minister Shinzo Abe's speech, he said, "This [package] includes steps to boost capital expenditure for the future and ensure the economy stays in a positive cycle." The package also includes plans to boost competitiveness; assist women, youth and the elderly; accelerate reconstruction from the March 2011 earthquake and tsunami; and build infrastructure for the 2020 Tokyo Olympics. The Cabinet hopes the plan will create a positive economic cycle and bring Japan sustainable growth.¹³⁸

Furthermore, on 20 December 2013, the Bank of Japan released a statement on monetary policy stating that it will continue quantitative and qualitative monetary easing aimed at the price stability target of 2 per cent. The Bank of Japan also stated they will increase Japanese government bond purchases to an annual rate of YEN50 trillion, ETF purchases to an annual rate of YEN1 trillion and J-REIT purchases to annual rate of YEN30 billion.¹³⁹

Thus Japan has achieved a +1 for creating pricing stability through monetary policy, creating a flexible fiscal policy and creating structural reforms designed to promote sustainable growth.

Analyst: Xi Xi (Edward) Xiao

Russia: +1

Russia has fully complied with its commitment to nurture the global recovery by supporting demand.

Russia has stimulated demand through monetary policy measures.

On 13 September 2013, Bank of Russia unified interest rates on one-week liquidity provision and absorption open market operations and introduced a key rate as the main indicator of its monetary policy. The unification provided for a cut in interest rates on the overnight loans and loans, secured by non-marketable assets and guarantees from 8.25% to 6.5%. Following this decision, Russian Central Bank announced that it would make the refinancing rate, which currently amounts to 8.25%, equal to the key rate by 1 January 2016.¹⁴⁰

Russia has stimulated demand through fiscal policy measures.

On 1 July 2013, Russian Ministry of Industry and Trade launched the program of state support towards preferential car lending. The program provides for subsidies from the state budget to

¹³⁷ Basic Framework for Fiscal Consolidation: Medium-term Fiscal Plan, Office of the Cabinet of the Government of Japan (Tokyo) 8 August 2013. Date of Access: 20 December 2013.

http://www5.cao.go.jp/keizai1/2013/20130808_medium_term.pdf

¹³⁸ Japan approves \$182 billion economic package, doubts remain, REUTERS U.S Edition 5 December 2013. Date of Access: 20 December 2013. <http://www.reuters.com/article/2013/12/05/us-japan-economy-stimulus-idUSBRE9B408J20131205>

¹³⁹ Statement on Monetary Policy, Bank of Japan 20 December 2013. Date of Access: 20 December 2013. http://www.boj.or.jp/en/announcements/release_2013/k131220a.pdf

¹⁴⁰ On the system of Bank of Russia monetary policy instruments, Bank of Russia 13 September 2013. Date of Access: 27 February 2014. http://cbr.ru/eng/press/PR.aspx?file=130913_135042eng_3.htm

credit institutions that provide loans to individuals willing to buy new cars. This measure is aimed at stimulating domestic demand in the automobile sector.¹⁴¹

On 12 November 2013, Russian Prime Minister Dmitry Medvedev instructed relevant ministries to make proposals on possible tax incentives aimed at boosting the tourist industry in the Russian Far East.¹⁴²

On 12 December 2013, Russian President Vladimir Putin in his Address to the Federal Assembly highlighted several initiatives in the area of tax cuts and incentives for businesses. In particular, he supported the proposal that regional authorities could offer two-year tax holidays to new small businesses in the manufacturing, social and scientific sectors. He also announced that regions investing in industrial and technology parks and business incubators “will have the federal taxes paid by their resident companies returned for three years to the regional budgets in the form of inter-budgetary transfers” within the limits expenses for building relevant infrastructure. Finally, the President suggest creating special economic zones in the Far East and Eastern Siberia where non-extractive businesses will be provided with five-year exemptions for a number of taxes, as well as preferential insurance rates.¹⁴³ On 27 December 2013, he instructed the Government to develop amendments to legislation aimed at implementing the proposals from his address.¹⁴⁴

Russia has taken actions towards supporting demand through both monetary and fiscal macroeconomic measures. Thus, it is given a score of +1.

Analyst: Andrey Shelepov

United Kingdom: 0

The United Kingdom has taken partial steps to comply with its commitment to nurture the global recovery by promoting demand. The UK’s main initiatives have centred on promoting investment, deregulation and balancing the national deficit.

On June 2013, the UK government released its strategic economic plan for Britain: “Investing in Britain’s Future.” Some of the key initiatives involve promoting investment to “repair and renew” the UK’s infrastructure, through a public investment worth GBP 100 billion; investing in science and technology; and increasing access to finance for business “by offering strong incentives to banks and building societies to boost their lending,” amongst these establishing a GBP 1 billion Business Bank to aid small businesses.¹⁴⁵

¹⁴¹ Russian Ministry of Industry and Trade Launched a Program of State Support to Preferential Car Lending from July 2013, Russian Ministry of Industry and Trade 17 July 2013. Date of Access: 27 February 2014. <http://www.minpromtorg.gov.ru/industry/auto/247>.

¹⁴² Decisions resulting from the meeting of the Government Commission on the Socioeconomic Development of the Russian Far East, Government of Russia 12 November 2013. Date of Access: 27 February 2014. <http://government.ru/en/news/8051>.

¹⁴³ Presidential Address to the Federal Assembly, President of Russia 12 December 2013. Date of Access: 27 February 2014. <http://eng.kremlin.ru/news/6402>.

¹⁴⁴ Instructions on implementing Address to Federal Assembly, of Russia 27 December 2013. Date of Access: 27 February 2014. <http://eng.kremlin.ru/misc/6529>.

¹⁴⁵ Achieving Strong and Sustainable Economic Growth, HM Treasury (London) 31 July 2013. Date of Access: 10 January 2014. <https://www.gov.uk/government/policies/achieving-strong-and-sustainable-economic-growth>

The UK Government also launched new investment schemes to increase investment management and the competitiveness of the UK. The main objective of these schemes is to make the UK “the leading centre for fund management in Europe.”¹⁴⁶

Additionally, on 9 September 2013 Chancellor George Osborne declared that the “British economy is turning a corner.” He noted that to avoid mistakes of the past the government will employ its “new regulatory system to spot imbalances as they emerge, staying the course with the deficit reduction plan and following through with far-reaching economic and structural reforms.” Osborne emphasized that one of the key areas to ensure the economic plan is sustainable is to “raise living standards,” primarily by increasing personal allowances and offering low mortgage rates.¹⁴⁷

Moreover, according to Michael Fallon, Minister of State for Business and Energy and Minister of State for Energy, deregulation and promoting economic growth are central priorities for the UK’s economic reform. He explained that the government is reducing regulatory burdens on businesses to facilitate growth, promote innovation and open markets to create jobs, and this way forward economic recovery. Through deregulation the government aims to save business over GBP 215 million per year.¹⁴⁸

Furthermore, during the Autumn Statement 2013 Speech, Chancellor George Osborne asserted that the UK is seeking “responsible recovery ... One where we don’t squander the gains we’ve made, but go on taking the difficult decisions.” He acknowledged that the Government still has to address the fact that business taxes remain high and exports too low and although disposable incomes are increasing, the effects of the financial crisis continue to affect cost of living for families. He nonetheless added that the economy is growing at a rate higher than anticipated and faster than France, Germany or even the United States. He further observed that unemployment is the lowest in 17 years and is expected to decline to 7 per cent in 2015 and 5.6 per cent by 2018.¹⁴⁹

Critics however have observed that the growth figures are not particularly “impressive” given that from 1997 to 2007 the UK economy grew by 3.7 per cent per annum and 2013 is expected to experience only one third of that growth rate. Another criticism highlights that the recovery plan

¹⁴⁶ Government launches two new investment schemes boosting investment management industry, HM Treasury (London) 1 July 2013. Date of Access: 10 January 2014. <https://www.gov.uk/government/news/government-launches-two-new-investment-schemes-boosting-investment-management-industry>

¹⁴⁷ Chancellor: British economy is turning a corner, HM Treasury (London) 9 September 2013. Date of Access: 10 January 2014. <https://www.gov.uk/government/news/chancellor-british-economy-is-turning-a-corner>

¹⁴⁸ Deregulation and economic growth: priorities for government reform, Department for Business, Innovation & Skills (London) 11 November 2014. Date of Access: 10 January 2014. <https://www.gov.uk/government/speeches/deregulation-and-economic-growth-priorities-for-government-reform>

¹⁴⁹ Chancellor George Osborne’s Autumn Statement 2013 speech, HM Treasury (London) 5 December 2013. Date of Access: 10 January 2014. <https://www.gov.uk/government/speeches/chancellor-george-osbornes-autumn-statement-2013-speech>

is producing unbalanced growth; while the service sector is leading recovery, the manufacturing industry is lagging severely behind.¹⁵⁰

In this speech Osborne also announced three new areas Britain will commit its efforts to improve the economy: (1) obtain Parliament support to update the Charter for Budget Responsibility in order to ensure the national debt continues to decline and balance public finances. (2) “Cap overall welfare spending,” they have for example cut benefit packages to save GBP 19 billion a year. (3) Promote spending discipline to ensure fiscal credibility.¹⁵¹ GBP 11.5 billion of savings would be found from government budgets to continue along Britain’s path to deficit reduction. Another GBP 5 billion savings in the year 2015 to 2016 will come from ending “wasteful expenditure, transforming transactional and corporate services such as HR administration and IT support, and reducing the running costs of government.” This is part of the government’s efforts to “keep mortgage rates low for families and fix the banks, to deal with our debts, and to equip Britain to succeed in the global race.”¹⁵²

Furthermore, on 6 January 2014 Chancellor George Osborne outlined the “five components of the government’s long-term economic plan to build a stronger, more competitive economy” for the year 2014: (1) cutting the national deficit; (2) reducing taxes for families; (3) creating jobs by supporting business; (4) cutting immigration and welfare; (5) providing education and skills. Osborne added that there would be further cuts of around GBP 25 billion between 2017 and 2018 and a GBP 12 billion cuts to welfare programs.¹⁵³

Although the United Kingdom has advanced multiple fiscal policies centred on deregulation and investment to and has committed some monies to nurture economic recovery, no action has been taken by the Bank of England to ease monetary policy. The UK has thus been awarded a score of 0 for partial compliance.

Analyst: Laura Correa Ochoa

United States: +1

The U.S. has fully complied with its commitment to nurture the global economy by supporting demand. It has made progress in supporting demand by the proposed Trans-Pacific Partnership (TPP), to support demand through monetary policy with quantitative easing, created a more flexible fiscal policy in the Bipartisan Budget Act, and promoted sustainable growth through monetary policy in the second phase of “Investing in Manufacturing Communities Partnership.”

The U.S. has taken significant steps to nurture the global economy by supporting demand by reducing imbalances between imports and exports. The TPP is a proposed trade agreement and is currently being negotiated by Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States and Vietnam. The potential members make up 40 per

¹⁵⁰ Expect a base rate rise as the UK economy shows all the signs of a strong recovery, The Telegraph (London), 1 September 2013. Date of Access: 10 January 2014.

<http://www.telegraph.co.uk/finance/comment/10279318/Expect-a-base-rate-rise-as-the-UK-economy-shows-all-the-signs-of-a-strong-recovery.html>

¹⁵¹ Chancellor George Osborne’s Autumn Statement 2013 speech, HM Treasury (London) 5 December 2013. Date of Access: 10 January 2014. <https://www.gov.uk/government/speeches/chancellor-george-osbornes-autumn-statement-2013-speech>

¹⁵² <https://www.gov.uk/government/news/spending-round-2013-next-stage-in-governments-plan-to-move-from-rescue-to-recovery>

¹⁵³ <https://www.gov.uk/government/news/chancellor-lets-finish-the-job>

cent of the global economy and the White House has a strong desire to create a free trade area. On 10 December 2013 ministers gave up on meeting the goal of concluding the agreement in Singapore in the latest ministerial talks, but significant progress has been made, and the president announced that he will return to Asia in April.¹⁵⁴ A free trade agreement would mean increased exports for the U.S. as well as a contribution to the global economy.

Moreover, the U.S. has nurtured the global economy by supporting demand through monetary policy. On 19 June 2013, Federal Reserve Chairman Ben Bernanke stated his support for slowing down the program known as quantitative easing. The Federal Reserve currently buys USD85 billion of bonds every month in order to push more money into the economy. Bernanke stated that if labor markets show traction, inflation would rise towards the target rate of 2.0. Other considerations include unemployment rates with a threshold of 6.5 per cent.¹⁵⁵

On 31 July 2013 the U.S. Federal Reserve decided to halt the scaling back program due to bank lending as residential mortgage lending has dropped and commercial lending growth has slowed. The excess money going into the financial system that has increased from USD2 billion to about USD2.8 trillion and continues to support the economy by promoting demand through monetary policy, creating a suitable environment for investors.¹⁵⁶

Furthermore, the U.S. has nurtured the global economy by supporting demand through creating flexible fiscal policy. On 10 December 2013, President Barrack Obama released a statement on the House's Passage of the Bipartisan Budget Act of 2013 following the government shutdown. This created more jobs thus supporting the economy and replaces a portion of spending cuts that harmed the economy known as "the sequester" and allowed for critical investments in areas such as scientific research.¹⁵⁷ The White house stated that the debt ceiling would need to be renewed in order to avoid a possible default to creditors, which would in turn harm the global economy.¹⁵⁸ The two year deal was passed to restore overall 2014 fiscal spending levels to USD1.012 trillion.¹⁵⁹ This fiscal policy is intended to reduce U.S. deficit and contribute to the global economy.

In addition, the U.S. has nurtured the global economy by supporting demand through structural reforms designed to promote sustainable growth. On 5 December 2013, President Obama opened applications for phase two of "Investing in Manufacturing Communities Partnership," which

¹⁵⁴ White House: Transpacific Partnership 'remains a top priority for Obama', The Raw Story (Washington DC) 16 December 2013. Date of Access: 18 December 2013.

<http://www.rawstory.com/rs/2013/12/16/white-house-trans-pacific-partnership-remains-a-top-priority-for-obama/>

¹⁵⁵ Bernanke Offers Possible Timeline for Tapering, Fox Business 19 June 2013. Date of Access: 18 December 2013. <http://www.foxbusiness.com/economy/2013/06/19/fed-decision-on-tap/>

¹⁵⁶ Analysis: Time to taper? Not if you look at bank loans, Reuters (Washington DC) 19 September 2013. Date of Access: 18 December 2013. <http://www.reuters.com/article/2013/09/19/us-usa-fed-banks-analysis-idUSBRE98I07B20130919>

¹⁵⁷ Statement by the President on the Budget, Office of the Press Secretary (Washington DC) 10 December 2013. Date of Access: 18 December 2013. <http://www.whitehouse.gov/the-press-office/2013/12/10/statement-president-budget>

¹⁵⁸ Bipartisan budget agreement passes crucial test in U.S. Senate, The Guardian (Washington DC) 17 December 2013. Date of Access: 18 December 2013. <http://www.theguardian.com/world/2013/dec/17/us-bipartisan-budget-deal-set-vote-senate>

¹⁵⁹ U.S. Senate passes budget deal, focus shifts to spending, Reuters (Washington DC) 18 December 2013. Date of Access: 18 December 2013. <http://www.reuters.com/article/2013/12/18/us-usa-fiscal-idUSBRE9BF1FW20131218>

seeks to leverage federal funds to help American communities become globally competitive manufacturing sites. This strategy will strengthen their ability to compete and in turn attract global manufactures. The USD1.3 billion federal dollars and assistance being pledged will be designated to 12 communities with strategies and with completion will allow for global demand to increase.¹⁶⁰

Thus, the United States has been awarded a score of +1 for taking partial steps to nurture the global economy by supporting demand.

Analyst: Farina Mendelson

European Union: 0

The European Union has been awarded a score of 0 for partially complying with their commitment to nurture the global economic recovery through demand. The EU as a whole has not proposed comprehensive structural reforms, but it is assisting certain member states achieve such reforms.

On 19 December 2013, the EU explained its new trade scheme taking effect on 1 January 2014. The goal of the new trade scheme is to focus on giving the least developed countries unrestricted access to EU markets, revoking benefits of free trade to certain countries,¹⁶¹ which have successfully developed recently, and to balance EU zone import export issues.¹⁶²

As concerns monetary policy, on 12 December 2013 the European Central Bank stated that monetary policy will continue to be loose since the economic recovery has not been completed, and will continue to be loose until the economy has stabilized.¹⁶³

However, contrary to the commitment made by the EU, the European Central Bank believes that there should be no more fiscal consolidation for Europe, making it difficult to comply with the required fiscal policy component of the current commitment.¹⁶⁴ Instead, the EU focuses on investment to counterbalance the lack of EU wide fiscal policy and structural reforms and has shown legislative and policy action towards improving the efficacy of investments rendered.¹⁶⁵

¹⁶⁰ Fact Sheet: Attracting Manufacturing Investment in American Communities, Office of the Press Secretary (Washington DC) 5 December 2013. Date of Access: 18 December 2013. <http://www.whitehouse.gov/the-press-office/2013/12/05/fact-sheet-attracting-manufacturing-investment-american-communities>

¹⁶¹ EEPC: India's motor vehicle exports to EU to be hit from January, The Hindu Business Line (New Delhi) 3 December 2013. Date of Access: 27 December 2013. <http://www.thehindubusinessline.com/industry-and-economy/eepe-indias-motor-vehicle-exports-to-eu-to-be-hit-from-january/article5417980.ece>

¹⁶² Revised EU trade scheme to help developing countries applies on January 2014, European Commission (Brussels) 19 December 2013. Date of Access: 27 December 2013.

¹⁶³ ECB to Continue with Easy Monetary Policy as Long as Needed to Boost Recovery, International Business Times (New York) 12 December 2013. Date of Access: 27 December 2013. <http://www.ibtimes.com/ecb-continue-easy-monetary-policy-long-needed-boost-recovery-while-latest-data-show-industrial>

¹⁶⁴ ECB's Couere sees no need for more fiscal centralisation, Reuters (Frankfurt) 6 December 2013. Date of Access: 27 December 2013. <http://www.reuters.com/article/2013/12/06/ecb-coeure-idUSF9N0JL00120131206>

¹⁶⁵ Cohesion Policy is the EU's Investment Policy, European Commission (Marseille) 5 December 2013. Date of Access: 27 December 2013. http://europa.eu/rapid/press-release_SPEECH-13-1028_en.htm

Other activity that can be associated with the EUs commitment, if only partially, includes its work in creating fiscally sound budgets in member states that have requested help. One example is Croatia, where the European Commission has taken steps to make use of the Excessive Deficit Procedure to restore fiscal balance to that nation state.¹⁶⁶ Other examples include the EU stepping in with financial assistance to assist Spain¹⁶⁷ and Portugal.¹⁶⁸

Thus, the EU has earned a score of 0 for: comprehensively addressing its trade policy, only partially addressing its fiscal and monetary policy, and only tangentially addressing structural reforms in particular member nations, with regards to supporting the global economic recovery through demand.

Analyst: Akbar Khurshid

¹⁶⁶ Croatia: Commission takes steps under the Excessive Deficit Procedure, European Commission (Brussels) 10 December 2013. Date of Access: 27 December 2013. http://europa.eu/rapid/press-release_MEMO-13-1124_en.htm

¹⁶⁷ Statement by the EC and the ECB following the conclusion of the fifth review of the financial assistance programme for Spain, European Commission (Brussels) 16 December 2013. Date of Access: 27 December 2013. http://europa.eu/rapid/press-release_MEMO-13-1153_en.htm

¹⁶⁸ Statement by the EC, ECB, and IMF on the Tenth Review Mission to Portugal, European Commission (Brussels) 16 December 2013 Date of Access: 27 December 2013. http://europa.eu/rapid/press-release_MEMO-13-1158_en.htm

3. Macroeconomic Policy: Global Imbalances [45]

Commitment:

“We reaffirm our commitment to cooperate to achieve a lasting reduction in global imbalances, which surplus and deficit countries must address.”

2013 G8 Lough Erne Communiqué

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France			+1
Germany	-1		
Italy			+1
Japan			+1
Russia			+1
United Kingdom			+1
United States			+1
European Union			+1
Average Score	+0.78		

Background:

Global imbalances refer to the disparity in current account balances between countries. Resolving such imbalances refers to attempts to reduce the current-account surplus or current-account deficit a country may carry. Typically this entails surplus countries shifting to relying more on internal demand, and deficit countries shifting to focus on generating external demand.¹⁶⁹ Large, unsustainable global imbalances can have a profound destabilizing effect on the global economy, impeding international trade and investment by generating uncertainty in markets.¹⁷⁰ G8 leaders at Lough Erne stated their intentions to avoid any such vulnerabilities which could disrupt global economic recovery.¹⁷¹

At the 2009 L'Aquila Summit, the G8 acknowledged the importance of adjusting the global imbalance by “supporting strong internal demand in surplus countries and increasing savings rates in deficit countries through appropriate macroeconomic and structural policies.”¹⁷²

Though it has made commitments regarding other aspects of the health of the global economy, not until Lough Erne 2013 did the G8 again pledge to reduce global imbalances.

¹⁶⁹ Kowalski, P. and M. Leshner, “Global Imbalances: Trade Effects and Policy Challenges”, OECD (Paris) 2011. Date of Access: 5 December 2013. http://www.oecd-ilibrary.org/trade/global-imbalances_5kg22x55618n-en.

¹⁷⁰ Kowalski, P. and M. Leshner, “Global Imbalances: Trade Effects and Policy Challenges”, OECD (Paris) 2011. Date of Access: 5 December 2013. http://www.oecd-ilibrary.org/trade/global-imbalances_5kg22x55618n-en.

¹⁷¹ G8 Lough Erne Leaders Communiqué (Lough Erne), G8 Information Centre (Toronto) 18 June 2013. Date of Access: 5 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html#economy>.

¹⁷² G8 Leaders' Declaration: Responsible Leadership for a Sustainable Future (L'Aquila), G8 Information Centre (Toronto) 8 July 2009. Date of Access: 5 December 2013. <http://www.g8.utoronto.ca/summit/2009laquila/2009-declaration.html>.

Commitment Features:

Specific mechanisms used to reduce imbalances will differ for each G8 member according to their current account status, and according to the specific conditions of their economic outlook. The International Monetary Fund identifies two categories of rebalancing strategies, both internal and external.

Internal corrective adjustments will likely include fiscal consolidation, and efforts to improve the efficiency of public finance. Such measures would apply particularly to deficit countries like the U.S. and Japan.¹⁷³

External adjustments for surplus countries can include structural reforms to stimulate internal demand, improving social safety nets, tax reform, reform of state-owned enterprises. External strategies for deficit countries may involve structural reforms aimed at improving competitiveness, like investing in human and physical capital, and technology enhancements.¹⁷⁴ Reducing tariffs for certain sectors could also rebalance for both deficit and surplus countries.¹⁷⁵ Members also have the option of adjusting exchange rates to improve growth, to depreciate in cases of deficit countries, and appreciate in cases of surplus.¹⁷⁶ With these mechanisms, members can shift the sources of their demand, to counteract the existing bias of their economy.

The Lough Erne Statement on the global economy also emphasized sustainable growth, sustainable recovery, and job creation. Therefore the commitment to correct global imbalances should not infringe on such efforts.

Full Compliance will be based on the ability of a member to make policy adjustments to reduce their own deficit or surplus, with strategies including but not limited to any of the aforementioned mechanisms. A score of Full Compliance will also indicate that the member has undertaken adjustments to global imbalances while not hindering domestic growth and economic recovery.

Scoring Guidelines:

-1	Member does not implement policies to reduce their own deficit or surplus.
0	Member implements policies which shift demand appropriately to address global rebalancing but does so at the cost of domestic growth and confidence.
+1	Member implements policies which shift demand appropriately to address global rebalancing while maintaining domestic growth and confidence.

Lead Analyst: Emily Johnson

¹⁷³ Imbalances and Growth: Update of Staff Sustainability Assessments for G-20 Mutual Assessment Process, International Monetary Fund (Washington DC) September 2013. Date of Access: 5 December 2013. <http://www.imf.org/external/np/g20/pdf/map2013/map2013.pdf>.

¹⁷⁴ Imbalances and Growth: Update of Staff Sustainability Assessments for G-20 Mutual Assessment Process, International Monetary Fund (Washington DC) September 2013. Date of Access: 5 December 2013. <http://www.imf.org/external/np/g20/pdf/map2013/map2013.pdf>.

¹⁷⁵ Kowalski, P. and M. Leshner, "Global Imbalances: Trade Effects and Policy Challenges", OECD- (Paris) 2011. Date of Access: 5 December 2013. http://www.oecd-ilibrary.org/trade/global-imbalances_5kg22x55618n-en.

¹⁷⁶ Imbalances and Growth: Update of Staff Sustainability Assessments for G-20 Mutual Assessment Process, International Monetary Fund (Washington DC) September 2013. Date of Access: 5 December 2013. <http://www.imf.org/external/np/g20/pdf/map2013/map2013.pdf>.

Canada: +1

Canada has fully complied with its commitment to address global rebalancing and has abstained from introducing measures which impede domestic growth and confidence.

Canada has run a persistent current account deficit for the past four years.¹⁷⁷ Its domestic economy remains relatively strong, yet its exports are impeded by a drop in global demand.¹⁷⁸

On 18 October 2013, the European Union and Canada announced concluded negotiations on the Comprehensive Economic and Trade Agreement (CETA,) a major free trade agreement that will drop tariffs on several important sectors.¹⁷⁹ The agreement will increase bilateral trade by 20 per cent, stimulating Canada's dampened exports.^{180,181} Upon implementation, 98 per cent of EU and Canadian tariffs will be removed immediately.¹⁸² The agreement will not enter into force until ratified, a process which could take up to two years.¹⁸³

For concluding negotiations aimed at reducing tariffs and boosting exports, and avoiding measures which would undercut growth, Canada is given a score of +1 for full compliance.

Analyst: Kasra Behnampour

France: +1

France has fully complied with its commitment to reduce global imbalances.

France has run a current account deficit since the 1990s.¹⁸⁴

In July 2013, French President François Hollande commissioned a study on French competitiveness under the direction of French businessman Louis Gallois.¹⁸⁵ On 5 November 2013, Gallois' recommendations were released. The recommendations underlined the need to

¹⁷⁷ Current Account Deficit Down, But Still 'Near Record', CBC (Ottawa) 28 February 2013. Date of Access: 3 January 2014. <http://www.cbc.ca/news/business/current-account-deficit-down-but-still-near-record-1.1364787>.

¹⁷⁸ Current Account Deficit Down, But Still 'Near Record', CBC (Ottawa) 28 February 2013. Date of Access: 3 January 2014. <http://www.cbc.ca/news/business/current-account-deficit-down-but-still-near-record-1.1364787>.

¹⁷⁹ Canada, EU unveil 'historic' free-trade agreement, Globe and Mail (Toronto) 18 October 2013. Date of Access: 2 January 2014. <http://www.theglobeandmail.com/news/politics/eu-harper/article14924915/>.

¹⁸⁰ CETA: Canada-EU Free Trade Deal Lauded by Harper, Barroso, CBC (Ottawa) 18 October 2013. Date of Access: 2 January 2014. <http://www.cbc.ca/news/politics/ceta-canada-eu-free-trade-deal-lauded-by-harper-barroso-1.2125122>.

¹⁸¹ Staying on Track In an Uncertain World, Update of Economic and Fiscal Projections 2013, Department of Finance (Ottawa) 12 November 2013. Date of Access: 2 January 2014. <http://www.fin.gc.ca/efp-pef/2013/efp-pef-01-eng.asp#s2>.

¹⁸² Canada, EU unveil 'historic' free-trade agreement, Globe and Mail (Toronto) 18 October 2013. Date of Access: 2 January 2014. <http://www.theglobeandmail.com/news/politics/eu-harper/article14924915/>.

¹⁸³ Canada, EU unveil 'historic' free-trade agreement, Globe and Mail (Toronto) 18 October 2013. Date of Access: 2 January 2014. <http://www.theglobeandmail.com/news/politics/eu-harper/article14924915/>.

¹⁸⁴ Current Account Balance (% of GDP), Data, The World Bank (Washington DC). Date of Access: 1 January 2014. <http://data.worldbank.org/indicator/BN.CAB.XOKA.GD.ZS>.

¹⁸⁵ France readies response to shock therapy industry call, Reuters UK Edition (London) 5 November 2013. Date of Access 26 December 2013. <http://uk.reuters.com/article/2012/11/05/uk-france-competitiveness-idUKBRE8A415120121105>.

slash French labour costs and redirect tax burdens away from corporations and on to households.¹⁸⁶

On 3 July 2013 at the Berlin Conference, President Hollande committed to the implementation of the Youth Guarantee over the next two years.¹⁸⁷ The Youth Guarantee includes a commitment to supplying youth under the age of 25 with either “a job, continued education, an apprenticeship or a traineeship”¹⁸⁸ within four months of leaving formal education or becoming unemployed. Commitment to the Youth Guarantee exemplifies France’s efforts to global rebalancing via job creation and investments in human capital.

On 26 August 2013, French Minister of Economy and Finance Pierre Moscovici presented a motion to the French national assembly to reform the “Plan d’épargne en actions” (PEA).¹⁸⁹ The PEA is a national shared savings program meant to aid in the financing of small and medium sized businesses in France and contributes to national savings.¹⁹⁰ On 14 November 2013 the French National Assembly approved the reform.¹⁹¹

On 12 September 2013, President Hollande and Minister of Industry Arnaud Montebourg introduced a new industrial strategy aimed at reviving French industry through technological investment totalling EUR 3.5 billion.¹⁹² Investment will primarily benefit France’s biotechnology, transportation and digital sectors.¹⁹³ Minister Montebourg promised to create 475,000 jobs and EUR 45 billion in revenues over the next ten years and increase French industrial competitiveness.¹⁹⁴

On 25 September 2013, Minister of Economy and Finance Pierre Moscovici presented the 2014 budget. The 2014 budget featured a series of internal corrective adjustments focused on

¹⁸⁶ France readies response to shock therapy industry call, Reuters UK Edition (London) 5 November 2013. Date of Access 26 December 2013. <http://uk.reuters.com/article/2012/11/05/uk-france-competitiveness-idUKBRE8A415120121105>.

¹⁸⁷ EU Youth Guarantee, The Press and Information Office of the Federal Government of Germany (Berlin). 13 November 2013. Date of Access 28 December 2013. <http://www.bundesregierung.de/ContentArchiv/EN/Archiv17/Reiseberichte/2013/2013-11-13-paris-jugendarbeitslosigkeit.html>.

¹⁸⁸ EU Youth Guarantee, The Press and Information Office of the Federal Government of Germany (Berlin). 13 November 2013. Date of Access 28 December 2013. <http://www.bundesregierung.de/ContentArchiv/EN/Archiv17/Reiseberichte/2013/2013-11-13-paris-jugendarbeitslosigkeit.html>.

¹⁸⁹ Réforme du PEA, Ministère de L’Économie et des Finances (Paris) 26 August 2013. Date of Access 28 December 2013. <http://www.economie.gouv.fr/reforme-du-plan-epargne>.

¹⁹⁰ Réforme du PEA, Ministère de L’Économie et des Finances (Paris) 26 August 2013. Date of Access 28 December 2013. <http://www.economie.gouv.fr/reforme-du-plan-epargne>.

¹⁹¹ L’Assemblée approuve la creation d’un PEA-PME, Le Figaro (Paris) 14 November 2013. Date of Access 29 December 2013. <http://www.lefigaro.fr/flash-eco/2013/11/14/97002-20131114FILWWW00455-l-assemblee-approuve-la-creation-d-un-pea-pme.php>.

¹⁹² France launches broad initiatives to improve industry, Radio France Internationale English (Paris) 13 September 2013. Date Accessed 27 December 2013. <http://www.english.rfi.fr/economy/20130913-france-launches-broad-initiatives-improve-industry-create-jobs>.

¹⁹³ France unveils 3.5 billion Euro plan for ‘third industrial revolution’, Euractiv (Brussels) 16 September 2013. Date of Access 28 December 2013. <http://www.euractiv.com/innovation-enterprise/35-plan-third-industrial-revolution-news-530438>.

¹⁹⁴ France launches broad initiatives to improve industry, Radio France Internationale English (Paris) 13 September 2013. Date of Access 27 December 2013. <http://www.english.rfi.fr/economy/20130913-france-launches-broad-initiatives-improve-industry-create-jobs>.

improving the efficiency of public finance.¹⁹⁵ The budget featured cuts in lower public spending totalling EUR 15 billion.¹⁹⁶ The Ministries of Defence and Finance faced job cuts totalling 13 123 jobs.¹⁹⁷ Public spending is set to be redirected towards the Ministry of Education, the Ministry of Health and the Ministry of Justice where Moscovici plans to create 11,000 jobs.¹⁹⁸ Furthermore, the tax credit for competitive employment (CICE) will allow businesses to benefit from a 4 per cent decrease in labour costs.¹⁹⁹

The 2014 budget presents a projected 19.6 per cent to 20 per cent tax increase on households.²⁰⁰ Furthermore President Hollande's pension reform presented in July 2013 extends the contribution payment period required for a full pension.²⁰¹ It is projected that national revenue reaped from French households will increase by a total of EUR 12 million in 2014.²⁰²

On 29 December 2013, Hollande received approval from France's constitutional court to tax employees who earned more than EUR 1 million a year.²⁰³ It was announced that firms would pay a 50 per cent tax on all wages above the EUR 1 million mark.²⁰⁴ The measure may prove to be an impediment to the growth of industry.²⁰⁵

France has undertaken internal adjustments to reduce its current account deficit, including fiscal consolidation, increasing the efficiency of public spending, and external strategies to improve

¹⁹⁵ Le Budget 2014: Cap sur la croissance et l'emploi, Ministère de L'économie et des Finances (Paris) 6 October 2013. Date of Access: 27 December 2013. <http://www.economie.gouv.fr/files/plf2014-essentiel.pdf>.

¹⁹⁶ France unveils 'unprecedented' public spending cuts, The Telegraph UK (London) 25 September 2013. Date of Access 27 December 2013. <http://www.telegraph.co.uk/finance/financialcrisis/10334453/France-unveils-unprecedented-public-spending-cuts.html>.

¹⁹⁷ France unveils 'unprecedented' public spending cuts, The Telegraph UK (London) 25 September 2013. Date of Access 27 December 2013. <http://www.telegraph.co.uk/finance/financialcrisis/10334453/France-unveils-unprecedented-public-spending-cuts.html>.

¹⁹⁸ France unveils 'unprecedented' public spending cuts, The Telegraph UK (London) 25 September 2013. Date of Access 27 December 2013. <http://www.telegraph.co.uk/finance/financialcrisis/10334453/France-unveils-unprecedented-public-spending-cuts.html>.

¹⁹⁹ Impôts: qui va changer pour les entreprises et les collectivités, Le Monde (Paris), 31 December 2013. Date of Access 31 December 2013. http://www.lemonde.fr/politique/article/2013/12/30/impots-ce-qui-va-changer-pour-les-entreprises-et-les-collectivites_4341285_823448.html.

²⁰⁰ François Hollande admits French taxes are 'too much' Financial Times UK edition (London) 18 September 2013. Date of Access 26 December 2013. <http://www.ft.com/intl/cms/s/0/db16fde0-1f8f-11e3-aa36-00144feab7de.html#axzz2oqRLHFtv>.

²⁰¹ France's Hollande in tight spot on pension reform, Reuters UK (London) 21 July 2013. Date of Access 27 December 2013. <http://www.reuters.com/article/2013/07/21/us-france-pensions-analysis-idUSBRE96K02U20130721>.

²⁰² Le Budget 2014: Cap sur la croissance et l'emploi, Ministère de L'économie et des Finances (Paris) 6 October 2013. Date of Access: 27 December 2013. <http://www.economie.gouv.fr/files/plf2014-essentiel.pdf>.

²⁰³ Communiqué de Presse, Pierre Moscovici, Ministre de l'Economie et de Finance (Paris) 29 December 2013. Date of Access: 2 January 2014. <http://proxy-pubminefi.diffusion.finances.gouv.fr/pub/document/18/16672.pdf>.

²⁰⁴ Communiqué de Presse, Pierre Moscovici, Ministre de l'Economie et de Finance (Paris) 29 December 2013. Date of Access: 2 January 2014. <http://proxy-pubminefi.diffusion.finances.gouv.fr/pub/document/18/16672.pdf>.

²⁰⁵ French Cleared to Impose Controversial Tax on Industry, Thompson-Reuters (New York) 31 December 2013. Date of Access: 2 January 2014. <https://tax.thomsonreuters.com/media-resources/news-media-resources/checkpoint-news/tax-accounting-news/france-cleared-impose-controversial-millionaire-tax/>.

competitiveness. There is concern that the controversial corporate tax and fiscal consolidation in the budget may have negative consequences for growth and domestic purchasing power respectively.²⁰⁶ The coming months will demonstrate whether these efforts have undercut confidence. At this interval, France is awarded a score of +1 for full compliance.

Analyst: Hadeer Shaheen

Germany: -1

Germany has thus far not complied with its commitment to bridge the global imbalance gap.

In September 2013, Germany's long-running current account surplus became the largest in the world at EUR 19.7 billion.²⁰⁷ The European Commission has criticised the surplus, expressing concerns that it represents an untenable level of export-reliance, and that Germany is not acting enough to strengthen domestic demand.²⁰⁸

On 15 October 2013, Germany submitted its Draft Budgetary Plans to the European Commission in compliance with the 'Two Pack' reform.²⁰⁹ The 'Two Pack' provides a schedule by which Member States must submit for approval and adopt their national budgets, in order to better coordinate budgetary policies in the common currency area.²¹⁰ The Draft Budget contained no new discretionary measures.²¹¹

On 13 November 2013, the European Commission determined to launch a detailed analysis of Germany's current account surplus, to ascertain whether it indicates a serious imbalance that could be harmful to the euro zone.²¹² The Commission's President suggested that Germany should do more to strengthen its domestic demand.²¹³

²⁰⁶ French 2014 Budget Seeks Savings, Taxes Households, Reuters U.S. (New York) 25 September 2013. Date of Access: 2 January 2014. <http://www.reuters.com/article/2013/09/25/france-budget-idUSL5N0HL1Q320130925>.

²⁰⁷ EU Starts Investigating German Current Account Surplus, Reuters U.S. Edition (New York) 13 November 2013. Date of Access: 2 January 2014. <http://www.reuters.com/article/2013/11/13/eu-germany-surplus-idUSL5N0IY2IJ20131113>.

²⁰⁸ Germany Under Review Over Economic Rule in EU, BBC Business (London) 13 November 2013. Date of Access: 2 January 2014. <http://www.bbc.co.uk/news/business-24922975>.

²⁰⁹ Draft Budgetary Plans of Euro Area Member States, Economic and Financial Affairs, European Commission (Brussels) 15 November 2013. Date of Access: 3 January 2014. http://ec.europa.eu/economy_finance/economic_governance/sgp/budgetary_plans/index_en.htm.

²¹⁰ Draft Budgetary Plans of Euro Area Member States, Economic and Financial Affairs, European Commission (Brussels) 15 November 2013. Date of Access: 3 January 2014. http://ec.europa.eu/economy_finance/economic_governance/sgp/budgetary_plans/index_en.htm.

²¹¹ Analysis of the Draft Budgetary Plan of Germany, European Commission (Brussels) 15 November 2013. Date of Access: 3 January 2014. http://ec.europa.eu/economy_finance/economic_governance/sgp/pdf/dbp/de_2013-11-15_swd_en.pdf.

²¹² EU Starts Investigating German Current Account Surplus, Reuters U.S. Edition (New York) 13 November 2013. Date of Access: 2 January 2014. <http://www.reuters.com/article/2013/11/13/eu-germany-surplus-idUSL5N0IY2IJ20131113>.

²¹³ EU Starts Investigating German Current Account Surplus, Reuters U.S. Edition (New York) 13 November 2013. Date of Access: 2 January 2014. <http://www.reuters.com/article/2013/11/13/eu-germany-surplus-idUSL5N0IY2IJ20131113>.

On 21 November 2013, Chancellor Angela Merkel denied that Germany's high trade surplus held danger for the euro area. Both the Chancellor and Bundesbank board member Andreas Dombret denied the idea that Germany should deliberately weaken its competitiveness.²¹⁴

Chancellor Angela Merkel spent three months following her election victory of 22 September 2013 forming her governing coalition.²¹⁵ During coalition talks, the issue of creating a nation-wide minimum wage was prominent. The parties agreed on a plan to introduce a minimum wage of EUR 8.50 in 2015 over a two-year period.²¹⁶ Though it is possible the nation-wide minimum wage could contribute to bolstering domestic demand, economists point out that the amount would not increase household purchasing power by a significant amount.²¹⁷ Having to pay a higher minimum wage could also prove threatening to small businesses.²¹⁸

Thus far, as a result of the election and coalition negotiations, and a budget that introduced no new discretionary measures, Germany has not taken action to stimulate domestic growth. It is awarded a score of -1 for non-compliance.

Analysts: Kriti Bhatt, Emily Johnson

Italy: +1

Italy has fully complied with its commitment to reduce global imbalances.

From mid-2011, Italy's current account deficit narrowed significantly, becoming a modest surplus in 2012, which persisted in 2013.^{219,220}

On 19 September 2013 the Ministry of Foreign Affairs published "Destinazione Italia." This set of 50 measures was developed in order to stimulate foreign direct investment, and intended to boost the competitiveness of Italian companies.²²¹

On 20 September 2013 the Ministry of Foreign Affairs published in their financial update for 2013 that net borrowing, absent of any new policies, could reach 3.1 per cent of the GDP. Italy's

²¹⁴ Bundesbank's Dombret defends German Trade Surplus, Reuters U.S. Edition (New York) 22 November 2013. Date of Access: 4 January 2014. <http://uk.reuters.com/article/2013/11/22/uk-germany-trade-bundesbank-idUKBRE9AL0J220131122>.

²¹⁵ Merkel Say Permanently Fixing Euro Zone Crisis Vital for Germany, Reuters U.S. (New York) 20 December 2013. Date of Access: 4 January 2014. <http://uk.reuters.com/article/2013/12/30/uk-germany-merkel-idUKBRE9BT0J620131230>.

²¹⁶ Economists Criticize Tame Coalition Deal, Deutsche Welle (Berlin) 28 November 2013. Date of Access: 3 January 2014. <http://www.dw.de/economists-criticize-tame-coalition-deal/a-17259465>.

²¹⁷ Views Diverge Over Minimum Wage in Germany, Deutsche Welle (Berlin) 26 September 2013. Date of Access: 3 January 2014. <http://www.dw.de/views-diverge-over-minimum-wage-in-germany/a-17117399>.

²¹⁸ Views Diverge Over Minimum Wage in Germany, Deutsche Welle (Berlin) 26 September 2013. Date of Access: 3 January 2014. <http://www.dw.de/views-diverge-over-minimum-wage-in-germany/a-17117399>.

²¹⁹ Macroeconomic Imbalances: Italy 2013, European Commission (Brussels) April 2013. Date of Access: 2 January 2014.

http://ec.europa.eu/economy_finance/publications/occasional_paper/2013/pdf/ocp138_en.pdf.

²²⁰ Current Account Balance in Millions, OECD StatExtracts (Paris) 2 January 2014. Date of Access: 2 January 2014. Link? Is this for Italy?

²²¹ Destinazione Italia, Ministero Dell'Economia E Delle Finanze (Rome) 19 September 2013. Date of Access: December 30 2013. http://www.esteri.it/MAE/approfondimenti/2013/20130925_destinazioneitaliainglese2.pdf.

agreement with the Council of the European Union to keep its deficit-GDP ratio below 3 per cent reinforces the commitment made to reduce global imbalances at the Lough Erne Summit.²²²

The OECD have identified that Italy's labour force has among the worst rates of basic literacy and numeracy of any advanced economy, and the IMF noted that it lagged significantly in ease of doing business.²²³ The IMF recommended a focus on improving competitiveness.

Thus, Italy has been given a score of +1 for their commitment to assist in reducing global imbalances.

Analyst:

Japan: +1

Japan has fully complied with its commitment to reduce global imbalances.

In October 2013, Japan's current account balance sank into deficit for the first time in nine months.²²⁴

On 12 December 2013, Prime Minister Abe and his cabinet passed a supplementary budget for the current fiscal year ending in March 2014.²²⁵ The budget accounts for JPY 5.46 trillion in stimulus. It was engineered to offset the effects of a scheduled increase in the national sales tax beginning in April.²²⁶

The 2013 stimulus package includes several measures to increase competitiveness, including support for capital investments in technology, support for SMEs (small and medium sized enterprises,) and resources for development in overseas markets.²²⁷ It also includes JPY 317.8 billion for the promotion of agriculture, forestry and fishing industries.²²⁸

²²² Update of the Economic and Financial Document 2013, Ministero Dell'Economia E Delle Finanze (Rome) 20 September 2013. Date of Access: 29 December 2013. http://www.mef.gov.it/en/doc-finanza-pubblica/def/2013-2013/documenti/Update_of_the_2013_EFD_xOn-Linux_PROTETTO.pdf.

²²³ Analysis: Italy's Reform List Reflect Tough Test for Euro Zone, Reuters U.S. (London) 13 October 2013. Date of Access: 2 January 2014. <http://www.reuters.com/article/2013/10/13/us-economy-eurozone-italy-idUSBRE99C02J20131013>.

²²⁴ Fuel Costs Yield Deficit in Current Account, The Japan Times (Kyodo) 9 December 2013. Date of Access: 3 January 2014. <http://www.japantimes.co.jp/news/2013/12/09/business/fuel-costs-yield-deficit-in-current-account/#.Usnxe2RDudA>.

²²⁵ Japan approves \$53 billion extra budget to fund stimulus, Reuters U.S. Edition (New York) 12 December 2013. Date of Access: 3 January 2014. <http://www.reuters.com/article/2013/12/12/us-japan-economy-budget-idUSBRE9BB06220131212>.

²²⁶ Japan approves \$53 billion extra budget to fund stimulus, Reuters U.S. Edition (New York) 12 December 2013. Date of Access: 3 January 2014. <http://www.reuters.com/article/2013/12/12/us-japan-economy-budget-idUSBRE9BB06220131212>.

²²⁷ Outline of the FY2013 Supplementary Budget, Ministry of Finance Japan (Tokyo) 12 December 2013. Date of Access: 4 January 2014. <http://www.mof.go.jp/english/budget/budget/fy2013/03.pdf>.

²²⁸ Outline of the FY2013 Supplementary Budget, Ministry of Finance Japan (Tokyo) 12 December 2013. Date of Access: 4 January 2014. <http://www.mof.go.jp/english/budget/budget/fy2013/03.pdf>.

The government will finance the stimulus through the sale of shares in Nippon Telegraph and Telephone Corp, in addition to unexpectedly high tax revenue from 2013.²²⁹

On 24 December 2013, the cabinet approved the draft budget for the fiscal year beginning in April 2014.²³⁰ The budget includes a significant spending increase, rising over JPY 3 trillion more than the current fiscal year.²³¹

The budget for the 2014 fiscal year includes over JPY 5 trillion in spending on education and medical research.²³² Major measures in education include investments in universities and new scholarships.²³³

The fiscal 2014 budget will be financed by high tax revenues from 2013 and revenue from the sales tax raise coming into effect in April.²³⁴ However, 43 per cent of the budget will come from the issuance of new government bonds.²³⁵ The reliance on borrowing to fund new stimulus is of some concern. If the new budget fails to stimulate demand, growth could be stymied by the higher sales tax, drying up future tax revenue.²³⁶

Japan's budget measures aimed at increasing competitiveness and investing in human and physical capital demonstrate a willingness to address its current account deficit and contribute to the reduction of global imbalances. For the present, these expenditures have not undermined growth and recovery. Japan is thus awarded a score of +1 for full compliance.

Analyst: Emily Johnson

Russia: +1

Russia has fully complied with the commitment on global imbalances.

Russia has taken measures to address external imbalances.

On 1 July 2013, Russian Ministry of Industry and Trade launched the program of state support towards preferential car lending. The program provides for subsidies from the state budget to

²²⁹ Japan approves \$53 billion extra budget to fund stimulus, Reuters U.S. Edition (New York) 12 December 2013. Date of Access: 3 January 2014. <http://www.reuters.com/article/2013/12/12/us-japan-economy-budget-idUSBRE9BB06220131212>.

²³⁰ Japan's Government OKs Record Budget Spending, Trims New Borrowing, Reuters U.S. Edition (New York) 23 December 2013. Date of Access: 4 January 2014. <http://www.reuters.com/article/2013/12/24/japan-economy-budget-idUST9N0HP01M20131224>.

²³¹ Highlights of the Budget for FY2014, Ministry of Finance Japan (Tokyo) 24 December 2013. Date of Access: 4 January 2014. <http://www.mof.go.jp/english/budget/budget/fy2014/01.pdf>.

²³² Highlights of the Budget for FY2014, Ministry of Finance Japan (Tokyo) 24 December 2013. Date of Access: 4 January 2014. <http://www.mof.go.jp/english/budget/budget/fy2014/01.pdf>.

²³³ Highlights of the Budget for FY2014, Ministry of Finance Japan (Tokyo) 24 December 2013. Date of Access: 4 January 2014. <http://www.mof.go.jp/english/budget/budget/fy2014/01.pdf>.

²³⁴ Cabinet OKs Record Budget for 2014, The Japan Times (Kyodo) 24 December 2013. Date of Access: 3 January 2014. <http://www.japantimes.co.jp/news/2013/12/24/national/japans-cabinet-oks-record-95-88-tril-yen-fy-2014-budget/#.Usn8N2RDudA>.

²³⁵ Cabinet OKs Record Budget for 2014, The Japan Times (Kyodo) 24 December 2013. Date of Access: 3 January 2014. <http://www.japantimes.co.jp/news/2013/12/24/national/japans-cabinet-oks-record-95-88-tril-yen-fy-2014-budget/#.Usn8N2RDudA>.

²³⁶ Cabinet OKs Record Budget for 2014, The Japan Times (Kyodo) 24 December 2013. Date of Access: 3 January 2014. <http://www.japantimes.co.jp/news/2013/12/24/national/japans-cabinet-oks-record-95-88-tril-yen-fy-2014-budget/#.Usn8N2RDudA>.

credit institutions that provide loans to individuals willing to buy new cars. This measure is aimed at stimulating domestic demand in the automobile sector.²³⁷

On 16 July 2013, Russian Prime Minister Dmitry Medvedev at his meeting with the representatives of iron and steel industries highlighted the necessity to stimulate demand for its products, including through the implementation of major infrastructure projects.²³⁸

On 6 December 2013, Russian Minister of Finance Anton Siluanov announced that the Government would revise the expenditures on implementing state programs and cut them in order to provide the mid- and long-term budget sustainability.²³⁹

On 11 February 2014, Russian Government approved a set of measures to encourage domestic demand for petrochemical industry products. The proposed measures aim “to encourage the introduction of road construction standards, the use of polymer-bitumen binders and to extend the service life of motorways.”²⁴⁰

At the same time, external imbalances is not a problem of current importance for Russia. Russia has run a current account surplus for a long time. However, it decreased by more than a half in January-September 2013, mainly due to the fall in the trade surplus and growth in the deficits of the balance of services.²⁴¹

Russia has taken measures to address global imbalances during the compliance period and is awarded a score of +1.

Analyst: Andrey Shelepov

United Kingdom: +1

The UK has fully complied with its commitment to lower global imbalances, earning a score of +1.

As of 20 December 2013, the UK’s current account deficit reached its highest level since 1989.²⁴²

On 26 June 2013, Chancellor of the Exchequer George Osborne announced the Spending Round 2013 statement, detailing government expenditures for April 2015 to April 2016.²⁴³ The Spending Round focused on fiscal consolidation, reducing borrowing and reducing debt. It announced that

²³⁷ Russian Ministry of Industry and Trade Launched a Program of State Support to Preferential Car Lending from July 2013, Russian Ministry of Industry and Trade 17 July 2013. Date of Access: 24 February 2014. <http://www.minpromtorg.gov.ru/industry/auto/247>.

²³⁸ Meeting on the iron and steel industry, Russian Government 11 February 2014. Date of Access: 24 February 2014. <http://government.ru/en/news/3069>.

²³⁹ Russian Minister of Finance Speech to Journalists, Russian Ministry of Finance 6 December 2013. Date of Access: 24 February 2014. http://www.minfin.ru/ru/press/speech/printable.php?id_4=20548

²⁴⁰ On approving measures to encourage domestic demand for petrochemical industry products, Russian Government 11 February 2014. Date of Access: 24 February 2014. <http://government.ru/en/docs/10338>.

²⁴¹ Guidelines for the Single State Monetary Policy in 2014 and for 2015 and 2016, Central Bank of Russia 11 December 2013. Date of Access: 24 February 2014. http://cbr.ru/eng/today/publications_reports/on_14-eng.pdf.

²⁴² UK deficit jumps to 24 year high ONS, The Guardian (London) 20 December 2013. Date of Access: December 27 2013.

<http://www.theguardian.com/business/2013/dec/20/uk-trade-deficit-share-gdp-ons>.

²⁴³ Spending Round 2013—Speech, United Kingdom Government (London) 26 June 2013. Date of Access: 6 January 2014. <https://www.gov.uk/government/speeches/spending-round-2013-speech>.

savings of GBP11.5 billion would be found in government budgets to continue the reduction in the deficit.²⁴⁴ The statement included intentions to cut wasteful expenditures and the running costs of government departments.²⁴⁵

On 4 December 2013 the HM Treasury published the “National Infrastructure Plan 2013” which outlines the Top 40 investment projects in the UK’s infrastructure. This plan focuses on long-term investments in roads, railways, energy, telecommunications, and flood defenses. This document is the latest update from the UK’s “National Infrastructure Plan” from October 2010.²⁴⁶

On 5 December 2013, Chancellor Osborne released the Autumn Statement.²⁴⁷ It contained plans to reduce the main corporate tax rate by 20 per cent in 2015, an increase in science capital funding by GBP500 million in 2014, and various measures to invest in education and skills funding.²⁴⁸

For combining efforts to invest in human capital with fiscal consolidation measures, the UK has fully complied with its commitment to lower global imbalances, though addressing its own current account deficit. The UK is awarded a score of +1.

Analyst:

United States: +1

The United States has fully complied with its commitment to reduce global imbalances by implementing external adjustment strategies that prioritize the generation of external demand through increased foreign direct investment and trade.

The U.S. runs a consistent current account deficit.²⁴⁹

On 30 July 2013, President Barack Obama announced a plan to cut the corporate tax rate from 35 per cent to 28 per cent while giving manufacturers a preferred rate of 25 per cent.²⁵⁰ Obama maintained the excess revenues reaped from this tax restructuring would be used for the purposes

²⁴⁴ Spending Round 2013, United Kingdom Government (London) 26 June 2013. Date of Access: 6 June 2014. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209036/spending-round-2013-complete.pdf.

²⁴⁵ Spending Round 2013, United Kingdom Government (London) 26 June 2013. Date of Access: 6 June 2014. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209036/spending-round-2013-complete.pdf.

²⁴⁶ National Infrastructure Plan, United Kingdom Government (London) 4 December 2013. Date of Access: December 27 2013. <https://www.gov.uk/government/collections/national-infrastructure-plan>.

²⁴⁷ Autumn Statement, United Kingdom Government (London) 5 December 2013. Date of Access: 4 January 2014. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/263942/35062_Autumn_Statement_2013.pdf.

²⁴⁸ Autumn Statement, United Kingdom Government (London) 5 December 2013. Date of Access: 4 January 2014. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/263942/35062_Autumn_Statement_2013.pdf.

²⁴⁹ Current Account Deficits: Is There a Problem? Finance and Development, IMF (Washington DC) 28 March 2012. Date of Access: 1 January 2014. <http://www.imf.org/external/pubs/ft/fandd/basics/current.htm>.

²⁵⁰ Obama offers ‘grand bargain’ on the corporate tax rate, infrastructure, Reuters U.S Edition (New York) 30 July 2013. Date of Access: 27 December 2013. <http://www.reuters.com/article/2013/07/30/us-usa-obama-idUSBRE96T0F820130730>.

of job creation. This proposed plan was meant to ease congressional deadlock that has impeded the realization of necessary tax reforms to supplement external adjustment strategies.²⁵¹ On the same date, Undersecretary of Commerce Francisco Sanchez lead a discussion on the Doing Business in Africa Campaign. Undersecretary Sanchez underlined the need to open and maintain channels of communication and trade with emerging economies in Africa, and to connect American buyers to international trade partners in sub-Saharan Africa.²⁵²

On 27 August 2013, the U.S Department of Commerce allocated USD1.9 million to non-profit industry organizations to stimulate exports, create jobs, and bolster competitiveness.²⁵³ U.S Secretary of Commerce Penny Pritzker expects this initiative to generate USD426 million over the next three years.²⁵⁴

On 20 September 2013, Under Secretary of Commerce Francisco Sanchez announced a cyber security infrastructure trade mission to Saudi Arabia and Kuwait.²⁵⁵ This trade mission is part of President Obama's greater export initiative. It aims to make optimal economic use of U.S technical expertise abroad — a sector that the U.S has become very reliant on.²⁵⁶

On 8 October 2013 U.S Secretary of Commerce Penny Pritzker announced three new clean — energy contracts between the United States and Indonesia totalling nearly USD360 million.²⁵⁷ The clean energy contracts served to strengthen the U.S-Asia-Pacific trading relationship.²⁵⁸

²⁵¹ Obama offers 'grand bargain' on the corporate tax rate, infrastructure, Reuters U.S Edition (New York) 30 July 2013. Date of Access: 27 December 2013. <http://www.reuters.com/article/2013/07/30/us-usa-obama-idUSBRE96T0F820130730>.

²⁵² Senior Obama official leads discussion on trade and investment with Africa, United States Department of Commerce (Washington DC) 30 July 2013. Date of Access: 27 December 2013. <http://trade.gov/press/press-releases/2013/senior-obama-official-leads-discussion-on-trade-and-investment-with-africa-073013.asp>.

²⁵³ U.S commerce department awards \$1.9 million to stimulate exports, create jobs, The United States Department of Commerce (Washington DC) 27 August 2013. Date of Access 27 December 2013. <http://www.commerce.gov/news/press-releases/2013/08/27/us-commerce-department-awards-19-million-stimulate-exports-create-job>.

²⁵⁴ U.S commerce department awards \$1.9 million to stimulate exports, create jobs, The United States Department of Commerce (Washington DC) 27 August 2013. Date of Access 27 December 2013. <http://www.commerce.gov/news/press-releases/2013/08/27/us-commerce-department-awards-19-million-stimulate-exports-create-job>.

²⁵⁵ Obama official to lead cyber security infrastructure trade mission to Saudi Arabia and Kuwait, The United States Department of Commerce (Washington DC) 20 September 2013. Date of Access 27 December 2013. <http://trade.gov/press/press-releases/2013/obama-official-to-lead-cybersecurity-infrastructure-trade-mission-to-saudi-araia-and-kuwait-092013.asp>.

²⁵⁶ Obama official to lead cyber security infrastructure trade mission to Saudi Arabia and Kuwait, The United States Department of Commerce (Washington DC) 20 September 2013. Date of Access 27 December 2013. <http://trade.gov/press/press-releases/2013/obama-official-to-lead-cybersecurity-infrastructure-trade-mission-to-saudi-araia-and-kuwait-092013.asp>.

²⁵⁷ United State and Indonesia announce nearly \$360 million of new clean- energy contracts, The United States Department of Commerce (Washington DC) 8 October 2013. Date of Access 27 December 2013. <http://www.commerce.gov/news/press-releases/2013/10/08/united-states-and-indonesia-announce-nearly-360-million-new-clean-ene>.

²⁵⁸ United State and Indonesia announce nearly \$360 million of new clean- energy contracts, The United States Department of Commerce (Washington DC) 8 October 2013. Date of Access 27 December 2013. <http://www.commerce.gov/news/press-releases/2013/10/08/united-states-and-indonesia-announce-nearly-360-million-new-clean-ene>.

On 17 October 2013, the U.S International Trade Administration (ITA) implemented organizational changes in an effort to enhance client services.²⁵⁹ The four business divisions that once comprised the ITA were streamlined into functionally aligned units: Global Markets, Industry and Analysis, and Enforcement and Compliance.²⁶⁰ New ITA organization was undertaken with the purpose of “improving operations and delivery of services to help American businesses win globally by providing clearer points of contact for private sector clients.”²⁶¹

On 31 October 2013, President Barack Obama announced the United States’ first ever federal initiative to attract foreign direct investment to create U.S jobs.²⁶² This initiative enhanced the SelectUSA initiative launched by the Obama Administration in 2011. The mandate of the SelectUSA campaign was expanded to outline a role for the federal government in helping regional, state and local economic development organizations attract investment.²⁶³ Furthermore, President Obama announced the creation of global teams led by U.S ambassadors in 32 countries.²⁶⁴ Selected ambassadors are to serve as trade coordinators to encourage foreign direct investment.

Externally oriented growth strategies created to increase external demand and counteract the United States’ current import bias, coupled with enhanced federal support in the realms of trade and investment demonstrate commitment to reducing global imbalances. These measures have not yet had a negative impact on domestic confidence. The U.S. is therefore awarded a score of +1 for full compliance.

Analyst: Hadeer Shaheen

European Union: +1

The European Union is awarded a score of +1 for fully complying on its commitment to reduce global imbalances.

²⁵⁹ International trade administration implements organizational changes to offer better client services, The U.S Department of Commerce (Washington DC) 17 October 2013. Date of Access: 28 December 2013. <http://trade.gov/press/press-releases/2013/international-trade-administration-implements-organizational-changes-to-offer-better-client-services-101713.asp>.

²⁶⁰ International trade administration implements organizational changes to offer better client services, The U.S Department of Commerce (Washington DC) 17 October 2013. Date of Access: 28 December 2013. <http://trade.gov/press/press-releases/2013/international-trade-administration-implements-organizational-changes-to-offer-better-client-services-101713.asp>.

²⁶¹ International trade administration implements organizational changes to offer better client services, The U.S Department of Commerce (Washington DC) 17 October 2013. Date of Access: 28 December 2013. <http://trade.gov/press/press-releases/2013/international-trade-administration-implements-organizational-changes-to-offer-better-client-services-101713.asp>.

²⁶² President Obama to announce first- ever federal effort to attract job creating foreign investment to the United States, The White House Press Office (Washington DC) 31 October 2013. Date of Access 27 December 2013. <http://www.whitehouse.gov/the-press-office/2013/10/31/president-obama-announce-first-ever-federal-effort-attract-job-creating->.

²⁶³ President Obama to announce first- ever federal effort to attract job creating foreign investment to the United States, The White House Press Office (Washington DC) 31 October 2013. Date of Access 27 December 2013. <http://www.whitehouse.gov/the-press-office/2013/10/31/president-obama-announce-first-ever-federal-effort-attract-job-creating->.

²⁶⁴ Barack Obama unveils plan to attract foreign direct investment, The Financial Times (London) 27 October 2013. Date of Access: 27 December 2013. <http://www.ft.com/intl/cms/s/0/e3ad9d9c-41f4-11e3-9d3c-00144feabdc0.html#slide0>.

The European Union's current account surplus is recorded at EUR 5 billion higher than the surplus in the third quarter of 2012.²⁶⁵

One of the chief reasons for the European Union's large and persistent surplus is Germany's buoyant surplus, which as of September 2013 became the largest in the world.²⁶⁶ Surpluses and deficits in the Euro zone are closely interconnected, owing to cross-border trade, and surplus of a large economy like Germany has a strong impact.²⁶⁷

On 13 November 2013, the European Commission announced it would launch a detailed analysis of Germany's current account surplus, to ascertain whether it indicates a serious imbalance that could be harmful to the euro zone.²⁶⁸ Germany's surplus is in excess of 6 per cent of the GDP, a rate which puts Germany in violation of one of the European Commission's new rules regulating economic imbalances.²⁶⁹ Commission President Jose Manuel Barroso expressed concerns that Germany's high exports are preventing struggling E.U. members from developing their own exports.²⁷⁰

For its efforts to review the German surplus and issue measures to balance the current accounts of the EU members to ensure recovery, the European Union is awarded a score of +1 for full compliance.

Analyst: Emily Johnson

²⁶⁵ EU28 Current Account Surplus 5.6 bn Euro, Eurostat (Brussels) 6 December 2013. Date of Access: 5 January 2014. http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/2-06122013-AP/EN/2-06122013-AP-EN.PDF.

²⁶⁶ EU Starts Investigating German Current Account Surplus, Reuters U.S. Edition (New York) 13 November 2013. Date of Access: 2 January 2014. <http://www.reuters.com/article/2013/11/13/eu-germany-surplus-idUSL5N0IY2IJ20131113>.

²⁶⁷ Commission Publishes Report on Current Account Surpluses in the EU, European Commission (Brussels) 18 December 2014. Date of Access: 5 January 2014. http://europa.eu/rapid/press-release_MEMO-12-1002_en.htm.

²⁶⁸ EU Starts Investigating German Current Account Surplus, Reuters U.S. Edition (Brussels) 13 November 2013. Date of Access: 2 January 2014. <http://www.reuters.com/article/2013/11/13/eu-germany-surplus-idUSL5N0IY2IJ20131113>.

²⁶⁹ European Commission Launches Review of Germany's Export Surplus, The Guardian (London) 13 November 2013. Date of Access: 6 January 2014. <http://www.theguardian.com/world/2013/nov/13/germany-export-surplus-european-commission-review>.

²⁷⁰ European Commission Launches Review of Germany's Export Surplus, The Guardian (London) 13 November 2013. Date of Access: 6 January 2014. <http://www.theguardian.com/world/2013/nov/13/germany-export-surplus-european-commission-review>.

4. Trade: Green Growth [54]

“We commit our support to efforts to liberalise trade in green goods and services, emphasising that progress in this area will boost green growth.”

2013 G8 Lough Erne Leaders Communiqué

Assessment:

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

Background

The G8, G20 and Asia-Pacific Economic Cooperation (APEC) forum have made commitments to liberalize trade and agreed to promote it.²⁷¹ The leaders of APEC made an agreement on a list of environmental goods on which they plan to cut tariffs to 5 per cent or less by 2015.²⁷² At the APEC meeting on 9 September 2012, APEC leaders also agreed to eliminate non-tariff barriers such as local requirements distorting green goods and services trade.²⁷³ This initiative creates jobs and strengthens its commitment to trade liberalization and green growth.²⁷⁴

At the 2013 Lough Erne Summit, G8 countries defined trade as a key point of economic growth.²⁷⁵ They promised to break down barriers to trade and combat protectionism.²⁷⁶ G8 leaders also declared a stronger commitment to tackling climate through efforts to promote future economic growth, stating that “It is one of the foremost challenges for our future economic

²⁷¹ The Next Steps to Green, Free trade, World Economic Forum (Geneva). 12 June 2012, Date of Access: 4 December 2013. <http://forumblog.org/2012/06/the-next-steps-to-green-free-trade/>

²⁷² The Next Steps to Green, Free trade, World Economic Forum (Geneva). 12 June 2012, Date of Access: 5 December 2013. <http://forumblog.org/2012/06/the-next-steps-to-green-free-trade/>

²⁷³ APEC List of Environmental Goods: Promoting Exports, Creating Jobs, and Advancing Green Growth and Sustainable Development, Office of the U.S Trade Representative (Washington). September 2012, Date of Access 4 December 2013. <http://www.ustr.gov/about-us/press-office/fact-sheets/2012/september/apec-environmental-goods>

²⁷⁴ APEC List of Environmental Goods: Promoting Exports, Creating Jobs, and Advancing Green Growth and Sustainable Development, Office of the U.S Trade Representative (Washington). September 2012, Date of Access 4 December 2013. <http://www.ustr.gov/about-us/press-office/fact-sheets/2012/september/apec-environmental-goods>

²⁷⁵ G8 Lough Erne Leaders Communiqué, G8 Research Group (Toronto) 18 June 2013. Date of Access: 4 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html#trade>

²⁷⁶ G8 Lough Erne Leaders Communiqué, G8 Research Group (Toronto) 18 June 2013. Date of Access: 4 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html#trade>

growth and well-being.”²⁷⁷ In order to liberalize trade and parts of the economy which do not result in climate change impacts, the G8 countries committed to supporting the liberalization of green goods and services trade as well as boosting green growth by reducing tariffs on environmental goods.²⁷⁸

Commitment Features:

At the Lough Erne Summit, the G8 countries committed to increase trade in areas where the environment is not affected as a result of increased trade. In order for this to be achieved, G8 countries have committed to liberalize trade on environmental goods and services between countries by reducing tariffs to a certain level. G8 commended APEC “decision in September 2012 to reduce tariffs on environmental goods as an important contribution to” liberalization of trade in environmental goods and services, thus the APEC List of Environmental Goods should be used when assessing compliance.²⁷⁹ In order to fulfill this commitment, each country has to take actions to reduce tariffs on green goods and services to 5% or less.

Scoring:

-1	Member does not take any actions to liberalize trade in green goods and services.
0	Member takes actions to liberalize trade in green goods and services (e.g. developing an action plan of liberalization) OR reduces its tariffs on green goods and services.
+1	Member takes actions to liberalize trade in green goods and services (e.g. developing an action plan of liberalization) AND reduces its tariffs on green goods and services.

Lead Analyst: Eric Na

Canada: +1

Canada has fully complied with its responsibility to deduce taxes for the environmental goods:

Canada’s compliance in this commitment is largely due to the fact that Canada’s tariffs on green goods were already lowered prior to the current compliance cycle. On 27 March 2013, Minister of Finance Jim Flaherty announced, that Harper’s government has already reduced taxes to 5 per cent for certain environment goods produced in the members of the Asia-Pacific Economic Co-operation forum, such as solar water heaters. For this compliance cycle however, the Canadian Government planned to reduce its taxes for the environmental goods below 5 per cent level.²⁸⁰

Thus, Canada has been awarded a score of +1 for full compliance. However, there is still room for Canada to expand its green growth program.

Analyst: Volodymyr Sukhodolskiy

France: 0

France has partially complied with its commitment to promote green trade by liberalizing trade barriers.

²⁷⁷ G8 call for stronger action on climate change, Energy and Environment Management (Warrington) <http://www.eaem.co.uk/news/g8-call-stronger-action-climate-change>

²⁷⁸ G8 Lough Erne Leaders Communiqué, G8 Research Group (Toronto) 18 June 2013. Date of Access: 4 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html#trade>

²⁷⁹ ANNEX C — APEC List of Environmental Goods, APEC. http://apec.org/Meeting-Papers/Leaders-Declarations/2012/2012_aelm/2012_aelm_annexC.aspx

²⁸⁰ Harper Government Shows Global Leadership in Trade Liberalization, Department of Finance (Ottawa) 27 March 2013. Date of Access: 21 December 2013. <http://www.fin.gc.ca/n13/13-045-eng.asp>

France has announced no substantive cuts to tariffs on green goods. However, at the Global Green Growth Forum in October 2013²⁸¹ French Minister for Foreign Trade Nicole Briché announced that France was prepared to present a joint declaration with Denmark pushing for green trade liberalization in the European Union.²⁸² Additionally, France and Denmark also encouraged the EU to join an initiative led by the Asia-Pacific Economic Co-operation forum to lower to cut tariffs on a number of green goods and services to under five percent at an EU ministerial meeting in October 2013.²⁸³

Though France has made no substantive attempts to cut tariffs on green goods and services, it has discussed the issue. Thus, France has been awarded a partial score of 0.

Analyst: Ujwal Ganguly

Germany: -1

Germany has not complied with its commitment to lower tariffs on green goods and services.

Because Germany has not released any statements declaring their willingness to lower tariffs in the Environmental Goods and Services sector, they have received a score of -1.

Analyst: Tracy Wang

Italy: -1

Italy has not complied with its commitment to lower tariffs on green goods and services.

Italy has not demonstrated any efforts towards lowering tariffs on green goods and services. Furthermore, Italy has not released any information discussing the issue.

As a consequence, Italy has been awarded a score of -1.

Analyst: Lucia Vanta

Japan: +1

Japan has complied with its commitment to reduce tariffs on green goods and services. Since Japan does not have a single tariff level for environmental goods of more than 5 per cent, it has already complied with the commitment prior to the current compliance cycle.²⁸⁴

Members of Japan's government have also continually announced support for the reduction of these tariffs by 2015 in other communities and have been on the forefront of their development with the Asia-Pacific Economic Co-operation (APEC) forum.²⁸⁵

²⁸¹ PPP Sessions, Global Green Growth Forum (Copenhagen) 2013. Date of Access: 31 December 2013. <http://3gf.dk/en/3gf-2013/introduction/>.

²⁸² France and Denmark in push for global green free trade, businessGreen (London) 22 October 2013. Date of Access: 31 December 2013. <http://www.businessgreen.com/bg/analysis/2301958/france-and-denmark-in-push-for-global-green-free-trade>.

²⁸³ France and Denmark in push for global green free trade, businessGreen (London) 22 October 2013. Date of Access: 31 December 2013. <http://www.businessgreen.com/bg/analysis/2301958/france-and-denmark-in-push-for-global-green-free-trade>.

²⁸⁴ APEC's environmental goods initiative: How climate-friendly is it?, International Centre for Trade and Sustainable Development Bridges Trade BioRes Review (Geneva) November 2012. Date of Access: 20 December 2013. <http://ictsd.org/i/news/bioresreview/150577/>.

On 7 and 8 October 2013, Prime Minister Shinzo Abe attended the APEC Economic Leaders' Meeting held in Bali, the Republic of Indonesia. The leaders agreed upon a declaration supporting the implementation of the APEC List of Environmental Goods.²⁸⁶

Thus, since Japan's compliance goals were already met, Japan has been awarded a +1 for technical for full compliance.

Analyst: Tracy Wang

Russia: +1

Russia has fully complied with the commitment on liberalizing trade in green goods and services.

On 25 June 2013, the Collegium of the Eurasian Economic Community (Belarus, Kazakhstan, Russia) decided to lower tariffs on certain elements of the APEC list of environmental goods, including: multilayer flooring panels (HS 4418 72 000) from 20 to 17 per cent, parts for steam and other vapour turbines (HS 8406 90 100) from 10 to 8.8 percent, light emitting diodes (HS 8541 40 100) from 10 to 6.7 percent, instruments and apparatus for measuring or checking pressure (HS 9026 20 200 8) from 10 to 6.7 percent, other instruments and apparatus (HS 9026 80 200 9) from 10 to 6.7 percent.²⁸⁷

Russia has taken actions to liberalize trade in green goods by reducing its import tariffs on a number of environmental goods. Thus, Russia receives a score of +1.

Analyst: Andrei Sakharov

United Kingdom: -1

The United Kingdom did not comply with its commitment to reduce tariffs on environmental goods.

As the United Kingdom has not reduced its taxes for environmental goods to below the five percent threshold, the United Kingdom has been awarded a score of -1.

Analyst: Volodymyr Sukhodolskiy

United States: 0

The United States has partially complied with its commitment to green growth in trade.

In June 2013, the United States released The President's Climate Action Plan, which states that "The U.S. will work with trading partners to launch negotiations at the World Trade Organization towards global free trade in environmental goods, including clean energy technologies such as

²⁸⁵ APEC's environmental goods initiative: How climate-friendly is it?, International Centre for Trade and Sustainable Development Bridges Trade BioRes Review (Geneva) November 2012. Date of Access: 26 December 2013. <http://ictsd.org/i/news/bioresreview/150577/>.

²⁸⁶ APEC 2013 Leaders Declaration was adopted, October 2013 News Releases (Tokyo) 9 October 2013. Date of Access: 20 December 2013. http://www.meti.go.jp/english/press/2013/1009_03.html.

²⁸⁷ Decision by the Collegium of the Eurasian Economic Community of 25.06.2013 N 139 "On the amendments to the Common Commodity Nomenclature of Foreign Economic Activity of the Customs Union and the Common Customs Tariff of the Customs Union, Consultant 25 June 2013. Date of Access: 15 January 2014. http://www.consultant.ru/document/cons_doc_LAW_148352/.

solar, wind, hydro and geothermal.”²⁸⁸ In addition, the United States stated its intention to expand the proposed membership of this free trade zone from the original APEC members to include members of the World Trade Organization (WTO) over the next year. The United States also stated its intention to work with the Trade in Services Agreement negotiations in the interest of expanding the free trade of environmental goods.²⁸⁹

On 24 January 2014, the United States met with thirteen other WTO members and announced plans for an initiative to entirely eliminate tariffs on environmental goods within the WTO.²⁹⁰

Thus, the United States has promised to reduce its tariffs on green goods and services to well below five per cent. However, as it has not taken any significant steps to do so, it has been awarded a score of 0 for partial compliance.

Analyst: Guillaume Kishibe

European Union: -1

The European Union has failed to comply with its trade commitment.

The EU has thus far not put forward any substantive efforts towards lowering tariffs on green goods and services. Furthermore, the EU has also not released any information discussing the issue.

Thus, for failing to comply with its trade commitment the European Union has been awarded a score of -1.

Analyst: Ujwal Ganguly

²⁸⁸ The President’s Climate Action Plan, the White House (Washington) June 2013. Date of Access: 24 January 2014.

http://search.whitehouse.gov/search?affiliate=wh&query=president%27s+climate+action+plan&submit.x=0&submit.y=0&form_id=usasearch_box.

²⁸⁹ The President’s Climate Action Plan, the Executive Office of the President (Washington) June 2013. Date of Access: 24 January 2014.

http://search.whitehouse.gov/search?affiliate=wh&query=president%27s+climate+action+plan&submit.x=0&submit.y=0&form_id=usasearch_box.

²⁹⁰ Promoting Green Goods Trade to Address Climate Change, the White House (Washington) 24 January 2014. Date of Access: 24 January 2014. <http://www.whitehouse.gov/blog/2014/01/24/promoting-green-goods-trade-address-climate-change>.

5. Trade: Africa Trade and Infrastructure [69]

Commitment:

“The G8 commits to explore and identify in advance of our next meeting the further steps it can take together or individually, in collaboration with the private sector, International Financial Institutions (IFIs) and other international organisations to facilitate institutional investment flows into bankable trade-related infrastructure projects in developing countries.”

2013 Lough Erne Declaration

Assessment:

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

Background:

Foreign aid and assistance to developing regions, particularly Africa, has been a long-standing focus for member states. Though disagreements have ensued over aid in the past, G8 member states have been able to agree on infrastructure spending and trade-based initiatives as means of improving economic conditions. At the 2005 Gleneagles Summit, leaders pledged to improve Africa’s capacity for trade by supporting three initiatives: the stimulation of growth and the improvement of the business climate in Africa; the development of Africa’s capacity to trade; and the mobilization of investment in infrastructure for local businesses.

At the 2008 Hokkaido Summit, member states reaffirmed their support for Aid for Trade with a special focus on Africa. This initiative, which was created in 2005 at the Hong Kong Ministerial Conference of the World Trade Organization (WTO), involves both governments and multilateral institutions such as the World Bank and regional development banks, supporting infrastructure and capacity building in developing countries. Aid for Trade aims to help developing countries build supply-side capacity and trade-related infrastructure in order to implement and benefit from WTO agreements, as well as increase overall trade.

At the 2012 Camp David Summit, member states declared their support for increased coordination between the African Regional Economic Communities (RECs) and the African Union (AU), the implementation of trade corridors, and policy reforms for increasing regional trade and improving infrastructure through the implementation of the Minimum Integration Program (MIP). The MIP consists of a variety of activities conducted through the RECs that will ensure greater regional and continental integration.

Commitment Features:

This commitment, which is part of a broader trade and African-focused agenda, focuses on exploring and identifying collaborative measures between the private sector, international financial institutions (IFIs), and other international organizations to invest in trade-related

infrastructure projects in developing countries, with a focus on Africa. Member states hope to promote “inclusive and resilient growth in Africa” through greater transparency, improved infrastructure, better trade facilitation, the elimination of trade barriers, and the management of natural resources. Both an increase in regional trade within Africa and initiatives to reduce continental trade barriers are strongly welcomed.

The G8 will work with both African countries and regional economic communities, in order to help implement the AU reach its target of doubling intra-Africa trade, and reducing crossing times at key border posts by 50% by 2022. Member states also urge multilateral development institutions to establish and prioritize more effective mechanisms for collaboration on project preparation, funding and risk mitigation for Africa’s regional infrastructure programs, such as the Programme for Infrastructure Development (PIDA).

G8 members committed to explore and identify measures to facilitate institutional investments into bankable trade-related infrastructure projects in developing countries in advance of the next summit, but did not pledge to take these measures. Thus, the scoring is based on relevant discussions and negotiations with private sector, International Financial Institutions (IFIs) and other international organizations. In order to achieve full compliance a member should explore and identify possible steps with all these partners.

Scoring:

-1	Member does not explore AND does not identify potential collaborative measures regarding trade-related infrastructure projects in developing countries.
0	Member explores potential measures regarding trade-related infrastructure projects in developing countries in collaboration with the private sector OR IFIs as well as other international organisations.
+1	Member explores potential measures regarding trade-related infrastructure projects in developing countries in collaboration with the private sector AND IFIs as well as other international organisations.

Lead Analyst: David Cosolo

Canada: +1

Canada has fully complied with its commitment to explore and identify steps it can take to facilitate institutional investment flows into bankable trade-related infrastructure projects in developing countries. It has done so by conducting foreign investment promotion and protection agreements (FIPAs) with a number of developing countries. Foreign investment promotion and protection agreements are “aimed at protecting and promoting foreign investment through legally-binding rights and obligations.”

On 26 September 2013, Canada’s Minister of International Development and Minister for La Francophonie Christian Paradis concluded a foreign investment promotion and protection agreement between Canada and Côte d’Ivoire. The agreement is intended to promote a predictable market policy framework with Côte d’Ivoire through legally binding provisions, thereby encouraging investment flows between the two countries.

On 5 December 2013, Minister Fast concluded a FIPA between Canada and Guinea. The agreement is intended to promote a predictable market policy framework with Guinea through legally binding provisions, thereby encouraging investment flows between the two countries.

Due to its commitment to promote investment flows into developing countries, Canada has been awarded a score of +1.

Analyst: James Flynn

France: +1

France has fully complied with the exploration and identification of potential collaborative measures regarding trade-related infrastructure projects in developing countries that may be instituted at a future date.

On 26 June 2013, the annual Forum for Political Dialogue (FPD) between France and South Africa took place in Paris where discussions focused on bilateral, regional, and global developments. French Secretary-General of Foreign Affairs Pierre Sellal and South African Director-General of International Relations and Cooperation Jerry Matjila addressed the economic challenges of the strategic partnership between France and South Africa in the fields of energy, transport, technology, and science.

On 31 July 2013, Prime Minister Jean-Marc Ayrault addressed the Interministerial International Cooperation and Development Committee in Paris regarding the allocation of funds for France's development assistance efforts. In total, France is contributing more than EUR 9.3 billion in 2013 in Official Development Assistance, 85 per cent of which will go to Africa and the Mediterranean. According to Ayrault, sixteen African countries are the top priority for aid. The French government emphasized transparency and the effective distribution and control of aid since "it's in the interest of the countries concerned and it's in France's interest too."

From 4 December 2013 to 5 December 2013, Forum Africa: 100 Innovations for Sustainable Development was showcased as part of the Élysée Summit for Peace and Security in Africa. This event was held to promote innovations by African men and women in technological, economic, social, and environmental fields as well as African entrepreneurship and inclusive growth. The forum was organized by the French Ministry of Foreign Affairs, on the initiative of the Minister Delegate for Development, Pascal Canfin. This forum is in compliance with France's effort to promote growth and expansion of regional infrastructure programs in Africa.

From 6 December 2013 to 7 December 2013, France and 53 delegations from African countries took part in the Élysée Summit for Peace and Security in Africa, held in Paris. Representatives from the United Nations, the African Union, the European Union, the International Monetary Fund, the World Bank, and the African Development Bank were also present in the Summit. Discussions concerning economic partnership and development led to the reaffirmation of the economic relationship between France and Africa, with both parties determined to modernize this relationship by promoting quality growth and a sustainable economy. France committed to promote Africa's sustainable development from an economic, social, and environmental point of view through the Agence française de développement. An agreement was also made to organize a meeting between French and African economy ministers in 2014 and an Africa-France business forum to bring together various private companies.

As a result of France's initiative to facilitate collaboration with Africa and developing countries, it has been awarded a score of +1.

Analyst: Krizia Lutan

Germany: 0

Germany has partially complied with its commitment to explore and identify steps it can take to cooperate on collaborative measures regard trade-related infrastructure projects in development countries, particularly in Africa.

During the opening of the EU-South Africa summit in Pretoria on 18 July 2013, the German bank KfW finance bank, along with the Development Bank of Southern Africa, the European Investment Bank, and the French development agency will cooperate to fund EUR 100 million for regional infrastructure projects relating to the energy, transport, and trade sectors in South Africa.²⁹¹

On 13-18 October 2013, Germany Trade and Invest with Southern African-German Chamber of Commerce and Industry facilitated the visit of a delegation of eastern German companies to various business sectors in South Africa.²⁹² This trip was part of a larger framework of “German Weeks” organized by German institutions in South Africa from 12 September to 19 October 2013 to link business opportunities between “Africa’s biggest economy” and German companies.^{293 294}

On 5-6 December 2013, the 1st German-African Infrastructure Forum, with patronage from the Federal Ministry of Economics and Technology, took place in Munich.²⁹⁵ This conference focused on partnership for transportation, construction, and logistics.

Germany has explored various methods of economic and development cooperation with Africa through summits, forums, and visits but has not concluded or extended any concrete agreements with African countries to facilitate trade and infrastructure projects. Thus, it receives a score of 0.

Analyst: Sarah Danruo Wang

Italy: +1

Italy has fully complied with its commitment to explore and identify potential collaborative measures regarding trade-related infrastructure projects.

On 4 July 2013, Servizi Assicurativi del Commercio Estero (SACE), Italy’s state-owned export credit agency and credit insurer, announced a planned EUR 250 million pipeline of projects to support trade and private investment in Sub-Saharan Africa. SACE affirmed continuation of its risk-management partnership with the African Trade Insurance Agency (ATIA) that includes

²⁹¹ EU Pledges €100m infrastructure aid as South Africa Summit opens, EURActiv (Brussels) 18 July 2013. Date of Access: 7 January 2014. <http://www.euractiv.com/development-policy/eu-stumps-100m-infrastructure-ai-news-529356>.

²⁹² Eastern German Delegation Visit to South Africa, Germany Trade and Invest (Berlin) 14 October 2013. Date of Access: 7 January 2014. <http://www.gtai.de/GTAI/Navigation/EN/Invest/Business-location-germany/powerhouse-eastern-germany,did=901008.html>.

²⁹³ Eastern German Delegation Visit to South Africa, Germany Trade and Invest (Berlin) 14 October 2013. Date of Access: 7 January 2014. <http://www.gtai.de/GTAI/Navigation/EN/Invest/Business-location-germany/powerhouse-eastern-germany,did=901008.html>.

²⁹⁴ Investor Forum for South African Businesses, Germany Trade and Invest (Berlin) 14 October 2013. Date of Access: 7 January 2014. <http://www.gtai.de/GTAI/Navigation/EN/Invest/Business-location-germany/powerhouse-eastern-germany,did=852338.html>.

²⁹⁵ 1st German-African Infrastructure Forum, Afrika-Verein Veranstaltungs-GMBH (Munich) 5-6 December 2013. Date of Access: 7 January 2014. http://www.gaif.de/fileadmin/user_upload/GAIF_13/Program%20-%201st%20German-African%20Infrastructure%20Forum%20December%205th%20-%206th%202013%20Munich.pdf.

support of EUR 300 million loans for energy infrastructure and more than EUR 10 million for industrial machinery.

On 23 November 2013, the Egyptian Ministry of Supply and Internal Trade announced an agreement with Italian Ambassador to Cairo Maurizio Massari for a EUR 66 million Italian grant for joint agriculture and food development projects. The Egyptian Ministry for Transportation also announced potential joint projects with the Italian government for the construction of high-speed rail infrastructure.

As part of its efforts with the World Trade Organization (WTO), Italy contributed to the success of the “Bali package” and to the reduction of trade barriers and the establishment of more trade-favorable infrastructure between states, as announced on 7 December 2013.

Italy has identified specific collaborative measures for trade-related infrastructure projects in several developing countries that shall or may be implemented. Thus, Italy has been awarded a score of +1.

Analyst: Jerome Newton

Japan: 0

Japan has partially complied with its commitment to explore and identify steps it can take to facilitate institutional investment flows into bankable trade-related infrastructure projects in developing countries.

On 22 August 2013, the Japan International Cooperation Agency announced that it had signed official implementation agreements for the “Project for Capacity Development of Legal, Judicial and Relevant Sectors in Myanmar.” The three-year project is designed to better assist Myanmar in enforcing the rule of law. This will assist the government of Myanmar to “create a business-friendly legal system to promote the market economy and attract more foreign investment.”

On 7 November 2013, the Japan International Cooperation Agency signed a memorandum of understanding with the Inter-American Development Bank on the Emerging and Sustainable Cities Initiative. One of the goals of the Emerging and Sustainable Cities Initiative is developing a stable investment environment — both domestic and foreign — for urban development.

Thus, Japan has been awarded a score of 0 for identifying prospective development agreements with international stakeholders.

Analyst: James Flynn

Russia: -1

Russia has failed to comply with its commitment to explore and identify steps it can take to facilitate institutional investment flows into bankable trade-related infrastructure projects in developing countries.

No information on Russia’s actions to facilitate institutional investment flows into bankable trade-related infrastructure projects in developing countries has been registered.

Thus, Russia has been awarded a score of -1 for failing to comply with the commitment.

Analyst: Andrei Sakharov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to explore and identify steps it can take to facilitate institutional investment flows into bankable trade-related infrastructure projects in developing countries.

On 15 July 2013, the United Kingdom, represented by Secretary of State for International Development Justine Greening, announced a GBP7.2 million investment in the International Trade Centre. The centre's research is focused on eliminating barriers to trade, and facilitating investment flows in developing countries. The United Kingdom's Department for International Development also announced a GBP57.4 million project to build shipping infrastructure in Uganda and Kenya, and modernize the Kenyan port of Mombasa. On 6 November 2013, Secretary Greening, announced a GBP10 million fund to reduce transport costs and improve trade in East Africa. The representative emphasized the importance of eliminating red-tape and developing infrastructure in the region.

On 20 November 2013, the United Kingdom also announced a GBP6 million plan to improve tax collection in developing countries. The plan will fund four international projects that will "improve revenue collection and help authorities to combat tax evasion and avoidance" in developing countries. The plan also includes the establishment of a database of tax inspectors who can advise developing countries on tax audits.

On 19 December 2013, the United Kingdom announced a contribution of GBP938 million per year for the next three years to the International Development Association (IDA). The contribution also included GBP500 million in concessional loans over the three-year period. The IDA is the arm of the World Bank that provides development assistance to developing countries. Among other things, the IDA provides loans to small businesses, and supports access to electricity. Due to its commitment to eliminating barriers to trade in developing countries, the United Kingdom has been awarded a score of +1.

Analyst: James Flynn

United States: +1

The United States has fully complied with its commitment to explore and identify potential collaborative measures regarding trade-related infrastructure projects in developing countries. It is examining pertinent aspects of infrastructure projects in future legislation and has identified several measures for present and future implementation.

On 30 June 2013, United States President Barack Obama announced Power Africa, an initiative to boost the availability of electricity in Africa. Power Africa aims to leverage "private sector engagement" and co-operation with the World Bank and African Development Bank to "facilitate future investment" and achieve energy security.

On 1 July 2013, President Obama announced Trade Africa, a partnership between the U.S. and the East African Community (EAC) to "increase internal and regional trade within Africa." The initiative's specific goals include supporting regional integration through the reduction of border controls, building the capacity of the private sector to construct trade-related infrastructure, and doubling intra-regional trade.

On 12 December 2013, a bipartisan group of leaders from the U.S. House of Representatives and Senate requested a study to examine the effectiveness of the 2000 U.S. African Growth and Opportunity Act (AGOA), which is due for renewal in 2015. Various questions arose related specifically to the improvement of the legislation in fostering infrastructure development, investment, and trade in Africa. On 13 November 2013, the U.S. International Trade Commission

announced four studies on the effects of the AGOA. One study assesses the relationship between potential “sub-Saharan reciprocal trade agreements” and AGOA “trade performance” factors with a view to amending the legislation for renewal.

The United States has identified specific potential collaborative measures regarding trade-related infrastructure projects in Africa. Thus, the United States has been awarded a score of +1.

Analyst: Jerome Newton

European Union: +1

The European Union has fully complied with its effort to identify specific collaborative measures regarding trade-related infrastructure projects in developing countries that may be instituted at a future date.

From 15 July 2013 to 19 July 2013, European Union Trade Commissioner Karel De Gucht travelled to Kenya, Namibia, Botswana, and South Africa to discuss ways to strengthen trade and investment relations with the African region through comprehensive trade and development partnerships.²⁹⁶ The Commissioner’s visits aimed to boost trade relations and to prepare for the conclusion of Economic Partnership Agreements (EPAs) between the EU and the Eastern African Community (EAC) and the South African Development Community (EADC).²⁹⁷

On 18 July 2013, the sixth South Africa-EU Summit was held in Pretoria, South Africa.²⁹⁸ Discussions regarding the promotion of sustainable development and strategic partnership led to the agreement of job-creation through inward investments, with the future establishment of the South Africa-EU Business Council.²⁹⁹ Both parties remain committed to open and transparent trade rules in line with their bilateral and multilateral commitments.

South Africa and the EU have shown initiative to pursue discussions regarding a Joint Africa-EU Strategy to remain as the political framework to steer continent-to-continent relations with relevant stakeholders in the upcoming 4th EU-Africa Summit scheduled for April 2014 in Brussels.³⁰⁰

The European Union has also engaged in economic partnership and development discussions in the Élysée Summit for Peace and Security in Africa, which was held from 6 December 2013 to

²⁹⁶ European Trade Commissioner Karel De Gucht on visit to Kenya, Namibia, Botswana and South Africa, European Union (Brussels), 12 July 2013. Date of Access: 19 December 2013.
http://europa.eu/rapid/press-release_IP-13-686_en.htm

²⁹⁷ European Trade Commissioner Karel De Gucht on visit to Kenya, Namibia, Botswana and South Africa, European Union (Brussels), 12 July 2013. Date of Access: 19 December 2013.
http://europa.eu/rapid/press-release_IP-13-686_en.htm

²⁹⁸ South Africa-EU Summit, European Union (Brussels), 16 July 2013. Date of Access: 19 December 2013.
http://europa.eu/rapid/press-release_IP-13-694_en.htm

²⁹⁹ Sixth South Africa-European Union Summit Joint Communiqué, Council of the European Union (Brussels), 19 July 2013. Date of Access: 19 December 2013
http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/138179.pdf

³⁰⁰ Sixth South Africa-European Union Summit Joint Communiqué, Council of the European Union (Brussels), 19 July 2013. Date of Access: 19 December 2013
http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/138179.pdf

7 December 2013 in Paris, France.³⁰¹ Support was provided for the purpose of EPAs between the European Union and African regional economic communities, to assist the integration of the African economy into international exchanges and for the flexibility to enable further participation by other African countries.

The European Union has worked with various African states to ensure the reaffirmation and effectiveness of previous trade agreements. Efforts made to initiate further discussions have led to the establishment of new partnerships and agreements as well as new discussion topics for future summits. The European Union thus receives a score of +1.

Analyst: Krizia Lutan

³⁰¹ Élysée Summit for Peace and Security in Africa, France in Ghana (Accra), 17 December 2013. Date of Access: 19 December 2013. <http://sommenet-afrique.elysee.fr/sommenet-de-l-elysee-pour-la-paix-et-la-securite-en-afrique-declaration-finale>

6. Finance: Tax Evasion and Profit Shifting [76]

Commitment:

“[We agree] to ensure that our own tax rules do not allow or encourage any multinational enterprises to reduce overall taxes paid by artificially shifting profits to low-tax jurisdictions.”

2013 Lough Erne Leaders’ Communiqué

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France			+1
Germany			+1
Italy			+1
Japan		0	
Russia			+1
United Kingdom		0	
United States		0	
European Union		0	
Average Score	+0.44		

Background:

Issues of tax evasion and transparency have featured in past G8 agenda. In 2004 at the Sea Island G8 Summit, steps were taken to fight corruption and improve transparency as well as accountability for both private and public sectors within select countries.³⁰²

At the Heiligendamm G8 Summit in 2007, G8 members also pledged to encourage partner countries and companies within private and public spheres to divulge information to International Financial Institutions such as the International Monetary Fund and the World Bank.³⁰³ Moreover, in 2009 in Lecce, Italy, the G8 Finance Ministers agreed to implement efforts that would ensure global financial stability as well as an international level playing field.³⁰⁴ In accordance, the Finance Minister Jim Flaherty said that the Canadian “government is committed to enhancing the fairness and competitiveness of Canada’s international tax rules.”³⁰⁵ At last year’s Lough Erne 2012 G8 summit, it was made clear that of crucial importance for the maintenance of

³⁰² Transnational Crime and Corruption, G8 Information Centre (Toronto) 15 May 2007. Date of Access: 30 November 2013. http://www.g8.utoronto.ca/evaluations/2006compliance_final/14-2006_g8compliance_crime.pdf

³⁰³ Transnational Crime and Corruption, G8 Information Centre (Toronto) 15 May 2007. Date of Access: 30 November 2013. http://www.g8.utoronto.ca/evaluations/2006compliance_final/14-2006_g8compliance_crime.pdf

³⁰⁴ Statement of G8 Finance Ministers. Department of Finance Canada. 13 June 2009. Date of Access: 30 November 2013. www.fin.gc.ca/n08/09-061-eng.asp.

³⁰⁵ Government of Canada Releases Draft Foreign Affiliate Regulations, Department of Finance Canada (Ottawa) 18 December 2013. Date of Access: 30 November 2012. www.fin.gc.ca/n08/09-120-eng.asp

international fiscal stability, tax rules must be applied to transnational corporations with the aim of fostering fair and effective tax practices.³⁰⁶

In addition, on 24 April 2013, the British Prime Minister David Cameron addressed the proposal of having tax evasion and avoidance as a key concern to the global economy. Prime Minister David Cameron emphasizes the role of the G8 by stating, “tax evasion and aggressive tax avoidance are global problems that require truly global solutions.”³⁰⁷

At the Lough Erne G8 meeting of 2013, The Organisation for Economic Co-operation and Development (OECD) and their plan for addressing Base Erosion and Profit Shifting (BEPS) was introduced.³⁰⁸ The BEPS project calls for implementation of 15 actions that governments along with domestic and international partners can cooperate to prevent unfair manipulation of profits resulting in tax evasion. These include mechanisms such as “the shifting of risks and intangibles,” as well as “the artificial splitting of ownership of assets between legal entities within a group.”³⁰⁹

Commitment Features:

This commitment focuses on preventing profit shifting by multinational corporations for tax avoidance purposes. The aim is to drive policy and legislation in G8 member countries that can be used to target unfair business practices. The immediate objective here is “to restore confidence in the fairness and effectiveness of our international tax rules and practices, and to ensure that each country is able to collect taxes owing and that developing countries are also able to secure the benefits of progress made on this agenda.”³¹⁰

The artificial shifting of profits can be carried out by various methods. For example, a company can shift debt to a high tax jurisdictions thus avoid taxation on foreign subsidiaries, which may be deferred until repatriated.³¹¹ It can also be done by claiming greater profits in low tax jurisdiction; this is called a hybrid entity, and consists of the business having a partnership in one jurisdiction and the corporation in another.

To this end full compliance requires that G8 members to (1) discuss or announce policies or legislation that will directly tackle artificial profit shifting and tax evasion and (2) implemented and enforce new legislation that targets tax evasion by multinational corporations.

³⁰⁶ Lough Erne Joint Communiqué from Group of Eight Leaders (Lough Erne) 18 June 2013 Date of Access: 30 November 2013

<http://iipdigital.usembassy.gov/st/english/texttrans/2013/06/20130618276629.html#axzz2m3EHVebS>

³⁰⁷ PM Letter to the EU on Tax Evasion and Aggressive Avoidance (London) 25 April 2013 Date of Access: 30 November 2013 <http://www.g8.utoronto.ca/summit/2013lougherne/130424-cameron.html>

³⁰⁸ Lough Erne Joint Communiqué from Group of Eight Leaders (Lough Erne) 18 June 2013 Date of Access: 30 November 2013

<http://iipdigital.usembassy.gov/st/english/texttrans/2013/06/20130618276629.html#axzz2m3EHVebS>

³⁰⁹ Addressing Base Erosion And Profit Shifting Date not Given Date of Access: 30 November 2013. <http://www.loyensloeff.com/nl-NL/Documents/OECD.pdf>

³¹⁰ Lough Erne Joint Communiqué from Group of Eight Leaders (Lough Erne) 18 June 2013 Date of Access: 30 November 2013

<http://iipdigital.usembassy.gov/st/english/texttrans/2013/06/20130618276629.html#axzz2m3EHVebS>

³¹¹ Tax Havens: International Tax Avoidance and Evasion (Washington) 23 January 2013 Date of Access: 30 November 2013 <http://www.fas.org/sgp/crs/misc/R40623.pdf>

Scoring Guidelines:

-1	Member has not discussed or announced new policies addressing tax evasion and profit shifting
0	Member has discussed or announced new policies addressing tax evasion and profit shifting but has NOT implemented legislation
+1	Member has implemented new legislation that targets tax evasion and profit shifting.

*Analyst:***Canada: 0**

Canada has partially complied with its commitment to ensure that its tax rules do not allow tax evasion and profit shifting. The Government of Canada has announced new rules, but so far has not passed specific legislation.

On 25 June 2013, Minister of National Revenue Gail Shea announced new rules for Canadians holding foreign property, in the form of a change to the “Foreign Income Verification Statement.” This means that Canadians who hold foreign property with a value of over CAD 100,000 will have to provide additional information on this property to the Canada Revenue Agency (CRA). This includes: (1) the name of the foreign institution holding the funds; (2) the country in which the property is held; (3) the income generated by the property. The new rules will make it easier for the CRA to detect and diminish instances of tax evasion.³¹²

Moreover, on 25 November 2013, Auditor General Michael Ferguson issued a report on the CRA’s progress in combatting foreign tax evasion. The report noted that while the CRA had made progress on tackling tax evasion, it lacks the resources to fully deal with the growing issue. In response to the report, Minister of National Revenue Kerry-Lynne Findlay announced that the CRA was fully complying with Ferguson’s three recommendations. These are: (1) making sure procedures for offshore audits are reformed and clear to staff; (2) establishing clear timelines for the offshore audits; (3) revising its policy on the use of non-prosecution agreements.^{313,314}

Additionally, on 13 December 2013, Industry Minister James Moore announced that the federal government is reviewing the Canada Business Corporations Act, and accepting public input for changes. The review is partly conducted with a focus to increase business transparency with regards to foreign profits—one reform suggested is improving share disclosure rules. The government is accepting written suggestions until March of 2014.³¹⁵

Canada continues to implement existing policies to diminish foreign tax evasion and profit shifting, many of which were introduced in the 2013 budget. While Canada has announced rule

³¹² Harper Government announces new requirements for Canadians with offshore property and income, Canada Revenue Agency (Ottawa) 25 June 2013. Date of Access: 18 December 2013. <http://www.cra-arc.gc.ca/nwsrm/rlss/2013/m06/nr130625-eng.html>

³¹³ Statement by the Honourable Kerry-Lynne D. Findlay on the release of the Auditor General’s Report, Canada Revenue Agency (Ottawa) 26 November 2013. Date of Access: 18 December 2013. <http://www.cra-arc.gc.ca/whtsnw/tms/stmnt131126-eng.html>

³¹⁴ Auditor General: Revenue Agency not prepared for increase in tax-haven cases, Postmedia News (Toronto) 25 November 2013. Date of Access: 18 November 2013. <http://o.canada.com/business/auditor-general-revenue-agency-not-prepared-for-increase-in-tax-haven-cases/>

³¹⁵ Ottawa weighs new rules on executive compensation, director votes, The Globe and Mail (Toronto) 13 December 2013. Date of Access: 18 November 2013. <http://www.theglobeandmail.com/report-on-business/corporate-governance-rules-up-for-review-as-ottawa-launches-consultation/article15947345/#dashboard/follows/>

changes and policy shifts to address tax evasion and profit shifting in this compliance cycle, new legislation has not been enacted since the Loch Erne Summit. Thus, Canada receives a partial score of 0.

Analyst: Alexander Cohen

France: +1

France has fully complied with its commitment implement new legislation that targets tax evasion.

On 25 September 2013, the French government released its 2014 draft Finance Bill. This initially proposed version put forth a bill in line with recent debates regarding Base Erosion Profit Shifting (BEPS).³¹⁶

Additionally, on 19 November 2013, the French National Assembly adopted a revised version of the Finance Bill draft for 2014.³¹⁷ The bill includes several amendments to the original draft brought forth on 25 September 2013 including the strengthening of anti-tax evasion rules and transfer pricing documentation requirements.³¹⁸

France has fully complied with its commitments and has been awarded +1 for the ongoing discussion and debates by the French Senate to put forth the final 2014 Finance Bill where tax evasion is directly targeted.

Analyst:

Germany: +1

Germany has fully complied with its commitment to implement more comprehensive tax regulations that do not allow companies to artificially shift profits to low-tax jurisdictions.

On 9 April 2013, Germany along with France, Spain, Italy, and the UK launched an action plan with OECD to combat tax evasion and increase transparency throughout the system.³¹⁹ The forum includes 119 members that aim to increase transparency in the system by creating an automatic exchange of information. The German Chancellor Angela Merkel highly supports the new plan to

³¹⁶ French National Assembly adopts draft 2014 Finance Bill and French Government releases draft Amended 2013 Finance Bill (UK) 20 November 2013. Date of Access: 29 December 2013. [http://www.ey.com/Publication/vwLUAssets/French_National_Assembly_adopts_draft_2014_Finance_Bill_and_French_Government_releases_draft_Amended_2013_Finance_Bill/\\$FILE/2013G_CM3978_French%20National%20Assembly%20adopts%20draft%202014%20Finance%20Bill.pdf](http://www.ey.com/Publication/vwLUAssets/French_National_Assembly_adopts_draft_2014_Finance_Bill_and_French_Government_releases_draft_Amended_2013_Finance_Bill/$FILE/2013G_CM3978_French%20National%20Assembly%20adopts%20draft%202014%20Finance%20Bill.pdf)

³¹⁷ French National Assembly adopts draft 2014 Finance Bill and French Government releases draft Amended 2013 Finance Bill (UK) 20 November 2013. Date of Access: 29 December 2013. [http://www.ey.com/Publication/vwLUAssets/French_National_Assembly_adopts_draft_2014_Finance_Bill_and_French_Government_releases_draft_Amended_2013_Finance_Bill/\\$FILE/2013G_CM3978_French%20National%20Assembly%20adopts%20draft%202014%20Finance%20Bill.pdf](http://www.ey.com/Publication/vwLUAssets/French_National_Assembly_adopts_draft_2014_Finance_Bill_and_French_Government_releases_draft_Amended_2013_Finance_Bill/$FILE/2013G_CM3978_French%20National%20Assembly%20adopts%20draft%202014%20Finance%20Bill.pdf)

³¹⁸ French National Assembly adopts draft 2014 Finance Bill and French Government releases draft Amended 2013 Finance Bill (UK) 20 November 2013. Date of Access: 29 December 2013. [http://www.ey.com/Publication/vwLUAssets/French_National_Assembly_adopts_draft_2014_Finance_Bill_and_French_Government_releases_draft_Amended_2013_Finance_Bill/\\$FILE/2013G_CM3978_French%20National%20Assembly%20adopts%20draft%202014%20Finance%20Bill.pdf](http://www.ey.com/Publication/vwLUAssets/French_National_Assembly_adopts_draft_2014_Finance_Bill_and_French_Government_releases_draft_Amended_2013_Finance_Bill/$FILE/2013G_CM3978_French%20National%20Assembly%20adopts%20draft%202014%20Finance%20Bill.pdf)

³¹⁹ Joint statement by Germany, France, Spain, Italy and UK agreeing to enhance exchange of tax information, Federal Ministry of Finance (Berlin) 10 April 2013. Date of Access: 15 December 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2013/2013-04-09-g5-joint-action-to-combat-tax-evasion.html>

tackle tax evasion stating, “the global economy has changed massively over the last decade but global tax rules have stood still for almost a century and Britain will lead the international effort to bring them into the 21st century.”³²⁰

The OECD Secretary General further released a progress report of the Global Forum on Exchange of Information on 23 April 2013. Thus far, Germany is on track to implementing the new initiatives, and is one of five countries that have agreed to enact the Model 1 IGA, which “provides for reporting by financial institutions to their local tax authorities, which then exchange the information on an automatic basis with the residence jurisdiction tax authorities.”³²¹ The report further outlines that the expected dates for completed actions by the countries to implement the new proposals for information sharing outlined by the OECD is September 2014.³²²

In addition, on 29 May 2013, Germany signed a cross-border tax compliance agreement with the United States.³²³ This is another example of Germany’s support and active initiatives in international tax reforms. This accord was modeled after the agreement of France, Italy, Spain, the UK, and Germany to increase information sharing published on 26 May 2012.³²⁴ Moreover on 27 November 2013 a joint statement by the finance ministers of France, Germany, Italy, Spain, and the UK welcomed “Colombia, Greece, Iceland Liechtenstein, Luxembourg and Malta to the G5 pilot initiative on automatic exchange of information.”³²⁵

So far, most of the initiatives have pertained to automatically sharing information between countries to create better regulation and limit the ability to shift profits to decrease taxes and increase revenue, but it will not be until September 2014 that the action plan is expected to take full effect.

Germany has taken active steps at confronting tax evasion via profit shifting. Due to Germany’s involvement with the OECD and its respective action plan, as well as initiatives for tax-reforms, it has attained a compliance score of +1.

Analyst: Amelia Cook

³²⁰ OECD Unveils Plan to End Tax Avoidance, The Telegraph UK, 16 February 2013. Date Accessed: 15 December 2013. <http://www.telegraph.co.uk/finance/personalfinance/consumertips/tax/9873666/OECD-unveils-plan-to-end-tax-avoidance.html>

³²¹ Global Forum on Transparency and Exchange of Information for Tax Purposes, The Organization for Economic Co-Operation and Development (Paris) 19-20 July 2013. Date Accessed: 15 December 2013. <http://www.oecd.org/g20/topics/taxation/>

³²² Global Forum on Transparency and Exchange of Information for Tax Purposes, The Organization for Economic Co-Operation and Development (Paris) 19-20 July 2013. Date Accessed: 15 December 2013. <http://www.oecd.org/g20/topics/taxation/>

³²³ Sharing Tax Information: Joint Statement by G5 Finance Ministers, Federal Ministry of Finance (Berlin) 27 November 2013. Date Accessed: 15 December 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2013/2013-05-29-tax-compliance-agreement-with-us.html>

³²⁴ Sharing Tax Information: Joint Statement by G5 Finance Ministers, Federal Ministry of Finance (Berlin) 27 November 2013. Date Accessed: 15 December 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2013/2013-05-29-tax-compliance-agreement-with-us.html>

³²⁵ Cabinet Approves Cross-Border Tax Compliance Agreement with U.S, Federal Ministry of Finance (Berlin) 29 May 2013. Date Accessed: 15 December 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2013/2013-11-28-joint-statement-g5.html>

Italy: +1

Italy has fully complied with its commitment to prevent tax evasion by multinational corporations, particularly by means of profit shifting to low-tax jurisdiction.

Italy has announced a Google Tax. The new tax will be voted upon, on the 23 December 2013. The Italian government expects the new legislation to force web-based multinational corporations like Google to “pay local taxes on Italian revenue.”³²⁶

The Guardia di Finanza — the Italian tax enforcement body — has published the 2013 guidelines on tax audits for the fiscal year. The guidelines have increased the level of inspection on high risk taxpayers to counter tax evasion. These taxpayers range from small enterprises with turnovers of EUR 5 million, to large enterprises with turnovers of EUR 100 million. These taxpayers are to be inspected following guidelines set out by the OECD.³²⁷

Thus, Italy has been awarded a +1. With passed legislation, such as the one that targets Google, and increased inspection on businesses, in accordance with the OECD, Japan has fully complied with its commitment to prevent tax evasion by means of profit shifting.

Analyst: Andy Li

Japan: 0

Japan has partially complied with its commitment to target acts of tax evasion. It has signed the conventions and the amending protocols with several countries and has stressed the importance of tax evasion policies.

On 28 June 2013, Government of Japan “deposited the Instrument of Acceptance on the Convention on Mutual Administrative Assistance in Tax Matters (the Convention) and the Protocol amending the Convention on Mutual Administrative Assistance in Tax Matters (the Amending Protocol) to the Secretary-General of the Organization for Economic Co-operation and Development (OECD).”³²⁸ The Conventions provide mutual “administrat[ion] supports concerning tax matters between tax authorities of the States Parties (exchange of information concerning tax matters, mutual assistance in recovery of tax claims, and mutual assistance in service of documents on taxes) and also deals with international tax evasion and avoidance in an appropriate manner.”³²⁹

On 5 December 2013, Japanese Ambassador to the Kingdom of Sweden, Seiji Morimoto, and State Secretary to the Minister for Finance of the Kingdom of Sweden, Mikael Lundholm, signed

³²⁶ Bershidsky on Europe: More Calls for ‘Google Tax,’ Bloomberg, 5 November 2013. Date of Access: 20 December 2013. <http://www.bloomberg.com/news/2013-11-05/bershidsky-on-europe-more-calls-for-google-tax-.html>

³²⁷ The war on tax evasion: an Italian perspective, Nexia International, June 2013. Date Accessed: 20 December 2013.

<http://www.nexia.com/Thewarontaxevasion:anItalianperspective>

³²⁸ On the Deposit of the Instrument of Acceptance of the “Convention on Mutual Administrative Assistance in Tax Matters” and the “Protocol amending the Convention on Mutual Administrative Assistance in Tax Matters,” 1 July 2013. Date of Access: 20 December 2013.

http://www.mofa.go.jp/press/release/press6e_000138.html

³²⁹ On the Deposit of the Instrument of Acceptance of the “Convention on Mutual Administrative Assistance in Tax Matters” and the “Protocol amending the Convention on Mutual Administrative Assistance in Tax Matters,” 1 July 2013. Date of Access: 20 December 2013.

http://www.mofa.go.jp/press/release/press6e_000138.html

the Protocol Amending the Convention between Japan and Sweden for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income in Stockholm.³³⁰ The Protocol “expands the scope of exemption of taxes withheld at source on investment income (dividends, interest and royalties) to further promote mutual investments between the two countries,” and also “introduces provisions for preventing tax avoidance regarding with the above mentioned expansion of the scope of exemption.”³³¹

On 17 December 2013, Keiichii Hayashi, Ambassador of Japan to the United Kingdom and Mr. David Gauke MP, Exchequer Secretary to the Treasury of the United Kingdom, signed The Conventions in London.³³² Comparably, on 1 July 2013, the Ministry of Finance announced the Convention signed with the Portuguese Republic on 19 December 2011 will be in effect on 28 July 2013.³³³

Although Japan has discussed tackling tax evasion, primarily through the Convention and Protocol related discussions, it has yet to pass concrete legislation; for this reason Japan has been awarded a partial score of 0.

Analyst:

Russia: +1

Russia has fully complied with the commitment on tax evasion and profit shifting.

On 28 June 2013,³³⁴ Russian President Vladimir Putin signed Federal Law on Amendments to Certain Legislative Acts of the Russian Federation regarding Prevention of Illegal Financial Operations. The law directly addresses tax evasion and profit shifting by providing for measures to prevent the registration of shell companies, expanding state control over financial operations, and introducing the definition of a beneficial owner.³³⁵

On 12 December 2013, Vladimir Putin in his Address to the Federal Assembly proposed some steps to address the challenges of offshore economic activity. In particular, he suggested that companies registered in foreign jurisdictions should not be allowed to use government support measures and state guarantees as well as fulfil government contracts.³³⁶ He also instructed the Government to ensure that companies that are registered in offshore jurisdictions and belong to

³³⁰ Signing of the Protocol Amending Tax Convention with Sweden, Ministry of Foreign Affairs of Japan, 6 December 2013. Date of Access: 19 December 2013.

http://www.mofa.go.jp/press/release/press4e_000120.html

³³¹ Signing of the Protocol Amending Tax Convention with Sweden, Ministry of Foreign Affairs of Japan, 6 December 2013. Date of Access: 19 December 2013.

http://www.mofa.go.jp/press/release/press4e_000120.html

³³² Signing of the Protocol Amending Tax Convention with Sweden, Ministry of Foreign Affairs of Japan, 6 December 2013. Date of Access: 19 December 2013.

http://www.mofa.go.jp/press/release/press4e_000120.html

³³³ Tax Convention with the Portuguese Republic will Enter into Force 1 July 2013. Date of Access: 29 December 2013. https://www.mof.go.jp/english/pri/publication/mf_review/cy2013/481/481_10.htm

³³⁴ Introduction of amendments to certain legislation in order to prevent illegal financial operations, President of Russia 30 June 2013. Date of Access: 13 January 2014. <http://kremlin.ru/news/18424>.

³³⁵ Amendments to several laws in order to prevent illegal financial operations, President of Russia 30 June 2013. Date of Access: 31 December 2013. <http://eng.kremlin.ru/news/5662>.

³³⁶ Presidential Address to the Federal Assembly, President of Russia 12 December 2013. Date of Access: 31 December 2013. <http://eng.kremlin.ru/news/6402>.

Russian owners or whose ultimate beneficiaries are Russian nationals are taxed in accordance with Russian laws.³³⁷

Russia has implemented new legislation to address tax evasion and profit shifting during the compliance period. Thus, it receives a score of +1.

Analyst: Andrey Shelepov

United Kingdom: 0

The United Kingdom has partially complied with its commitment to ensure that their tax rules do not allow or encourage any multinational enterprises to reduce overall taxes paid by artificially shifting profits to low-tax jurisdictions.

On 10 December 2013, HM Treasury and HM Revenue Customs published a draft tax legislation in the 2014 Finance Bill. The bill contained next steps with regards to the government's drive to tackle tax avoidance.³³⁸ Exchequer Secretary to the Treasury, David Gauke said, "The package of measures in the legislation published today delivers action that builds on our efforts to create a tax system that supports growth and fairness. And by consulting on the draft legislation in this way we are delivering on our promise to make the system more certain and stable for taxpayers and businesses."³³⁹ The Employment intermediaries document of the draft anti-avoidance tax legislation proposed policies that supports the Government's anti-avoidance strategy by "helping to ensure that offshore employer pay their fair share of employment taxes."³⁴⁰

Moreover, on 19 December 2013, Public Accounts Committee chair Margaret Hodge said that "HMRC aims to make the UK more attractive to business but the incentives to international corporations may also enable them to avoid tax."³⁴¹ The committee also noted that "HMRC failed to use the full range of sanctions at its disposal to vigorously pursue all unpaid tax" and "changes in the controlled foreign company rules and the failure to close the loophole created by Eurobonds are two examples showing where it has become easier for companies to avoid tax while ordinary people continue to pay their share."³⁴² Recently, analysts reported that Apple

³³⁷ List of instructions following the Address to the Federal Assembly, President of Russia 27 December 2013. Date of Access: 13 January 2014. <http://kremlin.ru/assignments/20004>.

³³⁸ Draft tax legislation published in Finance Bill 2014, HM Treasury and HM Revenue and Customs (London) 10 December 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/news/draft-tax-legislation-published-in-finance-bill-2014>

³³⁹ Draft tax legislation published in Finance Bill 2014, HM Treasury and HM Revenue and Customs (London) 10 December 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/news/draft-tax-legislation-published-in-finance-bill-2014>

³⁴⁰ Employment Intermediaries, HM Treasury and HM Revenue and Customs (London) 10 December 2013. Date of Access: 20 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/264617/2._Employment_intermediaries.pdf

³⁴¹ UK Tax Avoidance: Politicians Slam HMRW for Being Too Lenient on Big Business, International Business Times UK Edition (London) 19 December 2013. Date of Access: 20 December 2013. <http://www.ibtimes.co.uk/uk-tax-avoidance-politicians-slam-hmrc-being-too-lenient-big-business-1429540>

³⁴² UK Tax Avoidance: Politicians Slam HMRW for Being Too Lenient on Big Business, International Business Times UK Edition (London) 19 December 2013. Date of Access: 20 December 2013. <http://www.ibtimes.co.uk/uk-tax-avoidance-politicians-slam-hmrc-being-too-lenient-big-business-1429540>

sheltered USD40 billion from taxation using Ireland's loophole.³⁴³ The committee reported that HTMC predicted in Autumn 2012 a GBP 3.12 billion tax collection from UK holders of Swiss bank accounts, but has so far collected only GBP 440 million.³⁴⁴

From 18 July 2013 to 10 October 2013, the HM Revenue and Customs also held a consultation that on "Reform of an anti-avoidance provision: transfer of assets abroad."³⁴⁵ On 20 December 2013, HM Revenue Customs published the outcome for the consultation which stated in the "Next Steps" section, "the Government has decided not to pursue legislative change to the matching rules at present."³⁴⁶

Thus, the United Kingdom has been awarded a score of 0 for its discussion of, but failure to pass, legislation with regards to tax-avoidance of multinational enterprises.

Analyst: Xinhe (Alissa) Wang

United States: 0

The United States of America has partially complied with its commitment to implement policies, which ensure that multinational corporations do not engage in tax avoidance techniques.

At the first Session of the 113th Congress, the Levin-Whitehouse-Begich-Shaheen Stop Tax Haven Abuse Act was presented. This bill aims to "end offshore tax abuses ... and protect American families and businesses from devastating cuts," as well as to restrict the transfer of intellectual property to overseas entities.³⁴⁷ The bill calls upon the United States to more effectively engage with foreign institutions that "impede U.S. tax enforcement, including prohibiting U.S. banks from doing business with a designated foreign bank."³⁴⁸ All foreign financial institutions are required to disclose the financial activity of American clients with accounts that have total assets of USD 50,000 or more.³⁴⁹ Moreover, the bill's co-sponsors moved

³⁴³ UK Tax Avoidance: Politicians Slam HMRW for Being Too Lenient on Big Business, International Business Times UK Edition (London) 19 December 2013. Date of Access: 20 December 2013.

<http://www.ibtimes.co.uk/uk-tax-avoidance-politicians-slam-hmrc-being-too-lenient-big-business-1429540>

³⁴⁴ HMRC "Loses nerve" chasing big firms, says MP, BBC News 19 December 2013. Date of Access: 20 December 2013. <http://www.bbc.co.uk/news/business-25430826>

³⁴⁵ Consultation outcome: Reform of an anti-avoidance provision: Transfer of Assets Abroad, HM Revenue and Customs 20 December 2013 (London). Date of Access: 20 December 2013. <https://www.gov.uk/government/consultations/reform-of-an-anti-avoidance-provision-transfer-of-assets-abroad>

³⁴⁶ Consultation outcome: Reform of an anti-avoidance provision: Transfer of Assets Abroad, HM Revenue and Customs 20 December 2013 (London). Date of Access: 20 December 2013. <https://www.gov.uk/government/consultations/reform-of-an-anti-avoidance-provision-transfer-of-assets-abroad>

³⁴⁷ Summary of the Levin-Whitehouse-Begich-Shaheen Stop Tax Haven Abuse Act, Newsroom-Press Releases, Carl Levin (United States Senator for Michigan) (Washington), 19 September 2013. Date of Access: 21 December 2013. <http://www.levin.senate.gov/newsroom/press/release/summary-of-the-levin-whitehouse-begich-shaheen-stop-tax-haven-abuse-act/>

³⁴⁸ Summary of the Levin-Whitehouse-Begich-Shaheen Stop Tax Haven Abuse Act, Newsroom-Press Releases, Carl Levin (United States Senator for Michigan) (Washington), 19 September 2013. Date of Access: 21 December 2013. <http://www.levin.senate.gov/newsroom/press/release/summary-of-the-levin-whitehouse-begich-shaheen-stop-tax-haven-abuse-act/>

³⁴⁹ Complying With U.S. Tax Evasion Law Is Vexing Foreign Banks, New York Times (New York), 16 September 2013. Date of Access: 21 December 2013. http://dealbook.nytimes.com/2013/09/16/complying-with-u-s-tax-evasion-law-is-vexing-foreign-banks/?_r=0

to strengthen the Foreign Account Tax Compliance Act (FATCA),³⁵⁰ a bill passed in 2010 and set to take effect in July 2014, which “targets tax non-compliance by U.S. taxpayers with foreign accounts.”³⁵¹ The Stop Tax Haven Abuse Act was presented to congressional committees for review on 19 September 2013. The bill has not made it past the committee stage.³⁵²

The extent of the United States’ compliance can, therefore, only be evaluated in the context of the nation’s ability to establish international agreements with regards to FATCA. The U.S. “has signed 18 FATCA inter-governmental agreements, has 11 agreements in substance, and is engaged in related discussions with many other jurisdictions.”³⁵³ The use of dialogue to amongst G8 members to fulfill commitments is evident in that signatories to FATCA include Germany and Britain.³⁵⁴ As of 12 December 2013, recent intergovernmental agreements have been made with Malta, the Netherlands, the Islands of Bermuda, and three United Kingdom Crown Dependencies: Jersey, Guernsey, and the Isle of Man.³⁵⁵ Bilateral agreements ensure that “countries will allow their financial institutions to comply with FATCA via their home-country regulators.”³⁵⁶ The penalty for non-compliance, with regards to reporting on the holdings of U.S. taxpayers in foreign institutions, is “a potential 30 per cent withholding tax on U.S. source income, a penalty that could effectively freeze [foreign institutions] out of U.S. financial markets.”³⁵⁷

Although the United States has pursued bilateral relationships with foreign nations with the goal of reducing the tax evasion practices of multinational corporations, since the Lough Erne Summit, it has however, failed to actively implement legislation. Therefore, the United States of America has been awarded a score of 0 for partially fulfilling its commitment to reduce the tax avoidance techniques of multinational corporations.

Analyst: Aditya Rau

³⁵⁰ Summary of the Levin-Whitehouse-Begich-Shaheen Stop Tax Haven Abuse Act, Newsroom-Press Releases, Carl Levin (United States Senator for Michigan) (Washington), 19 September 2013. Date of Access: 21 December 2013. <http://www.levin.senate.gov/newsroom/press/release/summary-of-the-levin-whitehouse-begich-shaheen-stop-tax-haven-abuse-act/>

³⁵¹ Foreign Account Tax Compliance Act, Internal Revenue Service (Washington), 18 December 2013. Date of Access: 21 December 2013. [http://www.irs.gov/Businesses/Corporations/Foreign-Account-Tax-Compliance-Act-\(FATCA\)](http://www.irs.gov/Businesses/Corporations/Foreign-Account-Tax-Compliance-Act-(FATCA))

³⁵² Stop Tax Haven Abuse Act (S. 1533), Govtrack.us. 19 September 2013. Date of Access: 21 December 2013. <https://www.govtrack.us/congress/bills/113/s1533#overview>

³⁵³ U.S. Signs FATCA Pacts with Malta, Netherlands, Bermuda, Jersey, Guernsey and Isle of Man, Accounting Today (Washington), 19 December 2013. Date of Access: 21 December 2013. <http://www.accountingtoday.com/news/US-Signs-FATCA-Pacts-Malta-Netherlands-Bermuda-Jersey-Guernsey-Isle-of-Man-69035-1.html>

³⁵⁴ U.S. Treasury gives more detail on offshore anti-tax evasion law, Reuters (Washington), 29 October 2013. Date of Access: 21 December 2013. <http://www.reuters.com/article/2013/10/29/usa-tax-fatca-idUSL1N0IJ1N020131029>

³⁵⁵ U.S. Signs FATCA Pacts with Malta, Netherlands, Bermuda, Jersey, Guernsey and Isle of Man, Accounting Today (Washington), 19 December 2013. Date of Access: 21 December 2013. <http://www.accountingtoday.com/news/US-Signs-FATCA-Pacts-Malta-Netherlands-Bermuda-Jersey-Guernsey-Isle-of-Man-69035-1.html>

³⁵⁶ U.S. Treasury gives more detail on offshore anti-tax evasion law, Reuters (Washington), 29 October 2013. Date of Access: 21 December 2013. <http://www.reuters.com/article/2013/10/29/usa-tax-fatca-idUSL1N0IJ1N020131029>

³⁵⁷ U.S. Treasury gives more detail on offshore anti-tax evasion law, Reuters (Washington), 29 October 2013. Date of Access: 21 December 2013. <http://www.reuters.com/article/2013/10/29/usa-tax-fatca-idUSL1N0IJ1N020131029>

European Union: 0

The European Union has partially complied with its commitment to discuss or policies or legislation that will directly tackle artificial profit shifting and tax evasion, and to implement as well as enforce new legislation that targets tax evasion by multinational corporations. The European Union has proposed various measures conducive to the resolution of tax evasion and profit shifting, but has yet to implement new legislation to this effect.

On November, the Commission proposed measures to close loopholes in the Parent Subsidiary Directive and address national mismatches.³⁵⁸ As a result, companies will be unable to exploit differences in the way intra-group payments are taxed across the EU to avoid paying any tax.³⁵⁹ Accordingly, the Member States are expected to implement the amended Directive by 31 December 2014.³⁶⁰

The European Union also created a High Level Expert Group on Taxation of the Digital Economy which met for the first time on the 12 December 2013.³⁶¹ The goal of the group is to look at the challenges in digital taxation and propose solutions in the first half of 2014. The goal is to ensure that the digital sector pays its fair share of taxes, while not creating tax obstacles to this pro-growth sector.³⁶²

In addition, on 31 July 2012, the European Union adopted a proposal for a Quick Reaction Mechanism (QRM) that enables Member States to respond more swiftly and efficiently to Value Added Tax (VAT) fraud.³⁶³ The QRM will allow Member States to implement emergency measures by applying within the space of a month, a “reverse charge mechanism” which makes the recipient rather than the supplier of the goods or services liable for VAT.³⁶⁴ Accordingly, this will allow Member States to effectively tackle complex fraud cases.³⁶⁵ The Commission further

³⁵⁸ Tackling Tax Avoidance: Commission tightens key EU corporate tax rules, European Commission (Brussels) 25 November 2013, Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-1149_en.htm

³⁵⁹ Tackling Tax Avoidance: Commission tightens key EU corporate tax rules, European Commission (Brussels) 25 November 2013, Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-1149_en.htm

³⁶⁰ Tackling Tax Avoidance: Commission tightens key EU corporate tax rules, European Commission (Brussels) 25 November 2013, Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-1149_en.htm

³⁶¹ Taxing the Digital Economy: Commission creates Expert Group to guide EU approach, European Commission (Brussels) 22 October 2013, Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-983_en.htm

³⁶² Taxing the Digital Economy: Commission creates Expert Group to guide EU approach, European Commission (Brussels) 22 October 2013, Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-983_en.htm

³⁶³ VAT: Commission proposes new instrument for speedy response to fraud, European Commission (Brussels) 31 July 2012. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-12-868_en.htm

³⁶⁴ VAT: Commission proposes new instrument for speedy response to fraud, European Commission (Brussels) 31 July 2012. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-12-868_en.htm

³⁶⁵ VAT: Commission proposes new instrument for speedy response to fraud, European Commission (Brussels) 31 July 2012. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-12-868_en.htm

proposed a simplified, standard VAT form for use by businesses throughout Europe.³⁶⁶ The goal of this proposal is to ease the life for business, and at the same time improve tax compliance by simplifying the process of declaring VAT owed by businesses.³⁶⁷

Moreover, on 19 September 2013, the European Union published a study on the VAT Gap in the EU, which amounted to EUR 193 billion in 2011.³⁶⁸ The purpose of the study is to better understand the recent trends in the EU, and to shape and target policy measures to improve VAT compliance.³⁶⁹

Although the European Union has actively discussed measures to prevent tax evasion and shifting, it has so far failed to take concrete legislative steps. Therefore the European Union has been awarded a partial score of 0.

Analyst: Alex Mazanik

³⁶⁶ Standard VAT Return: Easing life for businesses and improving tax compliance, European Commission (Brussels) 23 October 2013. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-988_en.htm

³⁶⁷ Standard VAT Return: Easing life for businesses and improving tax compliance, European Commission (Brussels) 23 October 2013. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-988_en.htm

³⁶⁸ VAT Gap: Frequently asked questions, European Commission (Brussels) 19 September 2013. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_MEMO-13-800_en.htm

³⁶⁹ VAT Gap: Frequently asked questions, European Commission (Brussels) 19 September 2013. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_MEMO-13-800_en.htm

7. Transparency [87]

“[We will make a concerted and collective effort to] improve the transparency of companies.”

2013 G8 Lough Erne Communiqué

Assessment:

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

Background:

G7 members first addressed their international concerns regarding money laundering at the 1989 Paris Economic Summit. The summit addressed the need to produce economic growth and remove inefficiencies within the economy.³⁷⁰ This included the recognition of new techniques used in worldwide financial activities, such as insider trading, which G7 members claimed, “could hamper the credibility of financial markets.”³⁷¹ Members further recognized that the regulations surrounding these activities varied greatly between the countries and addressed the need to strengthen these regulations.³⁷²

In order to target these inefficiencies and discourage black money, G7 delegates declared the need to: “Convene a financial action task force from Summit Participants and other countries interested in these problems.”³⁷³ The mandate of the task force included assessing the results of international cooperation to prevent the utilization of the banking system and financial institutions for the purpose of money laundering.³⁷⁴ It also called for additional preventive efforts, including the establishment of legal regulatory systems to enhance multilateral judicial assistance.³⁷⁵

This founded the Financial Action Task Force on Money Laundering (FATF), which was given the responsibility of: “examining money laundering techniques and trends, reviewing the action which had already been taken at a national or international level, and setting out the measures that

³⁷⁰ Economic Declaration, G8 Information Centre (Toronto) 16 July 1989. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1989paris/communique/index.html>.

³⁷¹ Economic Declaration, G8 Information Centre (Toronto) 16 July 1989. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1989paris/communique/index.html>.

³⁷² Economic Declaration, G8 Information Centre (Toronto) 16 July 1989. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1989paris/communique/index.html>.

³⁷³ Economic Declaration, G8 Information Centre (Toronto) 16 July 1989. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1989paris/communique/index.html>.

³⁷⁴ Economic Declaration, G8 Information Centre (Toronto) 16 July 1989. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1989paris/communique/index.html>.

³⁷⁵ Economic Declaration, G8 Information Centre (Toronto) 16 July 1989. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1989paris/communique/index.html>.

still needed to be taken to combat money laundering.”³⁷⁶ The FATF currently produces annual reports and recommendations to increase the transparency of the financial system, in order to more easily detect criminal activity, and to provide countries with the capacity to take successful action against money launderers and terrorist financiers.³⁷⁷

This issue was addressed again at the 1994 G7 Summit, where “cooperation against transnational crime and money-laundering” was an explicit pillar in the communiqué. The communiqué stated: “We are alarmed by the growth of organized transnational crime, including money laundering, and by the use of illicit proceeds to take control of legitimate business. This is a world-wide problem with countries in transition increasingly targeted by criminal organisations. We are determined to strengthen international cooperation to address this situation.”³⁷⁸ G7 members also recognized the achievements of the FATF and reaffirmed their support for the organization.³⁷⁹

Commitment Features:

The commitment recognizes that “a lack of knowledge about who ultimately controls, owns and profits from companies and legal arrangements, including trusts, not only assists those who seek to evade tax, but also those who seek to launder the proceeds of crime, often across borders.”³⁸⁰ It directly addresses the use of shell companies in facilitating illicit financial flows, through corruption, tax evasion and money laundering.³⁸¹ As such, the commitment forwards a “concerted and collective effort” to address these issues and to improve the transparency of companies and legal arrangements.³⁸²

Through these means, the commitment aims to: “improve the investment climate; ease the security of doing business and tackle corruption and bribery.”³⁸³ It is noted in the communiqué that compliance with this commitment will support law enforcement efforts to: “pursue criminal networks, enforce sanctions, and identify and recover stolen assets.”³⁸⁴

The commitment also includes an agreement to publish national Action Plans based on common principles to prevent the misuse of companies and legal arrangements.³⁸⁵ This requires companies

³⁷⁶ History of the FATF, Financial Action Task Force (Paris) 2013. Date of Access: 03 December 2013.

<http://www.fatf-gafi.org/pages/aboutus/historyofthefatf/>.

³⁷⁷ An introduction to the FATF and its work, Financial Action Task Force (Paris) 2010. Date of Access: 03 December 2013. <http://www.fatf-gafi.org/media/fatf/documents/brochuresannualreports/Introduction%20to%20the%20FATF.pdf>.

³⁷⁸ Summit Communiqué, G8 Information Centre (Toronto) 10 July 1994. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1994naples/communique/crime.html>.

³⁷⁹ Summit Communiqué, G8 Information Centre (Toronto) 10 July 1994. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/1994naples/communique/crime.html>.

³⁸⁰ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

³⁸¹ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

³⁸² G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

³⁸³ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

³⁸⁴ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

³⁸⁵ Annex 1: G8 Action Plan Principles to prevent the misuse of companies and legal arrangements. G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

“to obtain and hold information on their beneficial ownership, and to ensure that this information is available in a timely fashion to law enforcement, tax collection agencies and other relevant authorities as appropriate, including financial intelligence units.”³⁸⁶

Scoring Guidelines:

-1	Member does not establish an Action Plan to ensure that companies' information is available to relevant authorities as appropriate.
0	Member establishes an Action Plan to ensure that companies' information is available to relevant authorities as appropriate BUT does not start to implement it.
+1	Member establishes an Action Plan to ensure that companies' information is available to relevant authorities as appropriate and begin implementation in earnest.

Lead Analyst: Sarah Burton

Canada: 0

Canada has partially complied with its commitment to improve corporate transparency, enforcement thereof, and to work alongside the Financial Action Task Force (FATF).

On 12 June 2013, in advance of the summit, Prime Minister Stephen Harper announced the adoption of new mandatory standards for reporting payments made to foreign and domestic governments by energy and mining corporations.³⁸⁷ The Government of Canada further announced that in the subsequent months it “will consult closely with provincial and territorial counterparts, First Nations and Aboriginal groups, industry and civil society organizations on how to establish the most effective regime.”³⁸⁸

Accordingly, on 18 June 2013, Prime Minister Steven Harper announced Canada's G8 Action Plan on Transparency of Corporations and Trusts, which builds on existing regulations. The plan identified three key areas: (1) Improve money laundering and terrorist finance risk assessment approach; (2) implement amendments to the “Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations” that will come into force in early 2014, and; (3) consulting publicly on the issue of corporate transparency with a focus on bearer shares and the ability of competent authorities to access information on beneficial ownership.³⁸⁹

At the opening address at the Money Laundering in Canada Conference, held on 30 September 2013, the Director of the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), Gérald Cossette notes that that the Centre has provided financial intelligence to assist with money laundering investigations “terrorist activity financing, and threats to the security of Canada.” Cossette also emphasized that the FINTRAC continues to work in conjunction with the “Canadian Association of Chiefs of Police and its committees dealing with

³⁸⁶ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

³⁸⁷ Harper Announces New Transparency Rules for Energy, Mining, CBC News, 12 June 2013. Date of Access: 28 December 2013. <http://www.cbc.ca/news/politics/harper-announces-new-transparency-rules-for-energy-mining-1.1305236>.

³⁸⁸ Canada Commits to Enhancing Transparency in the Extractive Sector, Office of the Prime Minister (Ottawa), 12 June 2013. Date of Access: 8 January 2014. <http://pm.gc.ca/eng/news/2013/06/12/canada-commits-enhancing-transparency-extractive-sector>

³⁸⁹ PM Releases Canada's G-8 Action Plan on Transparency of Corporations and Trusts, Office of the Prime Minister (Ottawa) 18 June 2013. Date of Access: 28 December 2013. <http://pm.gc.ca/eng/news/2013/06/18/pm-releases-canadas-g-8-action-plan-transparency-corporations-and-trusts>.

organized crime and national security, as well as the Canadian Integrated Response to Organized Crime committee.”³⁹⁰

Moreover, at the Money Laundering Conference in Vancouver FINTRAC announced “new criteria for the public naming of entities that receive administrative monetary penalties for non-compliance with Canada’s Proceed of Crime (Money Laundering) and Terrorist Financing Act (PCMLTFA).”³⁹¹ The aim of these changes is to ensure that “businesses meet their legal obligations and provide the data we need to assist our regime partners in protecting Canada and Canadians.”³⁹² Going forward business will only be named when (1) a “person or entity has committed a serious violation”; (2) the base penalty amount is equal to, or greater than CAN250,000; and/or (3) when “we find repeat significant non-compliance on the part of the person or entity.”³⁹³

Furthermore, on 4 November 2013 reaffirmed its support of FATF “efforts to combat money laundering and terrorist financing.” In particular, FINTRAC reiterated “to all reporting entities subject to the requirements of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act the risks of doing business with individuals and entities based in, or connected to, Iran and the Democratic People’s Republic of Korea.” It also advised that special attention and reporting should be given to transactions related to Algeria, Burma (Myanmar), Ecuador, Ethiopia, Indonesia, Kenya, Pakistan, Syria, Tanzania, Turkey, and Yemen.³⁹⁴

In addition, on 12 December 2013 the Canadian Government “launched a review of the Corporate Social Responsibility (CSR) Strategy for the Extractive Sector with a round-table session in Ottawa with civil society organizations.” These consultations are part of a five-year project that will help the Canadian Government “develop a plan to better assist Canadian extractive companies operating abroad with their responsible business practices.” Canadians can submit comments on the strategy through the CSR website. The objective of the review includes creating job opportunities and enhances “Canada’s strong reputation as a global leader in mining.”³⁹⁵

³⁹⁰ Opening Address by Director Gérald Cossette Financial Transactions and Reports Analysis Centre of Canada at the Money Laundering in Canada Conference, Financial Transactions and Reports Analysis Centre of Canada (Ottawa) 30 September 2013. Date of Access: 8 January 2014. <http://www.fintrac-canafe.gc.ca/new-neuf/ps-pa/2013-09-30-eng.asp>

³⁹¹ FINTRAC Announces Changes to its Administrative Monetary Penalties Program, Financial Transactions and Reports Analysis Centre of Canada (Ottawa) 30 September 2013. Date of access: 8 January 2014. <http://www.fintrac-canafe.gc.ca/new-neuf/nr/2013-09-30a-eng.asp>

³⁹² Opening Address by Director Gérald Cossette Financial Transactions and Reports Analysis Centre of Canada at the Money Laundering in Canada Conference, Financial Transactions and Reports Analysis Centre of Canada (Ottawa) 30 September 2013. Date of Access: 8 January 2014. <http://www.fintrac-canafe.gc.ca/new-neuf/ps-pa/2013-09-30-eng.asp>

³⁹³ FINTRAC Announces Changes to its Administrative Monetary Penalties Program, Financial Transactions and Reports Analysis Centre of Canada (Ottawa) 30 September 2013. Date of access: 8 January 2014. <http://www.fintrac-canafe.gc.ca/new-neuf/nr/2013-09-30a-eng.asp>

³⁹⁴ FINTRAC Advisory, Financial Transactions Related to Countries Identified by the Financial Action Task Force (FATF), Financial Transactions and Reports Analysis Centre of Canada (Ottawa) 4 November 2013. Date of access: 8 January 2014. <http://www.fintrac-canafe.gc.ca/new-neuf/avs/2013-11-04-eng.asp>

³⁹⁵ Harper Government Launches Consultations to Review Corporate Social Responsibility Strategy for Extractive Sector, Foreign Affairs, Trade and Development Canada (Ottawa) 12 December 2013. Date of Access 8 January 2014. <http://www.international.gc.ca/media/comm/news-communiqués/2013/12/12c.aspx?lang=eng>

Although Canada has created an Action Plan to promote corporate transparency, continues to support law enforcement bodies and has reiterated its support for FATF initiatives, some of the Plan's most concrete components have yet to be implemented. Therefore, Canada has been awarded a partial score of 0

Analyst: Laura Correa Ochoa and Colin Campbell

France: 0

France has partially complied with its commitment to increase transparency. It has begun to offer protection for whistle blowers³⁹⁶ and release action plans.³⁹⁷

Since the June 2013 Lough Erne G8 Summit, France released an Action Plan to further transparency in government spending.³⁹⁸ This plan establishes context for the Open Government Data policy, identifies future challenges, and marks priorities for further development.³⁹⁹ The plan especially stresses openness as a means of encouraging innovation and combatting corruption in France, and was concurrent with the release of France's new "Open Data" plan.⁴⁰⁰

France also released a less-specific joint Action Plan with Canada for 2012-2013, which focuses on more transparent trade and economic relations between France and Canada.⁴⁰¹ The document also stresses open information trading and collaboration in business development between the nations.⁴⁰²

Moreover, on 25 February 2011, the FATF's official evaluation report measuring France's attempts to stop money laundering and terrorist financing ranked them with high compliance.⁴⁰³ However, no newer report has been released.

Thus, France has been awarded a score 0 for taking partial steps to promote the transparency of companies.

Analyst: Annie Rose Webb

³⁹⁶ Encadrement du Lobbying, Transparency International France (Paris) 2013. Date of Access: 18 December 2013. http://www.transparency-france.org/ewb_pages/div/Encadrement_du_lobbying.php.

³⁹⁷ Plan d'action G8 sur l'ouverture des données publiques, Office of the Prime Minister (Paris) 11 July 2013. Date of Access: 18 December 2013. <http://www.gouvernement.fr/gouvernement/plan-d-action-g8-sur-l-ouverture-des-donnees-publiques>.

³⁹⁸ Plan d'action G8 sur l'ouverture des données publiques, Office of the Prime Minister (Paris) 11 July 2013. Date of Access: 18 December 2013. <http://www.gouvernement.fr/gouvernement/plan-d-action-g8-sur-l-ouverture-des-donnees-publiques>.

³⁹⁹ Action Plan for France, Office of the Prime Minister (Paris) 11 July 2013. Date of Access: 18 December 2013. http://www.gouvernement.fr/sites/default/files/fichiers_joints/plan_dactions_-_version_anglaise.pdf.

⁴⁰⁰ Plan d'action G8 sur l'ouverture des données publiques, Office of the Prime Minister (Paris) 11 July 2013. Date of Access: 18 December 2013. <http://www.gouvernement.fr/gouvernement/plan-d-action-g8-sur-l-ouverture-des-donnees-publiques>.

⁴⁰¹ 2012-2013 Canada-France Joint Action Plan, Government of Canada (Ottawa) 6 June 2013. Date of Access: 18 December 2013. http://www.canadainternational.gc.ca/france/bilateral_relations_bilaterales/program.aspx?lang=eng.

⁴⁰² 2012-2013 Canada-France Joint Action Plan, Government of Canada (Ottawa) 6 June 2013. Date of Access: 18 December 2013. http://www.canadainternational.gc.ca/france/bilateral_relations_bilaterales/program.aspx?lang=eng.

⁴⁰³ Plan d'action G8 sur l'ouverture des données publiques, Office of the Prime Minister (Paris) 11 July 2013. Date of Access: 18 December 2013. <http://www.gouvernement.fr/gouvernement/plan-d-action-g8-sur-l-ouverture-des-donnees-publiques>.

Germany: +1

Germany has fully complied with its commitment to improve transparency of companies. It has created an action plan following FATF standards and supported efforts to increase transparency internally and externally.

Germany set up an Action Plan to prevent misuse of legal persons and legal arrangements following the Lough Erne G8 Summit. The plan focused on transparency regarding the beneficial ownership and control of legal persons and arrangements. The efforts aimed at contributing to an effective anti-money laundering and counter-terrorist financing (AML/CFT) system, as well as to fight against corruption and tax evasion in addition to improving asset recovery.⁴⁰⁴

The Action Plan consisted of several items, including: (1) having companies know their beneficial owners, “companies will be able to deliver on request adequate, accurate and current information on their beneficial owners”⁴⁰⁵; (2) the ensuring of timely access to beneficial ownership information; (3) the carrying out of national risk assessment, such as being able to, “identify, assess and understand the money laundering and terrorist financing risk it faces”⁴⁰⁶; (4) the prevention of misuse of legal arrangements; (5) the adequate supervision of obliged entities for compliance with their AML/CFT requirements on beneficial ownership; (6) the application of effective, proportionate, and dissuasive sanctions; and (7) the provision of international cooperation.⁴⁰⁷

Included in the Action Plan is a survey on the extent of money laundering within Germany and on the risks of money laundering in individual business sectors, expected to be finalized by the end of 2014.⁴⁰⁸ Germany also called for a stronger involvement of the European Commission and better coordination among member states regarding the appropriate risk-management policies based on supranational and national risk assessments. This effort aims to suppress cross-border terrorist financing through money laundering networks.⁴⁰⁹ As reported by Chancellor Angela

⁴⁰⁴ Germany’s Action Plan to prevent the misuse of legal persons and legal arrangements, German Federal Government (Berlin) June 2013. Date of Access: 31 December 2013.

http://www.bundesregierung.de/Content/DE/StatistischeSeiten/Breg/G8G20/Anlagen/g8-lough-erne-deutscher-aktionsplan.pdf?__blob=publicationFile&v=2.

⁴⁰⁵ Germany’s Action Plan to prevent the misuse of legal persons and legal arrangements, German Federal Government (Berlin) June 2013. Date of Access: 31 December 2013.

http://www.bundesregierung.de/Content/DE/StatistischeSeiten/Breg/G8G20/Anlagen/g8-lough-erne-deutscher-aktionsplan.pdf?__blob=publicationFile&v=2.

⁴⁰⁶ Germany’s Action Plan to prevent the misuse of legal persons and legal arrangements, German Federal Government (Berlin) June 2013. Date of Access: 31 December 2013.

http://www.bundesregierung.de/Content/DE/StatistischeSeiten/Breg/G8G20/Anlagen/g8-lough-erne-deutscher-aktionsplan.pdf?__blob=publicationFile&v=2.

⁴⁰⁷ Germany’s Action Plan to prevent the misuse of legal persons and legal arrangements, German Federal Government (Berlin) June 2013. Date of Access: 31 December 2013.

http://www.bundesregierung.de/Content/DE/StatistischeSeiten/Breg/G8G20/Anlagen/g8-lough-erne-deutscher-aktionsplan.pdf?__blob=publicationFile&v=2.

⁴⁰⁸ Germany’s Action Plan to prevent the misuse of legal persons and legal arrangements, German Federal Government (Berlin) June 2013. Date of Access: 31 December 2013.

http://www.bundesregierung.de/Content/DE/StatistischeSeiten/Breg/G8G20/Anlagen/g8-lough-erne-deutscher-aktionsplan.pdf?__blob=publicationFile&v=2.

⁴⁰⁹ Germany’s Action Plan to prevent the misuse of legal persons and legal arrangements, German Federal Government (Berlin) June 2013. Date of Access: 31 December 2013.

http://www.bundesregierung.de/Content/DE/StatistischeSeiten/Breg/G8G20/Anlagen/g8-lough-erne-deutscher-aktionsplan.pdf?__blob=publicationFile&v=2.

Merkel during the G8 Summit, “The communiqué of the G8 states will make it quite clear that there is to be extensive data and information sharing on the basis of the Foreign Account Tax Compliance Act (FATCA) in an effort to tackle tax evasion.”⁴¹⁰

Moreover, on 27 November 2013, Colombia, Greece, Iceland, Liechtenstein, Luxembourg, and Malta joined the initiative proposed by Germany, France, Italy, Spain, and the UK, to share tax information automatically. In a joint statement, the finance ministers of the member countries stated that this new global standard will “mark a step change in our ability to clamp down on tax evasion,” furthermore, the joining countries “have recognised that those jurisdictions which will prosper in the future will be those which embrace tax transparency and work cooperatively to tackle tax evasion.”⁴¹¹

Therefore Germany has received a score of +1 for its effort to ensure transparency of companies and for the creation of an action plan following FATF standards and recommendations.

Analyst: Artur Pereira

Italy: +1

Italy has fully complied with its commitment to make a concerted and collective effort to improve transparency of companies.

On 16 July 2013, the Italian government announced their commitment to combat tax evasion and promote transparency in the ownership of companies and trusts.⁴¹² The proposed actions follow the Action Plan established at the G8 Summit during June 2013. The Action Plan is in accordance with the FATF standards. The reforms are aimed at ensuring that the information regarding the ownership and control of companies, other legal entities, and trusts is available and fully transparent.⁴¹³

⁴¹⁰ Pulling together to clamp down on tax evasion, German Federal Government (Berlin) 18 June 2013. Date of Access: 31 December 2013.

<http://www.bundesregierung.de/ContentArchiv/EN/Archiv17/Reiseberichte/2013/2013-06-17-g8-lough-erne.html>.

⁴¹¹ Sharing tax information: Joint statement by the finance ministers of France, Germany, Italy, Spain and the UK, German Federal Ministry of Finance (Berlin) 28 November 2013. Date of Access: 31 December 2013. <http://www.bundesfinanzministerium.de/Content/EN/Pressemitteilungen/2013/2013-11-28-joint-statement-g5.html>.

⁴¹² Italy’s Action Plan to enhance transparency and prevent the misuse of companies and trusts, Ministero dell’Economia e delle Finanze (Rome) 16 July 2013. Date of Access: 13 December 2013. http://www.mef.gov.it/ufficio-stampa/comunicati/2013/documenti/Italyxs_Action_Plan_to_enhance_transparency_and_prevent_the_misuse_of_companies_and_trusts_-_Allegato_al_comunicato_nx_97.pdf

⁴¹³ Italy’s Action Plan to enhance transparency and prevent the misuse of companies and trusts, Ministero dell’Economia e delle Finanze (Rome) 16 July 2013. Date of Access: 13 December 2013. http://www.mef.gov.it/ufficio-stampa/comunicati/2013/documenti/Italyxs_Action_Plan_to_enhance_transparency_and_prevent_the_misuse_of_companies_and_trusts_-_Allegato_al_comunicato_nx_97.pdf

The actions include: (1) the creation of Italy's National Risk Assessment on Money Laundering and Terrorist Financing, in accordance with FATF Recommendation,⁴¹⁴ by the end of 2014; (2) the adoption of "legislative measures to ensure that companies know who owns and controls them and their beneficial ownership"⁴¹⁵; (3) the adoption of "legislation to ensure that the trustees of trusts identify the beneficiaries of their trusts and disclose this information to competent authorities and obliged entities"⁴¹⁶; (4) the establishment of sanctions under the Legislative Decree n.231, enacted in 2001 in compliance with EU legislation principles on the prevention of corporate crimes and assessment of companies' liability,⁴¹⁷ to companies and trustees that are not compliant with the new transparency obligations; (5) the strengthening of authorities' oversight⁴¹⁸; and (6) the promotion of "international cooperation on exchange for basic and beneficial ownership information on companies, trustees, and other legal entities."⁴¹⁹

Furthermore, on 12 July 2013, Italian police arrested seven people suspected of rigging lucrative contracts for a multi-billion euro project.⁴²⁰ The effort was aimed at dismantling tax evasion schemes and illegal company favouring.

During July 2013, the Italian police dismantled a EUR 1 billion tax evasion ring. The system involved approximately 1,500 clients and is estimated to have been operating since 2000.⁴²¹

⁴¹⁴ Italy's Action Plan to enhance transparency and prevent the misuse of companies and trusts, Ministero dell'Economia e delle Finanze (Rome) 16 July 2013. Date of Access: 13 December 2013. http://www.mef.gov.it/ufficio-stampa/comunicati/2013/documenti/Italyxs_Action_Plan_to_enhance_transparency_and_prevent_the_misuse_of_companies_and_trusts_-_Allegato_al_comunicato_nx_97.pdf

⁴¹⁵ Italy's Action Plan to enhance transparency and prevent the misuse of companies and trusts, Ministero dell'Economia e delle Finanze (Rome) 16 July 2013. Date of Access: 13 December 2013. http://www.mef.gov.it/ufficio-stampa/comunicati/2013/documenti/Italyxs_Action_Plan_to_enhance_transparency_and_prevent_the_misuse_of_companies_and_trusts_-_Allegato_al_comunicato_nx_97.pdf

⁴¹⁶ Italy's Action Plan to enhance transparency and prevent the misuse of companies and trusts, Ministero dell'Economia e delle Finanze (Rome) 16 July 2013. Date of Access: 13 December 2013. http://www.mef.gov.it/ufficio-stampa/comunicati/2013/documenti/Italyxs_Action_Plan_to_enhance_transparency_and_prevent_the_misuse_of_companies_and_trusts_-_Allegato_al_comunicato_nx_97.pdf

⁴¹⁷ Brief Summary of Italian Legislative Decree n. 231/2001, Tenova Group (Milan). Date of Access: 27 December 2013. http://www.tenovagroup.com/pdf/corporate_governance/brief_summary_italian_legislative_decree_231.pdf

⁴¹⁸ Italy's Action Plan to enhance transparency and prevent the misuse of companies and trusts, Ministero dell'Economia e delle Finanze (Rome) 16 July 2013. Date of Access: 13 December 2013. http://www.mef.gov.it/ufficio-stampa/comunicati/2013/documenti/Italyxs_Action_Plan_to_enhance_transparency_and_prevent_the_misuse_of_companies_and_trusts_-_Allegato_al_comunicato_nx_97.pdf

⁴¹⁹ Italy's Action Plan to enhance transparency and prevent the misuse of companies and trusts, Ministero dell'Economia e delle Finanze (Rome) 16 July 2013. Date of Access: 13 December 2013. http://www.mef.gov.it/ufficio-stampa/comunicati/2013/documenti/Italyxs_Action_Plan_to_enhance_transparency_and_prevent_the_misuse_of_companies_and_trusts_-_Allegato_al_comunicato_nx_97.pdf

⁴²⁰ Venice flood barrier executives arrested in massive fraud swoop, Reuters UK Edition (Rome) 12 July 2013. Date of Access: 13 December 2013 <http://uk.reuters.com/article/2013/07/12/uk-italy-venice-fraud-idUKBRE96B0E220130712>

In the continued effort to pursue these illegal networks, Apple was investigated in Italy for allegedly hiding EUR 1 billion from local tax authorities, EUR 206 million in 2010 and EUR 853 million in 2011. In June, fashion designers Domenico Dolce and Stefano Gabbana were sentenced with a fine and a 20-month suspended prison sentence for hiding hundreds of millions of euros in unpaid taxes.⁴²²

On 3 October 2013, Italy's Financial Police seized EUR 15 million from Bank of America Merrill Lynch in Milan. This action was part of a probe into alleged fraud, using derivative contracts, against the city council of Verona.⁴²³ Additionally, on 27 November 2013, Silvio Berlusconi, former prime minister, was expelled by the Italian Senate over his tax fraud conviction.⁴²⁴

Therefore, Italy is given a score of +1 for full compliance since its Action Plan is allied to the standards and recommendations proposed by the FATF. This combined effort led to greater transparency of companies, trusts, and other legal entities, including the enforcement of punishments and sanctions in relevant cases.

Analyst: Artur Pereira

Japan: 0

Japan has partially complied with its commitment to establish an Action Plan which requires companies to obtain and hold information on their beneficial ownership and work alongside the Financial Action Task Force (FATF) to implement FATF standards and access FATF recommendations.

Japan recognizes the importance of implementing measures in accordance with FATF standards. In November 2013 the Ministry of Finance published a motion paper for "Japan's Action Plan," its primary objective to "prevent the misuse of companies and legal arrangement."⁴²⁵ The Plan sought to conduct a National risk assessment on money laundering and terrorist financing at the end of 2014 to support the Japan Financial Intelligence Centre's annual report design.⁴²⁶ It will

⁴²¹ Italian police crack billion euro tax evasion ring, Reuters UK Edition (Rome) 23 July 2013. Date of Access: 13 December 2013 <http://uk.reuters.com/article/2013/07/23/uk-italy-tax-idUKBRE96M0ML20130723>

⁴²² Italy investigates Apple for alleged tax fraud — sources, Reuters UK Edition (Milan) 14 November 2013. Date of Access: 13 December 2013 <http://uk.reuters.com/article/2013/11/14/uk-apple-italy-tax-idUKBRE9AC0S920131114>

⁴²³ Italian police seize \$20 million at Merrill Lynch in fraud probe, Reuters UK Edition (Rome/Milan) 3 October 2013. Date of Access: 13 December 2013. <http://uk.reuters.com/article/2013/10/03/uk-italy-merrilllynch-idUKBRE9920AO20131003>

⁴²⁴ Berlusconi expelled from Italian parliament over tax fraud, Reuters UK Edition (Rome) 27 November 2013. Date of Access: 13 December 2013 <http://uk.reuters.com/article/2013/11/27/us-italy-berlusconi-idUKBRE9AQ0P220131127>

⁴²⁵ Japan Action Plan to prevent the misuse of companies and legal arrangement, Ministry of Foreign Affairs of Japan (Tokyo) 18 June 2013. Date of access: 16 December 2013. <http://www.mofa.go.jp/files/000006562.pdf>.

⁴²⁶ Japan Action Plan to prevent the misuse of companies and legal arrangement, Ministry of Foreign Affairs of Japan (Tokyo) 18 June 2013. Date of access: 16 December 2013 <http://www.mofa.go.jp/files/000006562.pdf>.

design a “mechanism,” based on the national risk assessment to provide relevant information to use and create more transparency between foreign and domestic authorities.⁴²⁷

On 7 October 2013, Transparency International published the ninth annual progress report on foreign bribery enforcement. The report classified Japan as having “little or no enforcement” on enforcing the Organisation for Economic Co-operation and Development (OECD) Convention on enforcing bribery.⁴²⁸ It states Japan has not ratified the United Nations Convention against Corruption, that its enforcement system insufficiently maintains and lacks cohesion between prosecution and investigative groups, and that its sanctions available against foreign bribery are ineffective.⁴²⁹ However, the report states that Japan has “taken some steps” to improve enforcement. On 18 March 2013 Japan’s Ministry of Economy, Trade and Finance published an online report on foreign bribery and issued leaflets to businesses to raise awareness on this issue.⁴³⁰

Moreover, on 8 October 2013, the Transparency International Secretariat published a press release stating that Japan has adequately held companies and businesses accountable for bribing foreign governments.⁴³¹

On 6 December 2013, the Japanese Diet passed the states secret bill.⁴³² The law aims to protect classified information provided by both foreign and domestic authorities on articles such as defence, diplomacy, counterterrorism and counterintelligence.⁴³³ According to Jeff Kingston, Director of Asian studies at Temple University, the term “special secrets” as defined by the bill, is “vague and has loose guidelines which allows for government officials to “abuse the system.”⁴³⁴

⁴²⁷ Japan Action Plan to prevent the misuse of companies and legal arrangement, Ministry of Foreign Affairs of Japan (Tokyo) 18 June 2013. Date of access: 19 December 2013. <http://www.mofa.go.jp/files/000006562.pdf>.

⁴²⁸ Exporting Corruption: Progress report 2013: assessing enforcement of the OECD Convention on combating bribery, Transparency International (Berlin) 7 October 2013. Date of access: 17 December 2013. http://www.transparency.org/whatwedo/pub/exporting_corruption_progress_report_2013_assessing_enforcement_of_the_oecd.

⁴²⁹ Exporting Corruption Progress report 2013, assessing enforcement of the OECD Convention on combating bribery, Transparency International (Berlin) 7 October 2013. Date of access: 18 December 2013. http://www.transparency.org/whatwedo/pub/exporting_corruption_progress_report_2013_assessing_enforcement_of_the_oecd.

⁴³⁰ Exporting Corruption Progress report 2013, assessing enforcement of the OECD Convention on combating bribery, Transparency International (Berlin) 7 October 2013. Date of access: 16 December 2013 http://www.transparency.org/whatwedo/pub/exporting_corruption_progress_report_2013_assessing_enforcement_of_the_oecd.

⁴³¹ Many Exporting Nations still turn a blind eye to bribing foreign officials, Transparency International Secretariat (Berlin) 8 October 2013. Date of access: 20 December 2013. http://www.transparency.org/news/pressrelease/many_exporting_nations_still_turn_a_blind_eye_to_bribing_foreign_officials.

⁴³² A Blow to Transparency; Japan Passes Secrecy Bill, freedominfo.org (Washington D.C) 9 December 2013. Date of access: 20 December 2013. <http://www.freedominfo.org/2013/12/blow-transparency-japan-passes-secrecy-bill/>.

⁴³³ Abe promotes secrecy sidelining transparency and open government, Japan Times News Edition (Tokyo) 5 October 2013. Date of access: 21 December 2013. <http://www.japantimes.co.JPY/opinion/2013/10/05/commentary/abe-promotes-secrecy-sidelining-transparency-and-open-government/#.UrpOGPW1yy>.

⁴³⁴ Abe promotes secrecy sidelining transparency and open government, Japan Times News Edition (Toyko) 5 October 2013. Date of access: 20 December 2013. <http://www.japantimes.co.JPY/opinion/2013/10/05/commentary/abe-promotes-secrecy-sidelining-transparency-and-open-government/#.UrpOGPW1yy>.

On 22 November 2013 United Nations Special Rapporteur Frank La Rue stated that the draft bill establishes “very broad and vague grounds for secrecy” which could pose a threat to transparency.⁴³⁵ Japanese Prime Minister Shinzo Abe stated that “a highly independent body” would be formed to prevent the government from over-classifying information to protect transparency. However, these bodies would be operated by the Cabinet Office, which invited criticism that the government wants to keep total internal control.⁴³⁶

In addition, on November 2013, international NGO Global Witness published an annual report on Company ownership. Japan is graded “red,” meaning that it either lacks jurisdiction on public registry of beneficial ownership or that it lacks any plans to implement enforcement.⁴³⁷ The report states that: “the Japanese government is not considering creating a registry of beneficial ownership.”⁴³⁸

On 24 October 2013, the Aid Transparency Index published its annual Index report which focuses on Donor agencies’ commitments towards aid transparency. The Donors representing Japan are Japan International Cooperation Agency (JICA) and the Ministry of Foreign Affairs (MOFA).⁴³⁹ The agencies received a score of 23.51 per cent and 17.17 per cent respectively, which are substantially lower than the average of 32.63 per cent.⁴⁴⁰

Furthermore, Japan implemented several commitments on transparency and cooperation regarding the issue of asset recovery. Guides on information about main agencies that are related to asset recovery cases are available and Japan regularly participates in preparatory meetings to launch an asset recovery network in the Asia Pacific Region.⁴⁴¹ Japan also adopted mechanisms for enforcement of foreign orders of confiscation and provides assistance for the purpose of identifying assets concerned and ensures that domestic legal frameworks and mutual legal assistance are granted.⁴⁴²

⁴³⁵ Japan: “Special Secrets Bill threatens transparency” — UN independent experts, Office of the High Commissioner for Human Rights (Geneva) 22 November 2013. Date of access: 18 December 2013. <http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=14017>.

⁴³⁶ Government to promulgate new Secrets Law quickly, Japan Times News Edition (Toyko) 12 December 2013. Date of access: 17 December 2013. http://www.japantimes.co.jp/news/2013/12/12/national/government-to-promulgate-new-secrets-law-quickly/#.UrpOM_QW1yy.

⁴³⁷ Company ownership: which places are the most and least transparent?, Global Witness and Christian Aid (London) November 2013. Date of access: 17 December 2013 http://www.globalwitness.org/sites/default/files/library/GW_CA_Company%20Ownership%20Paper_download.pdf.

⁴³⁸ Company ownership: which places are the most and least transparent?, Global Witness and Christian Aid (London) November 2013. Date of access: 17 December 2013 http://www.globalwitness.org/sites/default/files/library/GW_CA_Company%20Ownership%20Paper_download.pdf.

⁴³⁹ Japan Donor scoring in Aid Transparency Index 2013, Publish What you Fund (London) October 2013. Date of access: 16 December 2013. <http://ati.publishwhatyoufund.org/major-donor/japan/>.

⁴⁴⁰ Japan Donor scoring in Aid Transparency Index 2013, Publish What you Fund (London) October 2013. Date of access: 18 December 2013. <http://ati.publishwhatyoufund.org/major-donor/japan/>.

⁴⁴¹ Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington D.C) November 2013. Date of access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

⁴⁴² Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington D.C) November 2013. Date of access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

Although there is evidence of funding towards progress to improve transparency through the FATF program, Japan has failed to implement any significant measures or actions to further improve it. Thus, Japan has been awarded a score of 0.

Analyst: Arnold Yung

Russia: +1

Russia has fully complied with the commitment to improve the transparency of companies.

On 28 June 2013, Russian President Vladimir Putin signed Federal Law on Amendments to Certain Legislative Acts of the Russian Federation regarding Prevention of Illegal Financial Operations.⁴⁴³ The law aims to ensure transparency of the beneficial ownership of companies and legal arrangements, and to prevent tax evasion using offshore jurisdictions.⁴⁴⁴

In September 2013, the Russian Federal Financial Monitoring Service published an Action Plan to enhance transparency and prevent misuse of companies and other legal entities. The action plan provides for taking legislative action to support implementation of Federal Law on Amendments to Certain Legislative Acts of the Russian Federation regarding Prevention of Illegal Financial Operations. The Federal Financial Monitoring Service mentioned that the Action Plan was adopted in accordance with the FATF Standards and the commitment made by the Russian Federation at the G8 Leaders summit.⁴⁴⁵

Russia has started to implement the Action Plan. In particular, on 19 September 2013, the Russian Central Bank issued the guidelines on informing the regulator about measures to freeze (block) assets and about the results of identifying clients whose assets should be frozen (blocked) by commercial banks.⁴⁴⁶

Russia has established an Action Plan to ensure that companies' information is available to relevant authorities as appropriate and started to implement it. Thus, it receives a score of +1.

Analyst: Andrey Shelepov

United Kingdom: +1

The United Kingdom is in full compliance with its commitment to increase the transparency of companies by creating an Action Plan to hold information on the beneficial ownership of companies, enforcing efforts to pursue criminal networks, and working alongside the Financial Action Task Force (FATF) to implement FATF standards.

The United Kingdom recognizes that seven of the ten world's fastest growing economies are located in Africa, which exposes these growing African economies to the increased threat of

⁴⁴³ Introduction of amendments to certain legislation in order to prevent illegal financial operations, President of Russia 30 June 2013. Date of Access: 13 January 2014. <http://kremlin.ru/news/18424>.

⁴⁴⁴ Amendments to several laws in order to prevent illegal financial operations, President of Russia 30 June 2013. Date of Access: 31 December 2013. <http://eng.kremlin.ru/news/5662>.

⁴⁴⁵ Action Plan to enhance transparency and prevent misuse of companies and other legal entities, Federal Financial Monitoring Service September 2013. Date of Access: 13 January 2014. http://www.fedsfm.ru/en/international-cooperation/action_plan.

⁴⁴⁶ Bank of Russia Bulletin No. 62 (1458), Bank of Russia 14 November 2013. Date of Access: 13 January 2014. <http://cbr.ru/publ/vestnik/ves131114062.pdf>.

illicit financial activity.⁴⁴⁷ As such, a joint venture between the HM Treasury and the U.S. Department of the Treasury launched “the inaugural Sub-Saharan Africa Public-Private Sector Dialogue (PPSD) to help support the development and implementation of robust anti-money laundering and combating the financing of terrorism (AML/CFT) regimes in Eastern and Southern Africa.”⁴⁴⁸ The PPCS was presented at the 2013 Lough Erne G8 Summit where leaders committed to it.

On 6 September 2013, the Dialogue was launched in Swakopmund, Namibia. This was attended by Mark Simmonds—the UK Minister for Africa, the Namibian Finance Minister, and the President of the FATF.⁴⁴⁹

On 7 September 2013, Marianne Young, British High Commissioner to Namibia, delivered a speech at the inaugural PPCS on anti-money laundering and combatting the financing of terrorism.⁴⁵⁰ She claimed that the dialogue offered, “a chance for discussion between the public and private sectors, amongst G8 and Sub-Saharan Africa, a chance to raise the political profile of anti-money laundering and combatting the financing of terrorism. And [sic] a chance to exchange technical knowledge on policy development and practical implementation.”⁴⁵¹

According to the High Commissioner, the UK is committed to lead the front on the implementation of the FATF standards.⁴⁵² Moreover, the UK will conduct the UK National Risk Assessment of money laundering and terrorist financing, which will take place over the course of 2014.⁴⁵³ Young also claims that the UK, “will improve the supervision and enforcement of review

⁴⁴⁷ G8 Public-Private Sector Dialogue on Anti-Money Laundering and Countering Terrorist Finance, Foreign & Commonwealth Office and Cabinet Office (London) 6 September 2013. Date of Access: 07 January 2014. <https://www.gov.uk/government/news/g8-public-private-sector-dialogue-on-anti-money-laundering-and-countering-terrorist-finance>.

⁴⁴⁸ G8 Public-Private Sector Dialogue on Anti-Money Laundering and Countering Terrorist Finance, Foreign & Commonwealth Office and Cabinet Office (London) 6 September 2013. Date of Access: 07 January 2014. <https://www.gov.uk/government/news/g8-public-private-sector-dialogue-on-anti-money-laundering-and-countering-terrorist-finance>.

⁴⁴⁹ G8 Public-Private Sector Dialogue on Anti-Money Laundering and Countering Terrorist Finance, Foreign & Commonwealth Office and Cabinet Office (London) 6 September 2013. Date of Access: 07 January 2014. <https://www.gov.uk/government/news/g8-public-private-sector-dialogue-on-anti-money-laundering-and-countering-terrorist-finance>.

⁴⁵⁰ G8 PPCS opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

⁴⁵¹ G8 PPCS opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

⁴⁵² G8 PPCS opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

⁴⁵³ G8 PPCS opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

of trust and company service providers.”⁴⁵⁴ She states: “We are undertaking a review of corporate transparency, including through bearer shares and nominee directors ... we are committed to leading from the front on implementing the standards on beneficial ownership transparency.”⁴⁵⁵

Young further claims that the UK Department for Business issued a discussion paper detailing the UK’s plans to achieve transparency, including: (1) Requiring companies to obtain and hold information on their beneficial owners; (2) Holding this information in a central registry for tax authorities and law enforcement to access, and; (3) Consulting on whether that registry will be made publicly available.⁴⁵⁶ The UK is committed to, “implementing these measures in the year ahead.”⁴⁵⁷

On 28 November 2013, the HM Treasury published the, “Anti-money laundering and counter terrorist finance supervision report 2012-13.”⁴⁵⁸ The report monitors the anti-money laundering and counter terrorist finance sector.⁴⁵⁹ The report is a result of the collaborative effort of the HM Treasury with supervisors to develop an annual report on anti-money laundering and counter terrorist finance supervision.⁴⁶⁰ According to the Executive Summary, this most recent report, “contains more quantitative and qualitative information than in previous years, as supervisors rise to the challenges set by the FATF to focus their efforts more on demonstrating that they supervise in accordance with a risk-based approach and that this supervision is effective.”⁴⁶¹

According to British Ambassador Nicholas Cannon, “The British government committed itself to put in place mechanisms that would enable the real beneficial owners of British companies to be

⁴⁵⁴ G8 PPSD opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

⁴⁵⁵ G8 PPSD opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

⁴⁵⁶ G8 PPSD opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

⁴⁵⁷ G8 PPSD opening remarks by British High Commissioner to Namibia, Foreign & Commonwealth Office (Namibia) 7 September 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/speeches/g8-ppsd-opening-remarks-by-british-high-commissioner-to-namibia>.

⁴⁵⁸ Anti-money laundering and counter terrorist finance supervision report 2012-13, HM Treasury (London) 28 November 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/publications/anti-money-laundering-and-counter-terrorist-finance-supervision-reports/anti-money-laundering-and-counter-terrorist-finance-supervision-report-2012-13>.

⁴⁵⁹ Anti-money laundering and counter terrorist finance supervision reports, HM Treasury (London) 28 November 2013. Date of Access: 7 January 2013. <https://www.gov.uk/government/publications/anti-money-laundering-and-counter-terrorist-finance-supervision-reports>.

⁴⁶⁰ Anti-money laundering and counter terrorist finance supervision reports, HM Treasury (London) 28 November 2013. Date of Access: 7 January 2013. <https://www.gov.uk/government/publications/anti-money-laundering-and-counter-terrorist-finance-supervision-reports>.

⁴⁶¹ Anti-money laundering and counter terrorist finance supervision report 2012-13, HM Treasury (London) 28 November 2013. Date of Access: 7 January 2014. <https://www.gov.uk/government/publications/anti-money-laundering-and-counter-terrorist-finance-supervision-reports/anti-money-laundering-and-counter-terrorist-finance-supervision-report-2012-13>.

identified.”⁴⁶² At the Open Government Partnership Summit, David Cameron announced that, “Details of who really owns and controls UK companies will be made publicly accessible.”⁴⁶³ The central registry of company beneficial ownership will contain: “information on individuals with an interest in more than 25 per cent of a company’s shares or voting rights, or who otherwise control the way it is run.”⁴⁶⁴ Companies are expected to: “hold information on the names and addresses of their beneficial owners and details of their interest in the company. Moreover, Companies House will hold and make publicly accessible the names of the beneficial owners and details of their interest in the company.”⁴⁶⁵ The Department for Business, Innovation & Skills (BIS) will set out further detail in the discussion paper, which will be published in early 2014.⁴⁶⁶

Moreover, BIS will also set out its plans from the ‘Transparency and Trust’ discussion paper including: (1) abolishing bearer shares, whose ownership is completely opaque; (2) tackling the use of corporate directors, which refers to one company acting as a director for another, and; (3) addressing situations where a front director is registered but the control is concealed elsewhere.⁴⁶⁷

The UK government also created and enforced the Bribery Act, which sets out a modern scheme of bribery offences in the UK and overseas.⁴⁶⁸ This is already giving rise to convictions.⁴⁶⁹

According to James Brokenshire, financial gain is often the fundamental motive for serious and organized crime. He claims that: “Criminal assets are ... being moved overseas beyond the easy reach of law enforcement agencies in the UK. Some countries are willing safe havens for criminal

⁴⁶² British Ambassador Nicholas Cannon speech at the Open Government Partnership conference in Tirana, Foreign & Commonwealth Office (Albania) 5 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/open-government-partnership>.

⁴⁶³ The Prime Minister announced that details of who really owns and controls UK companies will be made publicly accessible, Department for Business, Innovation & Skills and Prime Minister’s Office (London) 31 October 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/public-register-to-boost-company-transparency>.

⁴⁶⁴ The Prime Minister announced that details of who really owns and controls UK companies will be made publicly accessible, Department for Business, Innovation & Skills and Prime Minister’s Office (London) 31 October 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/public-register-to-boost-company-transparency>.

⁴⁶⁵ The Prime Minister announced that details of who really owns and controls UK companies will be made publicly accessible, Department for Business, Innovation & Skills and Prime Minister’s Office (London) 31 October 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/public-register-to-boost-company-transparency>.

⁴⁶⁶ The Prime Minister announced that details of who really owns and controls UK companies will be made publicly accessible, Department for Business, Innovation & Skills and Prime Minister’s Office (London) 31 October 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/public-register-to-boost-company-transparency>.

⁴⁶⁷ The Prime Minister announced that details of who really owns and controls UK companies will be made publicly accessible, Department for Business, Innovation & Skills and Prime Minister’s Office (London) 31 October 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/public-register-to-boost-company-transparency>.

⁴⁶⁸ Reducing corruption and increasing transparency are vital for global stability and prosperity, British Embassy Hanoi (Vietnam) 9 December 2013. Date of Access: 8 January 2013. <https://www.gov.uk/government/world-location-news/reducing-corruption-and-increasing-transparency-are-vital-for-global-stability-and-prosperity>.

⁴⁶⁹ Reducing corruption and increasing transparency are vital for global stability and prosperity, British Embassy Hanoi (Vietnam) 9 December 2013. Date of Access: 8 January 2013. <https://www.gov.uk/government/world-location-news/reducing-corruption-and-increasing-transparency-are-vital-for-global-stability-and-prosperity>.

property.”⁴⁷⁰ As such, the UK government is working towards strengthening the legislation by closing loopholes that allow criminals to exploit the current framework.⁴⁷¹ Moreover, the government will strengthen prison sentence for failure to pay confiscation orders.⁴⁷² Brokenshire further contends that “we will also reduce the time that criminals have to pay those orders.”⁴⁷³

The U.K. wishes to work with its overseas partners in order to encourage them to enforce their orders and approaches to financial laundering. The government wants to: “work with the banking, legal, accountancy and other professions, and their regulators, to expose and bring to justice those who are complicit in facilitating organised [sic] crime and laundering money.”⁴⁷⁴ The U.K. emphasizes that it is not just about recovering the money, as it is about disrupting criminal activity.⁴⁷⁵ As such, financial investigations will be used to disrupt serious and organized crime.⁴⁷⁶ The National Crime Agency (NCA) will be spearheading this crackdown.⁴⁷⁷

According to Brokenshire, “The NCA, in particular its Economic Crime Command, will bring a single national focus to cutting economic crime, working closely with other law enforcement bodies, the public, private and voluntary sectors. While the [National Fraud Authority] has been successful in raising awareness of fraud, the focus now has to be on investigating and cutting economic crime.”⁴⁷⁸

Therefore, the United Kingdom is in full compliance with its commitment to improve the transparency of companies.

Analyst: Sarah Burton

⁴⁷⁰ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷¹ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷² James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷³ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷⁴ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷⁵ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷⁶ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷⁷ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

⁴⁷⁸ James Brokenshire speech on cutting organised and serious crime, Home Office (London) 3 December 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/speeches/james-brokenshire-speech-on-cutting-organised-and-serious-crime>.

United States: +1

The United States has fully complied with its commitment to make a collective effort to improve transparency of companies with the creation of an action plan as well as a concerted effort to dismantle tax evading networks.

On 18 June 2013, the United States presented, through the Office of the Press Secretary at the White House, the Action Plan for Transparency of Company Ownership and Control. This was a response to the G8 commitment for member countries to publish national action plans on transparency of company ownership and control, established in the Lough Erne G8 Summit.⁴⁷⁹

The United States committed to the following actions: (1) the updating of its national risk assessment, comprising of a document that assesses major money laundering conduits and methods, specifically addressing the abuse of legal entities; (2) the continuation of advocating legislation to require identification and verification of beneficial ownership information at the time a company is formed; (3) The clarification and strengthening of customer due diligence standards for U.S. financial institutions, and; (4) the assessment of “the effectiveness of existing means for complying with requests for mutual legal assistance and other forms of international cooperation related to beneficial ownership of companies.”⁴⁸⁰

Among the continuation of the comprehensive legislation for identification and verification of beneficial ownership information at the time of a company’s formation, the following actions were also set forth: (1) the definition of beneficial owners; (2) the collection and verification of documentation; (3) the regulation of company formation agents; (4) the ensuring of accessibility of information; (5) the request for information update within 60 days of changes in beneficial owners, and; (6) the implementation of civil and criminal penalties for companies that knowingly provide false information or documentation to a state or formation agent.⁴⁸¹

On 9 July 2013, the U.S. Department of the Treasury announced 31 individuals and entities located in Colombia, Panama, and Israel, as Specially Designated Narcotics Traffickers (SDNTs). Together, the individuals and entities formed a money laundering network responsible for laundering USD millions in drug money connected to drug trafficking organizations.⁴⁸²

Moreover, on 14 November 2013 the Department of Treasury announced the intergovernmental agreement signed between the United States and France to implement the Foreign Account Tax Compliance Act (FATCA). France was among the first countries to support the goals proposed by

⁴⁷⁹ United States G-8 Action Plan for Transparency of Company Ownership and Control, The White House Office of the Press Secretary (Washington) 18 June 2013. Date of Access: 31 December 2013. <http://www.whitehouse.gov/the-press-office/2013/06/18/united-states-g-8-action-plan-transparency-company-ownership-and-control>.

⁴⁸⁰ United States G-8 Action Plan for Transparency of Company Ownership and Control, The White House Office of the Press Secretary (Washington) 18 June 2013. Date of Access: 31 December 2013. <http://www.whitehouse.gov/the-press-office/2013/06/18/united-states-g-8-action-plan-transparency-company-ownership-and-control>.

⁴⁸¹ United States G-8 Action Plan for Transparency of Company Ownership and Control, The White House Office of the Press Secretary (Washington) 18 June 2013. Date of Access: 31 December 2013. <http://www.whitehouse.gov/the-press-office/2013/06/18/united-states-g-8-action-plan-transparency-company-ownership-and-control>.

⁴⁸² Treasury Targets Major Money Laundering Network Operating Out of Colombia, U.S. Department of the Treasury (Washington) 9 July 2013. Date of Access: 31 December 2013. <http://www.treasury.gov/press-center/press-releases/Pages/jl2002.aspx>.

the FATCA and its intergovernmental approach in 2012.⁴⁸³ The agreement was signed by U.S. Ambassador to France Charles H. Rivkin and French Finance Minister Pierre Moscovici. Ambassador Rivkin stated the signing of the agreement represented, “an important step forward in the collaboration between the United States and France to combat tax evasion.”⁴⁸⁴

Furthermore, on 29 November 2013, the Department of Treasury announced the signing of intergovernmental agreements with the Cayman Islands and Costa Rica to implement the FATCA, as expressed by the Deputy Assistant Secretary for International Tax Affairs Robert B. Stack: “Today’s announcement marks a milestone in the effort to promote global tax transparency.”⁴⁸⁵

On 19 December 2013 the U.S. Department of Treasury announced that the United States had, in the previous week, signed bilateral agreements with six additional jurisdictions to “implement the information reporting and withholding tax provisions commonly known as the Foreign Account Tax Compliance Act.” The aim of these agreements was to improve tax compliance and to combat international tax evasion.⁴⁸⁶

On 19 December 2013 the U.S. Department of Treasury took action against four senior members of the Yamaguchi-gumi, the largest and most prominent Japanese Yakuza syndicate. The efforts were designed to protect United States’ financial system from the influence of the transnational criminal organization. Under Secretary for Terrorism and Financial Intelligence David S. Cohen pointed towards the effort “to undermine the financial stability of the Yakuza and disrupt their transnational drug-trafficking and money laundering efforts.”⁴⁸⁷

Additionally, on 24 December 2013, the United States urged China to take steps to implement the planned reforms to open its economy. The Office of the U.S. Trade Representative (USTR), in a report to U.S. lawmakers, stated that United States shared the reforms’ goal of “reducing Chinese government intervention in the economy, accelerating China’s opening up to foreign goods and services, reforming China’s state-owned enterprises and improving transparency and the rule of law to allow fair competition in China’s market.”⁴⁸⁸ The effort is to improve transparency in the

⁴⁸³ U.S. And France Agree To Combat Offshore Tax Evasion, U.S. Department of the Treasury (Washington) 14 November 2013. Date of Access: 31 December 2013. <http://www.treasury.gov/press-center/press-releases/Pages/jl2217.aspx>.

⁴⁸⁴ U.S. And France Agree To Combat Offshore Tax Evasion, U.S. Department of the Treasury (Washington) 14 November 2013. Date of Access: 31 December 2013. <http://www.treasury.gov/press-center/press-releases/Pages/jl2217.aspx>.

⁴⁸⁵ U.S. Signs Historic Agreements With Cayman Islands, Costa Rica To Fight Offshore Tax Evasion, U.S. Department of the Treasury (Washington) 29 November 2013. Date of Access: 31 December 2013. <http://www.treasury.gov/press-center/press-releases/Pages/jl2226.aspx>.

⁴⁸⁶ United States Signs Six More Bilateral Agreements To Improve Tax Compliance, Combat International Tax Evasion, And Implement FATCA, U.S. Department of the Treasury (Washington) 19 December 2013. Date of Access: 31 December 2013. <http://www.treasury.gov/press-center/press-releases/Pages/jl2251.aspx>.

⁴⁸⁷ Treasury Sanctions Members of Japanese Criminal Organization, U.S. Department of the Treasury (Washington) 19 December 2013. Date of Access: 31 December 2013. <http://www.treasury.gov/press-center/press-releases/Pages/jl2250.aspx>.

⁴⁸⁸ U.S. urges China to implement planned economic reforms, Reuters U.S Edition (Washington) 24 December 2013. Date of Access: 31 December 2013. <http://www.reuters.com/article/2013/12/24/us-usa-china-trade-idUSBRE9BN0N520131224>.

country considered “among the least transparent and predictable of the world’s major markets for agricultural products.”⁴⁸⁹

Therefore the United States has received a score of +1 for its effort to ensure transparency of companies at home and abroad and for the creation of an action plan following FATF standards and recommendations.

Analyst: Artur Pereira

European Union: 0

The European Union has partially complied with its commitment to improve the transparency of companies.

On 16 February 2012, the Financial Action Task Force on Money Laundering (FATF) revised its international standards on money laundering and financing to, “further protect the integrity of the financial system by providing governments with stronger tools to take action against financial crime.”⁴⁹⁰ Internal Market and Services Commissioner Michel Barnier, welcomed the revised standards, and promised to take appropriate steps, “to ensure that these revised standards are rapidly incorporated.”⁴⁹¹ On 5 February 2013, the European Commission adopted two proposals to “fully take into account the latest recommendations of the FATF.”⁴⁹² The new Directive: (1) improves clarity across EU Member states; (2) provides a mechanism for identification of owners; (3) improves rules on customer due diligence; (4) expands provisions on politically exposed persons; (5) requires those dealing with payments of EUR 7500 or more to comply with regulations; and (6) strengthens cooperation between financial intelligence units to share data on suspicious financing.⁴⁹³ Both the European Central Bank and the European Economic and Social Committee welcomed the proposals in May 2013.^{494,495}

⁴⁸⁹ U.S. urges China to implement planned economic reforms, Reuters U.S Edition (Washington) 24 December 2013. Date of Access: 31 December 2013. <http://www.reuters.com/article/2013/12/24/us-usa-china-trade-idUSBRE9BN0N520131224>.

⁴⁹⁰ International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation, Financial Action Task Force (Paris) 16 February 2012. Date of Access: 17 December 2013. <http://www.fatf-gafi.org/topics/fatfrecommendations/documents/internationalstandardsoncombatingmoneylaundryingandthefinancingofterrorismproliferation-thefatfrecommendations.html>.

⁴⁹¹ Statement by Commissioner Michel Barnier, European Commission (Brussels) 16 February 2012. Date of Access: 17 December 2013. http://europa.eu/rapid/press-release_MEMO-12-113_en.htm?locale=en.

⁴⁹² Anti-Money Laundering: Stronger Rules to Respond to New Threats, European Commission (Brussels) 5 February 2013. Date of Access: 17 December 2013. http://europa.eu/rapid/press-release_IP-13-87_en.htm?locale=en.

⁴⁹³ Anti-Money Laundering: Stronger Rules to Respond to New Threats, European Commission (Brussels) 5 February 2013. Date of Access: 17 December 2013. http://europa.eu/rapid/press-release_IP-13-87_en.htm?locale=en.

⁴⁹⁴ Opinion of the European Central Bank on a proposal for a directive on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing and on a proposal for a regulation on information accompanying transfers of funds, European Central Bank (Frankfurt) 17 May 2013. Date of Access: 17 December 2013. <http://www.europarl.europa.eu/oeil/popups/summary.do?id=1286051&t=d&l=en>.

Despite this, the proposals have yet to be embodied in EU law, as it requires a qualified majority for adoption by the Council of the European Union “in agreement with the Parliament.”⁴⁹⁶ However, legislative progress has been made. Additionally, on 11 November 2013, a draft incorporating the Commissions’ proposals into the future Fourth Anti-Money Laundering Directive was presented to the European Parliament.⁴⁹⁷ Currently, future Parliament votes on the Directive are scheduled for January 2014 in Committee and March 2014 in Plenary Sitting. On 15 November 2013, the Anti Money Laundering (AML) Directive was debated in the Council, where members confirmed its intention to reach an agreement “with the European Parliament before the end of its current term (May 2014).”⁴⁹⁸

Furthermore, though voting has not taken place, the European Parliament has shown its support for the Directive. On 23 October 2013, Parliament adopted the Special Committee on Organized Crime, Corruption, and Money Laundering’s final report and recommendations.⁴⁹⁹ Many of the recommendations support “the efforts made by the FATF to promote anti-money laundering policies,”⁵⁰⁰ as well as the “full access to information on the actual owners of companies, foundations, and trusts.”⁵⁰¹ Transparency International also supported Parliament for furthering “a Europe-wide Action Plan.”⁵⁰²

⁴⁹⁵ Opinion of the European Economic and Social Committee on the Proposal for a Directive of the European Parliament and of the Council on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, European Economic and Social Committee (Brussels) 23 May 2013.

<http://eescopinions.eesc.europa.eu/eescopiniondocument.aspx?language=EN&docnr=1767&year=2013>.

⁴⁹⁶ Economic and Financial Affairs, Council of the European Union (Brussels) 15 November 2013. Date of Access: 17 December 2013.

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/139626.pdf.

⁴⁹⁷ Draft Report: Prevention of the Use of the Financial System for the Purpose of Money Laundering and Terrorist Financing, European Parliament (Brussels) 11 November 2013. Date of Access: 17 December 2013. <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-%2f%2fEP%2f%2fNONGML%2bCOMPARL%2bPE-523.003%2b01%2bDOC%2bPDF%2bV0%2f%2fEN>.

⁴⁹⁸ Economic and Financial Affairs, Council of the European Union (Brussels) 15 November 2013. Date of Access: 17 December 2013.

http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/139626.pdf.

⁴⁹⁹ Commissioner Malmström welcomes the European Parliament report on Organized Crime, Corruption, and Money Laundering, (Brussels) 23 October 2013. Date of Access: 17 December 2013. http://europa.eu/rapid/press-release_MEMO-13-925_en.htm.

⁵⁰⁰ Organized crime, corruption, and money laundering: recommendations on action and initiatives to be taken, European Parliament (Brussels) 23 October 2013. Date of Access: 17 December 2013. <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2013-0444&language=EN&ring=A7-2013-0307>.

⁵⁰¹ Organized crime, corruption, and money laundering: recommendations on action and initiatives to be taken, European Parliament (Brussels) 23 October 2013. Date of Access: 17 December 2013. <http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P7-TA-2013-0444&language=EN&ring=A7-2013-0307>.

⁵⁰² Organized Crime, Corruption, and Money-Laundering: European Parliament Report — what next?, Transparency International Liaison Office to the European Union (Brussels) 23 October 2013. Date of Access: 17 December 2013. http://www.transparency.org/news/pressrelease/organised_crime_corruption_and_money_laundering_european_parliament_report.

The European Union has worked alongside the FATF to implement FATF standards and recommendations. Yet, it has not legally established an Action Plan that requires the transparency of companies to relevant authorities. Thus, the EU is awarded a score of 0 for partial compliance.

Analyst: Anthony Marchese

8. Crime and Corruption: Anti-Money Laundering [95]

“We are committed to ensuring enforcement of our AML/CFT requirements to ensure corporate wrongdoers are held to account.”

G8 Leaders Declaration on Crime and Corruption and Anti-Laundering

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France	-1		
Germany		0	
Italy	-1		
Japan		0	
Russia			+1
United Kingdom			+1
United States			+1
European Union			+1
Average Score	+0.22		

Background:

Crime and corruption has been one of the problems facing the G8 members in their attempts to promote economic growth and global stability.

The Financial Action Task Force was established in 1989 to “promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.”⁵⁰³

The IMF, which has been very active for over ten years in this area notes that Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) controls can “mitigate the adverse effects of criminal economic activity and promote integrity and stability in financial market.”⁵⁰⁴ In a statement from Min Zhu, Deputy Managing Director of the IMF “Effective anti-money laundering and combating the financing of terrorism regimes are essential to protect the integrity of markets and of the global financial framework as they help mitigate the factors that facilitate financial abuse.”⁵⁰⁵ G8 members have encouraged other world leaders to ensure their countries are meeting the AML/CFT requirements, including those of the FATF.

At the 2012 Camp David and 2013 Lough Erne Summits, G8 members continued to encourage other countries to ensure they meet the AML/CFT requirements.

⁵⁰³ “FATF: Home” Date of Access: 3 December 2013. <http://www.fatf-gafi.org/pages/aboutus/>

⁵⁰⁴ “International Monetary Fund: Anti-Money Laundering/Combating the Financing of Terrorism” Date of Access: 3 December 2013. <http://www.imf.org/external/np/leg/amlcft/eng/>

⁵⁰⁵ “International Monetary Fund: Anti-Money Laundering/Combating the Financing of Terrorism” Date of Access: 3 December 2013. <http://www.imf.org/external/np/leg/amlcft/eng/>

Commitment Features:

In 2012, FATF revised its 40 recommendations on developing international standards to combat money laundering and the financing of terrorism and proliferation.⁵⁰⁶ These recommendations form the basis for AML/CFT and thus G8 members must enforce all 40. They are divided into seven categories:

1. Policies and Coordination
2. Money Laundering and Confiscation
3. Terrorist Financing and Financing Proliferation
4. Preventive Measures
5. Transparency and Beneficial Ownership of Legal Persons and Arrangements
6. Powers and Responsibilities of Competent Authorities and Other Institutional Measures
7. International Cooperation⁵⁰⁷

In order to achieve full compliance each member state must undertake concrete policy initiatives in each category.

Scoring Guidelines:

-1	G8 member has not devised new policy initiatives in any of the FATF's seven categories.
0	G8 member has begun implementing new policy initiatives in some of the seven categories outlined by the FATF.
+1	G8 member has fully implemented new policy initiatives in each of the seven categories outlined by the FATF.

Lead Analyst: Christine Jacob

Canada: 0

Canada has partially complied with its commitment to support and encourage AML/CFT strategies in other countries.

On 18 June 2013, Prime Minister Stephen Harper released Canada's G8 action plan on transparency on corporations and trusts. He stated of Canada's awareness of this complex global issue and committed to focus on three key areas that have already been enforced. It includes: (1) domestic assessment of money laundering and terrorist financing; (2) improving "customer due diligence measures"; and (3) public consultation of beneficial ownership regarding corporate transparency in accordance with the Economic Action Plan 2013.⁵⁰⁸ Harper also acknowledged

⁵⁰⁶ FATF International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation. Date of Access: 3 December 2013. <http://www.fatf-gafi.org/topics/fatfrecommendations/documents/internationalstandardscombatingmoneylaunderingandthefinancingofterrorismproliferation-thefatfrecommendations.html>

⁵⁰⁷ FATF International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation. Date of Access: 3 December 2013. <http://www.fatf-gafi.org/topics/fatfrecommendations/documents/internationalstandardscombatingmoneylaunderingandthefinancingofterrorismproliferation-thefatfrecommendations.html>

⁵⁰⁸ PM Releases Canada's G8 Action Plan on Transparency of Corporations and Trusts, Office of the Prime Minister (Enniskillen) 18 June 2013. Date of Access: 20 December 2013. <http://pm.gc.ca/eng/news/2013/06/18/pm-releases-canadas-g-8-action-plan-transparency-corporations-and-trusts#sthash.KjuZn8Lt.dpuf>

the UK presidency for this focus and assured that Canada will continue to fulfill its responsibilities in this matter.⁵⁰⁹

On 19 June 2013, Canada passed Bill S-14 “Fighting Foreign Corruption Act.” This act will allow the Government of Canada, regardless of where crimes have taken place to exert authority over Canadian citizens, permanent residents, and Canadian companies.⁵¹⁰

On 5 July 2013, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) addressed the Republic of Iran and the Republic of Korea’s failure to prevent terrorist financing and money laundering.⁵¹¹ FINTRAC has also advised of monitoring the transactions related to these countries, as well as other jurisdictions that represent similar risks.⁵¹²

Canada has taken steps to reaffirm its support of AML/CFT standards and encouraged countries to adhere to its standards. Therefore, Canada has been scored 0 for partial compliance.

Analyst: Saima Jahan

France: -1

France has not complied with its commitment to anti-money laundering.

France has not taken any significant actions towards implementing FATF recommendations, improving transparency or combating AML/CFT deficiencies in this compliance cycle.

Thus, France has been awarded a score of -1 for non-compliance.

Analyst: Sevda Sparks

Germany: 0

Germany has partially complied with its commitment to support and implement the FATF’s standards and to encourage AML/CFT strategies in other countries.

On 17 August 2013 German Federal Financial Supervisory Authority (BaFin) began investigating Germany’s largest bank, Deutsche bank.⁵¹³ The goal of the investigation is to determine whether the bank must improve the preventative measures it has put in place against money laundering.⁵¹⁴

⁵⁰⁹ PM Releases Canada’s G8 Action Plan on Transparency of Corporations and Trusts, Office of the Prime Minister (Ottawa) 18 June 2013. Date of Access: 20 December 2013.

<http://pm.gc.ca/eng/news/2013/06/18/pm-releases-canadas-g-8-action-plan-transparency-corporations-and-trusts#sthash.KjuZn8Lt.dpuf>

⁵¹⁰ Canada’s Fight against Foreign Bribery — Fourteenth Annual Report to Parliament (Ottawa) 26 November 2013. Date of Access: 20 December 2013. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/topics-domaines/other-autre/corr-14.aspx?lang=eng>

⁵¹¹ FINTRAC Advisory, Financial Transactions and Reports Analysis Centre of Canada (Ottawa) 5 July 2013. Date of Access: 20 December 2013. <http://www.fintrac-canafe.gc.ca/new-neuf/avs/2013-07-05-eng.asp>

⁵¹² FINTRAC Advisory, Financial Transactions and reports Analysis Centre of Canada (Ottawa) 5 July 2013. Date of Access: 20 December 2013. <http://www.fintrac-canafe.gc.ca/new-neuf/avs/2013-07-05-eng.asp>

⁵¹³ Regulator probes Deutsche Bank over money laundering controls: report, Reuters (New York) 17 August 2013. Date of Access: 22 December 2013. <http://www.reuters.com/article/2013/08/17/us-deutschebank-bafin-laundering-idUSBRE97G05620130817>.

On 4 December 2013 the Vatican's Financial Information Authority issued a press release stressing the importance of its agreement of understanding with Germany's Federal Criminal Police Office.⁵¹⁵ This represents an effort by Germany to combat money-laundering operations in the state alongside increasing investments in Germany by the Vatican Bank.

Germany has partially complied with its commitment to anti-corruption and FATF standards. It has taken some action against combating money-laundering. Thus, Germany has been awarded a score of 0.

Analyst: Syed Fahd Ahmed

Italy: -1

Italy has not complied with its commitment to anti-money laundering.

Italy has not taken any significant actions towards implementing FATF recommendations, improving transparency or combating AML/CFT deficiencies in this compliance cycle.

Thus, Italy has been awarded a score of -1 for non-compliance.

Analyst: Sevda Sparks

Japan: 0

Japan has partially complied with its commitment to implement AML/CFT policies and encourage international participation.

Japan has signed Statements of Cooperation between Financial Intelligence Units with numerous countries on the topic of money laundering. This includes agreements signed with Slovenia on 14 June 2013, Turkmenistan on 12 September 2013, and Poland on 15 November 2013.⁵¹⁶

Japan has partially fulfilled its commitments to encourage effective international cooperation. Thus, Japan has received a score of 0.

Analyst: Sasha Boutilier

Russia: +1

Russia has fully complied with the commitment on the enforcement of the AML/CFT requirements.

On 28 June 2013, Russian President Vladimir Putin signed Federal Law on Amendments to Certain Legislative Acts of the Russian Federation regarding Prevention of Illegal Financial Operations.⁵¹⁷ The law aims to ensure transparency of the beneficial ownership of companies and

⁵¹⁴ Regulator probes Deutsche Bank over money laundering controls: report, Reuters (New York) 17 August 2013. Date of Access: 22 December 2013. <http://www.reuters.com/article/2013/08/17/us-deutschebank-bafin-laundering-idUSBRE97G05620130817>.

⁵¹⁵ Vatican finance group signs agreement with German counterpart, Catholic News Agency (Vatican City) 4 December 2013. Date of Access: 22 December 2013. <http://www.catholicnewsagency.com/news/vatican-finance-group-signs-agreement-with-german-counterpart/>.

⁵¹⁶ Statements of cooperation between JAFIC and foreign FIUs concerning Exchange of Information related to Money Laundering and Terrorist Financing. Japan Financial Intelligence Center. Date of Access: 22 December 2013. http://www.npa.go.jp/sosikihanzai/jafic/en/kokusai_e/mousin_e.htm

⁵¹⁷ Introduction of amendments to certain legislation in order to prevent illegal financial operations, President of Russia 30 June 2013. Date of Access: 13 January 2014. <http://kremlin.ru/news/18424>.

legal arrangements, expands the list of financial operations and entities subject to mandatory control, and “makes it possible to block (freeze) non-cash monetary funds or non-certified securities and assets of physical persons and legal entities suspected of financing and engaging in terrorist activity.”⁵¹⁸

In September 2013, the Russian Federal Financial Monitoring Service published an Action Plan to enhance transparency and prevent misuse of companies and other legal entities. The action plan provides for taking legislative action to support implementation of Federal Law on Amendments to Certain Legislative Acts of the Russian Federation regarding Prevention of Illegal Financial Operations. The Federal Financial Monitoring Service mentioned that the Action Plan was adopted in accordance with the FATF Standards and the commitment made by the Russian Federation at the G8 Leaders summit.⁵¹⁹

Russia has started to implement the Action Plan. In particular, on 19 September 2013, the Russian Central Bank issued the guidelines on informing the regulator about measures to freeze (block) assets and about the results of identifying clients whose assets should be frozen (blocked) by commercial banks.⁵²⁰

On 29 October 2013, Russian President following the Russian-Ecuadorian talks stressed that the two countries would continue their cooperation in the area of combating terrorism financing, and money laundering.⁵²¹

On 28 January 2014, Russia and the EU signed an agreement on combating terrorism aimed to strengthen bilateral cooperation in tackling terrorist financing, and enhance legal cooperation, including on “extradition and legal assistance on criminal cases,...identification, arrest, confiscation and return of property acquired through terrorist activities.” To this end, the parties agreed to promote cooperation between the relevant Russian and EU authorities, including Eurojust and Europol.⁵²²

On 10 February 2014, Russian Prime Minister Dmitry Medvedev instructed the Federal Customs Service to hold talks with the Fiscal Intelligence and Investigation Service of the Netherlands on the agreement on information cooperation in the area of combating money-laundering and the financing of terrorism during trans-border cash transfers by individuals.⁵²³

⁵¹⁸ Amendments to several laws in order to prevent illegal financial operations, President of Russia 30 June 2013. Date of Access: 24 February 2014. <http://eng.kremlin.ru/news/5662>.

⁵¹⁹ Action Plan to enhance transparency and prevent misuse of companies and other legal entities, Federal Financial Monitoring Service September 2013. Date of Access: 24 February 2014. http://www.fedsfm.ru/en/international-cooperation/action_plan.

⁵²⁰ Bank of Russia Bulletin No. 62 (1458), Bank of Russia 14 November 2013. Date of Access: 24 February 2014. <http://cbr.ru/publ/vestnik/ves131114062.pdf>

⁵²¹ Press statement following Russian-Ecuadorian talks, President of Russia 29 October 2013. Date of Access: 24 February 2014. <http://eng.kremlin.ru/transcripts/6187>.

⁵²² Joint EU-Russia statement on combatting terrorism, President of Russia 28 January 2014. Date of Access: 24 February 2014. <http://eng.news.kremlin.ru/media/events/eng/files/41d4b9fc4bb11a050563.pdf>.

⁵²³ On the agreement on information cooperation in the area of combating money-laundering operations between the Russian Federal Customs Service and the Fiscal Intelligence and Investigation Service of the Kingdom of the Netherlands, Government of Russia 10 February 2014. Date of Access: 24 February 2014. <http://government.ru/en/docs/10348>

Russia has taken measures to amend its legislation in accordance with the 2012 FATF recommendations on AML/CFT and strengthened mutual legal assistance in the area on the bilateral level. Thus, it is awarded a score of +1.

Analyst: Andrey Shelepov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to support and implement the policies and standards of the Financial Action Task Force (FATF) regarding anti-money laundering and counter-terrorist financing, and has also encouraged other countries to adhere to these standards.

On 9 August 2013, the United Kingdom's Financial Conduct Authority (FCA) fined the UK subsidiary of Nigeria's Guaranty Trust Bank EUR 525,000 for failing to have adequate controls to prevent money laundering.⁵²⁴

On 31 October 2013, the FCA warned London city firms to strengthen their defenses against financial crime after it found serious failures in wealth and asset managers' anti-money laundering and corruption measures.⁵²⁵

On 31 October 2013 the United Kingdom announced that a central register of companies' beneficial owners will be made accessible to the public.⁵²⁶ The goal of the public registry is to allow for greater transparency and contribute to combating tax evasion.⁵²⁷ Britain will be the first country to commit to an obligatory public register.⁵²⁸

On 5 November 2013 the Government of the United Kingdom signed an automatic tax information sharing agreement with the Cayman Islands.⁵²⁹ The agreement will provide HM Revenue and Customs (HMRC) with financial information on UK taxpayers with accounts in the Cayman Islands.⁵³⁰ It is intended to help the HMRC ensure that the correct amount of tax is being paid by citizens with Cayman Island accounts and increase its ability to track tax evasion.

⁵²⁴ FCA Fines Nigerian Bank £525,000 over money-laundering controls, Reuters (New York) 9 August 2013. Date of Access: 20 December 2013. <http://uk.reuters.com/article/2013/08/09/uk-gtbank-fine-idUKBRE9780RJ20130809>.

⁵²⁵ City of London banks told to improve protection against money laundering, The Guardian (London) 31 October 2013. Date of Access: 20 December 2013 <http://www.theguardian.com/business/2013/oct/31/banks-told-improve-protection-against-money-laundering>.

⁵²⁶ Register of companies' beneficial owners will be made public, Cameron says, Pinsent Masons LLP (London) 4 November 2013. Date of Access: 20 December 2013. <http://www.out-law.com/en/articles/2013/november/register-of-companies-beneficial-owners-will-be-made-public-cameron-says/>.

⁵²⁷ UK: Government announces introduction of public register of companies' beneficial owners, Lexology (London), 1 November 2013. Date of Access: 20 December 2013. <http://www.lexology.com/library/detail.aspx?g=ec422c62-3249-4f95-98bb-47f300a0a307>.

⁵²⁸ Register revealing firms' true owners will be open to public, says Cameron: The Guardian (London) 31 October 2013. Date of Access: 19 December 2013. <http://www.theguardian.com/business/2013/oct/31/public-register-firms-secret-owners-cameron>.

⁵²⁹ Cayman Islands signs tax information exchange agreement, HM Treasury (London) 5 November 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/news/cayman-islands-signs-tax-information-exchange-agreement>.

⁵³⁰ Cayman Islands signs tax information exchange agreement, HM Treasury (London) 5 November 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/news/cayman-islands-signs-tax-information-exchange-agreement>.

On 9 December 2013, Foreign Secretary William Hague reaffirmed the United Kingdom's commitment to anti-laundering by stating "Reducing corruption and increasing transparency is at the heart of this Government's agenda."⁵³¹ This statement reflects the principles of the FATF and displays the United Kingdom's continued support for FATF standards.

On 10 December 2013 the British Government announced that it will partner with the Government of Burma and the Burmese private sector to share expertise and training on international best practices in the fields of Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT).⁵³² The training will be provided in early 2014 by the UK organization, GovRisk. GovRisk and the British Embassy have met with key stakeholders in the fight against financial crime, including the Financial Intelligence Unit, the Central Bank, the Ministry of Finance, Office of the President, and with representatives from Burma's banking and insurance sectors.⁵³³ A five-day workshop for these stakeholders is planned to take place in February 2014.

Between 12 and 15 November 2013, the British Embassy funded workshops to train Cuban officials in strategies to tackle international financial crime.⁵³⁴

The United Kingdom has expressed ongoing support for FATF standards and has taken action to combat money laundering. It has encouraged other countries to develop anti-money laundering and counter-terrorism financing measures and thus has been awarded a score of +1 for full compliance.

Analyst: Syed Fahd Ahmed

United States: +1

The United States has complied with its commitment to reaffirm continued support for the Financial Action Task Force (FATF) policies and its implementations in anti-corruption.

On 17 September 2013, the United States Financial Crimes Enforcement Network (FinCEN) published an advisory addressing FATF updates to the list of jurisdictions with "strategic AML/CFT deficiencies."⁵³⁵ In this advisory, FinCEN outlined "a broad range of restrictions and prohibitions" that U.S. financial institutions are subject to in Iran and the Democratic People's

⁵³¹ Reducing corruption and increasing transparency are vital for global stability and prosperity, British Embassy Hanoi (Hanoi) 9 December 2013. Date of Access: 20 December 2013.

<https://www.gov.uk/government/world-location-news/reducing-corruption-and-increasing-transparency-are-vital-for-global-stability-and-prosperity>.

⁵³² Burma: Cleaning up financial crime: British Embassy Rangoon (Rangoon) 10 December 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/world-location-news/burma-cleaning-up-financial-crime>.

⁵³³ Burma: Cleaning up financial crime: British Embassy Rangoon (Rangoon) 10 December 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/world-location-news/burma-cleaning-up-financial-crime>.

⁵³⁴ The UK and Cuba work together on tackling money laundering: British Embassy Havana (Havana) 29 November 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/world-location-news/el-reino-unido-y-cuba-unen-esfuerzos-en-la-lucha-contra-el-lavado-de-dinero-y-el-financiamiento-del-terrorismo>.

⁵³⁵ Advisory on the FATF-Identified Jurisdictions with AML/CFT Deficiencies, Financial Crimes Enforcement Network. Date of Access: 22 December 2013. http://www.fincen.gov/statutes_regs/guidance/pdf/FIN-2013-A006.pdf.

Republic of Korea.⁵³⁶ The advisory also encouraged U.S. financial institutions to “apply enhanced due diligence ...when maintaining correspondent accounts for foreign banks operating under a banking license issued by Ecuador, Ethiopia, Indonesia, Kenya, Myanmar, Pakistan, Sao Tome and Principe, Syria, Tanzania, Turkey, Vietnam, and Yemen”⁵³⁷ as FATF jurisdictions subject to enhanced due diligence.

On 24 October 2013, the United States and Mexico signed the “first-ever Memorandum of Understanding to exchange Financial Information to Thwart Drug Crime.”⁵³⁸ The MOU facilitates information exchange for the purposes of anti-money laundering and AML/CTF missions.

The United States has fully complied with its commitment to reaffirm support for FATF policies and to its commitment to encourage countries to adhere to FATF corruption and transparency standards. Thus, the United States receives a score of +1 for full compliance.

Analyst: Sasha Boutilier

European Union: +1

The European Union has fully complied with its commitment to support and implement the Financial Action Task Force (FATF) standards and encourage anti-money laundering/counterterrorism financing (AML/CFT) strategies in other countries.

On 7 November 2013, the European Union-Thailand Partnership and Cooperation Agreement (PCA) was finalized in Brussels. This agreement is aimed towards strengthening mutual interests on global issues.⁵³⁹ On 15 November 2013, the Council of the European Union looked into the international account standards. The report has addressed three issues to be focused on. It includes (1) the adoption of International Financial Reporting Standards (IFRS); (2) any governance matters associated with the European Financial Reporting Advisory Group (EFRAG); and (3) funding issues in general.⁵⁴⁰ These are to be looked into in details and addressed again in forthcoming meetings.

In terms of bank resolution, the Council is also working towards a “Single Resolution Mechanism” (SRM) that will enter into force on January 2015.⁵⁴¹ In November, the ECB also

⁵³⁶ Advisory on the FATF-Identified Jurisdictions with AML/CFT Deficiencies, Financial Crimes Enforcement Network. Date of Access: 22 December 2013.

http://www.fincen.gov/statutes_regs/guidance/pdf/FIN-2013-A006.pdf.

⁵³⁷ Advisory on the FATF-Identified Jurisdictions with AML/CFT Deficiencies, Financial Crimes Enforcement Network http://www.fincen.gov/statutes_regs/guidance/pdf/FIN-2013-A006.pdf.

⁵³⁸ U.S. and Mexican AML/CFT Supervisors Sign First-Ever MOU to Exchange Financial Information to Thwart Drug Crime, Financial Crimes Enforcement Network. Date of Access: 22 December 2013. http://www.fincen.gov/news_room/nr/html/20131024.html.

⁵³⁹ Press Release — European Union — Thailand Partnership and Cooperation Agreement initialed, European Union External Action (Brussels) 7 November 2013. Date of Access: 20 December 2013. http://eeas.europa.eu/statements/docs/2013/131107_02_en.pdf.

⁵⁴⁰ Press Release — 3271st Council Meeting, Economic and Financial Affairs, Council of the European Union (Strasbourg) 15 November 2013. Date of Access: 20 December 2013. http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/139626.pdf.

⁵⁴¹ Press Release — 3271st Council Meeting, Economic and Financial Affairs, Council of the European Union (Strasbourg) 15 November 2013. Date of Access: 20 December 2013. http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ecofin/139626.pdf.

prepared a draft document providing recommendations for the security of mobile payments.⁵⁴² The EU, along with its European Economic Area (EEA) member states are focusing on mobile transactions in order to monitor risks associated with frequent use of technology.⁵⁴³

On 6 December 2013, the Money Laundering and Terrorist Financing project (MOLI Serbia) organized a presentation at the National Assembly of the Republic of Serbia. It was organized by the Administration for the Prevention of Money Laundering (APML) for the Members of the EU Parliament.⁵⁴⁴ From 1 to 4 October 2013, it also made a four-day visit to Rome, Italy and organized a project on money laundering and terrorist financing.⁵⁴⁵

On 12 December 2013, the EU donated an amount of EUR 2.5 million towards a program that associates the Serbian Central Bank with the European System of Central Banks (ESCB).⁵⁴⁶ From 16 to 18 December 2013, Moli Serbia drafted the national AML/CFT strategy and action plan in Ruma, Serbia. This provided a direct outline of goals to be accomplished within 2014-2019.⁵⁴⁷

The European Union has taken measures to reaffirm its support for FAFT standards and has encouraged other countries to adhere to its standard. For its full compliance, it has been awarded a score of 1+.

Analyst: Saima Jahan

⁵⁴² Recommendations for the Security of Mobile Payments, European Central Bank (Frankfurt) November 2013. Date of Access: 21 December 2013.

<http://www.ecb.europa.eu/paym/cons/pdf/131120/recommendationsforthesecurityofmobilepaymentsdraftpc201311en.pdf>.

⁵⁴³ Recommendations for the Security of Mobile Payments, European Central Bank (Frankfurt) November 2013. Date of Access: 21 December 2013. <http://www.ecb.europa.eu/paym/cons/pdf/131120/recommendationsforthesecurityofmobilepaymentsdraftpc201311en.pdf>.

⁵⁴⁴ MOLI Serbia: Project against Money Laundering and Terrorist Financing in Serbia, Council of the European Union (Strasbourg) 6 December 2013. Date of Access: 20 December 2013. http://www.coe.int/t/DGHL/cooperation/economiccrime/corruption/Projects/MOLI_Serbia/Default_en.asp.

⁵⁴⁵ MOLI Serbia: Project against Money Laundering and Terrorist Financing in Serbia, Council of the European Union (Strasbourg) 6 December 2013. Date of Access: 20 December 2013. http://www.coe.int/t/DGHL/cooperation/economiccrime/corruption/Projects/MOLI_Serbia/Default_en.asp.

⁵⁴⁶ Press release — EU, ECB and National Bank of Serbia complete extensive cooperation programme, European Central Bank (Frankfurt) 12 December 2013. Date of Access: 20 December 2013. <http://www.ecb.europa.eu/press/pr/date/2013/html/pr131212.en.html>

⁵⁴⁷ MOLI Serbia: Project against Money Laundering and Terrorist Financing in Serbia, Council of the European Union (Strasbourg) 16 to 18 December. Date of Access: 20 December 2013. http://www.coe.int/t/DGHL/cooperation/economiccrime/corruption/Projects/MOLI_Serbia/Default_en.asp

9. Transparency: Extractive Industries [97]

Commitment:

“The G8 will take action to raise global standards for extractives transparency and make progress towards common global reporting standards, both for countries with significant domestic extractive industries and the home countries of large multinational extractives corporations.”

2013 Lough Erne Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France		0	
Germany		0	
Italy			+1
Japan		0	
Russia	-1		
United Kingdom			+1
United States			+1
European Union			+1
Average Score	+0.44		

Background:

In the wake of the International Financial Crisis, leaders at the 2009 L'Aquila Summit reaffirmed their belief that enhanced transparency is in the best interest of both energy producers and consumers, and will reduce excessive volatility in the energy market.⁵⁴⁸ The G8 announced its continued support of the Joint Oil Data Initiative (JODI), which is managed by the International Energy Forum (IEF), and called on all countries to cooperate in improving quality, completeness, and timeliness of data. Leaders also called on the IEF to examine the possibility of extending JODI-type initiatives to the natural gas sector.

Moreover, they commended the progress made by the Extractive Industries Transparency Initiative (EITI) and recommended that more countries and companies participate in this particular initiative. Member states believe that greater transparency will result in increased public revenue and reduced corruption, conflict, and violence fuelled by resource revenues.⁵⁴⁹

At the 2012 Camp David Summit, transparency of gas markets was a distinct commitment feature.⁵⁵⁰ The commitment focused on improving dialogue between gas producing and consuming countries, while also taking steps to develop gas data systems, similar to the aforementioned JODI.

⁵⁴⁸ Responsible Leadership for a Sustainable Future, G8 Information Centre (Toronto), 8 July 2009. Date of Access: 1 December 2013. <http://www.g8.utoronto.ca/summit/2009laquila/2009-declaration.html#energy>.

⁵⁴⁹ Responsible Leadership for a Sustainable Future, G8 Information Centre (Toronto), 8 July 2009. Date of Access: 1 December 2013. <http://www.g8.utoronto.ca/summit/2009laquila/2009-declaration.html#energy>.

⁵⁵⁰ 2012 Camp David G8 Summit Final Compliance Report, G8 Information Centre (Toronto), 14 June 2013. Date of Access: 1 December 2013. <http://www.g8.utoronto.ca/evaluations/2012compliance/index.html>.

Commitment Features:

This commitment is part of a broader G8 initiative to respond to transparency issues and concerns. Members believe that resource extraction can be a key driver of strong and sustainable growth, particularly in developing countries with significant oil, gas, and mineral reserves. However, the lack of transparency and accountability in the management of the extractive sector in some resource-rich countries has allowed revenues to be diverted from high-priority national needs. Raising global standards of transparency in the extractive sector and building the capacity of countries to manage their resources effectively will improve accountability, reduce the space for corruption and other illicit activities, and ensure that citizens benefit fully from the extraction of natural resources.

Raising domestic standards for extractive transparency may involve companies reporting on extractives payments and governments ensuring disclosure compliance. Governments who wish to move toward global reporting standards such as the Extractive Industry Transparency Initiative (EITI) would voluntarily report their revenues as part of this program. The EITI formally announced the EITI Standard, which is an international standard that ensures transparency around countries' oil, gas, and mineral resources, in May 2013.⁵⁵¹

On one level, the commitment focuses on (1) improving standards for extractive transparency; and on a second level (2) making progress towards improving global reporting standards, for states that have high-level extractive industries or are the home for multinational extractive companies.

Scoring Guidelines:

-1	Member does not improve standards for extractive transparency AND does not make progress towards global reporting standards.
0	Member takes concrete steps to improve standards for extractive transparency OR makes progress towards improving global reporting standards.
+1	Member improves global standards for extractive transparency AND makes progress towards improving global standards.

Lead Analyst: David Cosolo

Canada: +1

Canada has fully complied with its commitment to energy transparency. Canada has been awarded a score of +1 for helping to improve both Canadian and global standards for extractive transparency along with having made progress towards improving global reporting standards. Canada has also cooperated fully with the work of the Extractive Industry Transparency Initiative (EITI) and has complied with its regulations and suggestions.

Canada is not a member of EITI, although it actively supports the work of the EITI. Canada aids member nations of EITI in resource management and provides technical assistance. Canada also contributed CAD 750,000 to the EITI Multi-Donor Trust Fund in initial support, along with CAD

⁵⁵¹ The EITI Standard, Extractive Industry Transparency Initiative (Oslo), 11 July 2013. Date of Access: 9 December 2013. http://eiti.org/files/English_EITI%20STANDARD_11July_0.pdf.

200,000 annually from 2008 to 2011.⁵⁵² Canada's formal contribution and participation in the EITI occurs through both the federal government and domestic energy companies.⁵⁵³

In June 2013, before the start of the Lough Erne Summit, Prime Minister Stephen Harper announced that Canada would establish new "mandatory reporting standards for Canadian extractive companies with a view to enhancing transparency on the payments they make to governments."⁵⁵⁴ The new reporting standards will aim to improve transparency, ensure Canada's framework is consistent with international standards, ensure a "level playing field" for companies operating both domestically and abroad, and reinforce the integrity of Canadian extractive companies.⁵⁵⁵ Harper also announced that over the coming months, the federal government will consult with provincial and territorial governments, First Nations groups, industry, and civil society organizations in order to "establish the most effective regime."⁵⁵⁶

Thus, Canada has been awarded a score of +1 for complying with the G8 commitment. Canada continues to work towards greater domestic and global transparency and strives to aid the work of the EITI.

Analyst: George L. Grobe IV

France: 0

France has failed to comply with its commitment to raise standards for extractive transparency and make progress towards common global reporting standards.

At Lough Erne, France declared that it would seek candidacy status for the Extractive Industries Transparency Initiative (EITI) by 2014.⁵⁵⁷

On 5-6 September 2013, French President François Hollande attended the G20 summit in Saint Petersburg, Russia. In the G20 Leaders' Declaration, France reaffirmed its support for "initiatives aimed at increasing extractive transparency, including voluntary participation in the Extractives Industries Transparency Initiative."⁵⁵⁸

⁵⁵² The EITI: Improving governance and Transparency, EITI (Oslo) DATE. Date of Access: 21 December 2013. http://eiti.org/files/page/canada_eiti_brochure.pdf.

⁵⁵³ The EITI: Improving governance and Transparency, EITI (Oslo) DATE. Date of Access: 21 December 2013. http://eiti.org/files/page/canada_eiti_brochure.pdf.

⁵⁵⁴ Transparency and Accountability in the Canadian Extractive Sector, Prime Minister of Canada (London) 12 June 2013. Date of Access: 30 December 2013. <http://pm.gc.ca/eng/news/2013/06/12/transparency-and-accountability-canadian-extractive-sector>.

⁵⁵⁵ Transparency and Accountability in the Canadian Extractive Sector, Prime Minister of Canada (London) 12 June 2013. Date of Access: 30 December 2013. <http://pm.gc.ca/eng/news/2013/06/12/transparency-and-accountability-canadian-extractive-sector>.

⁵⁵⁶ Canada Commits to Enhancing Transparency in the Extractive Sector, Prime Minister of Canada (London) 12 June 2013. Date of Access: 30 December 2013. <http://pm.gc.ca/eng/news/2013/06/12/canada-commits-enhancing-transparency-extractive-sector>.

⁵⁵⁷ G8 Lough Erne Leaders Communique, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 13 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html#extractives>

⁵⁵⁸ G20 Leaders' Declaration, G20 Information Centre (Toronto) 6 September 2013. Date of Access: 16 December 2013. <http://www.g20.utoronto.ca/2013/2013-0906-declaration.html#corruption>

On 6-7 December 2013, a French delegation participated in the Elysée Summit for Peace and Security in Africa. In the Final Declaration, France reiterated its support for the EITI.⁵⁵⁹

However, France has not implemented any requirements that domestic companies report their extractives payments to the French government and no regulations have been issued requiring disclosure of government revenues from extractives payments.

As well, France has not fulfilled the requirements to become an EITI candidate.⁵⁶⁰ It has not appointed an individual to lead on the implementation of the EITI standard and has not established a multi-stakeholder group to oversee implementation.

Thus, France has been awarded a score of -1 for its failure to improve standards for extractives transparency and make progress towards improving global reporting standards.

Analyst: Malcolm Peck-McQueen

Germany: 0

Germany has partially complied with its commitment to increase transparency within extractive industries.

Following the Lough Erne Summit, Germany agreed to test Extractive Industries Transparency Initiative (EITI) implementation through pilot projects, in the hope of becoming a future EITI candidate.⁵⁶¹

On 18 June 2013, Germany hosted the Eschborn dialogue, which addressed the use of raw materials, resources, and growth.⁵⁶² The issue of natural resource transparency was discussed, particularly in developing countries. Some of the possible solutions that were discussed included adhering to the principles of the EITI, and enacting domestic and foreign transparency regulations.⁵⁶³

Germany supports the EITI both politically and financially. The country is currently a member of the EITI International Advisory Group, and the Ministry for Economic Cooperation and

⁵⁵⁹ Déclaration finale, Sommet de L'Elysée pour la Paix et la Sécurité en Afrique (Paris) 7 December 2013. Date of Access: 13 December 2013. <http://sommet-afrique.elysee.fr/sommet-de-l-elysee-pour-la-paix-et-la-securite-en-afrique-declaration-finale/>

⁵⁶⁰ The EITI Requirements, Extractive Industries Transparency Initiative (Oslo) 22 May 2013. Date of Access: 13 December 2013. <http://eiti.org/eiti/requirements>

⁵⁶¹ Italy to Implement, Germany to Pilot the EITI, Extractive Industries Transparency Initiative (Oslo) 18 June 2013. Date of Access: 16 December 2013. <http://eiti.org/news/italy-implement-germany-pilot-eiti>

⁵⁶² 2013 Eschborn Dialogue Thematic Forum — The Competition for Soil: Are We Losing Ground, Secretariat of the Global Donor Platform for Rural Development (Bonn) 18 June 2013. Date of Access: 20 December 2013. <http://www.donorplatform.org/calendar/icalrepeat.detail/2013/06/18/807/27%7C68%7C70%7C67%7C72%7C71%7C135%7C136%7C137%7C138%7C80/eschborn-dialogue-2013-thematic-forum-the-competition-for-soil-are-we-losing-ground.html>

⁵⁶³ Eschborn Dialogue 2013, Raw Materials and Resources: Growth, Values, Competition, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (Eschborn). Date of Access: 18 December 2013. <http://www.giz.de/en/aboutgiz/10892.html>

Development continues to make both bilateral and multilateral payments to the Multi-Donor Trust Fund.⁵⁶⁴

As part of the European Union's Accounting Directive, Germany is expected to formulate payment disclosure legislation for extractive companies by July 2015.⁵⁶⁵ Germany is also committed to fast-tracking this legislation.

Germany also sustains an ongoing relationship with member states of the Economic and Monetary Community of Central Africa (CEMAC), in their efforts to partake in the Extractive Industry Transparency Initiative. Beginning in 2007, Germany has provided advice to member states (Cameroon, Central African Republic, Chad, Equatorial Guinea, Gabon, and the Republic of Congo) on the governance of extractive resources as well as on the technical/cooperative facets of extraction. Germany, through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), commissioned by the German Federal Ministry for Economic Cooperation and Development, currently assists CEMAC states in implementing the EITI, as well as providing advice on more efficient allocation of public revenues from the extractive sector, in order to support the reduction of poverty while promoting economic growth. This partnership is expected to carry through to 2017.⁵⁶⁶

The German Federal Ministry for Economic Cooperation and Development (BMZ) has also commissioned an initiative targeted at improving the governance of natural resources in Mozambique.⁵⁶⁷ This is expected to last three years, to 2016. The primary aim is to promote growth and reduce poverty through the proper utilization of resource funds. The project hopes to improve the management and handling of policies and strategies, as well as to regulate the social and economic consequences of mining in Mozambique. In accordance with the objectives of the EITI, the core of Germany's work is also centred on "increasing transparency and compliance with accountability obligations." Transparency has thus improved Mozambique's governance of natural resources and its extractive sector.⁵⁶⁸

Germany continuously provides aid to many countries in the process of, or considering implementing the EITI. However, Germany is in partial compliance because they have not yet implemented direct measures necessary for improved transparency. Its efforts focus primarily on pilot projects aimed at implementing EITI standards necessary for achieving EITI candidacy.

Analyst: Kertia Johnson

⁵⁶⁴ The German Contribution to the EITI, Federal Ministry for Economic Cooperation and Development (Bonn). Date of Access: 17 December 2013.

http://www.bmz.de/en/what_we_do/issues/goodgovernance/EITI/deutscherbeitrag/index.html

⁵⁶⁵ UK Lead on Oil and Mining Transparency Law Sends Strong Signal to US, Global Witness UK Edition (London) 31 October 2013. Date of Access: 19 December 2013. <http://www.globalwitness.org/library/uk-lead-oil-and-mining-transparency-law-sends-strong-signal-us>

⁵⁶⁶ Strengthening Governance in Central Africa's Extractive Sector, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (Eschborn) DATE. Date of Access: 16 December 2013. <http://www.giz.de/en/worldwide/15828.html>

⁵⁶⁷ Improving Natural Resources Governance, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (Eschborn) DATE. Date of Access: 18 December 2013. <http://www.giz.de/en/worldwide/19385.html>

⁵⁶⁸ Improving Natural Resources Governance, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH (Eschborn) DATE. Date of Access: 18 December 2013. <http://www.giz.de/en/worldwide/19385.html>

Italy: +1

Italy has fully complied with its commitment to implementing the principles of the Extractive Industry Transparency Initiative (EITI).

Following the Lough Erne Summit in June 2013, Italy announced that it would seek candidacy status for the new EITI standard “as soon as possible.”⁵⁶⁹

Italian energy company ENI has also shown a commitment to the new EITI standard. The company has taken an active role assisting countries in implementing EITI principles. ENI has also practiced transparency regarding payments made to governments that have subscribed to the EITI.⁵⁷⁰ ENI has maintained consistent dialogue with Transparency International, and on 2 October 2013, was recognized as the top company in corporate reporting and transparency.⁵⁷¹

As part of the European Union’s Accounting Directive, Italy is expected to formulate payment disclosure legislation for extractive companies by July 2015.⁵⁷² Italy has committed to fast-tracking this legislation.

ENI signed a collaborative agreement with Transparency International on 19 December 2013, for the formulation of a new system of assessment on corporate corruption. This initiative will involve collaboration between the public sector, international business associations, and the general public.⁵⁷³

Thus, Italy receives +1 for full compliance, as it has identified specific measures to improve extractives transparency and global reporting standards. Italy has maintained consistent dialogue and cooperation with organizations concerned with decreasing corruption and increasing transparency

Analyst: Kertia Johnson

Japan: 0

Japan has partially complied with its commitment to raise standards for extractives transparency and make progress towards common global reporting standards.

On 19 June 2013, Minister Counsellor Asako Okai of the Permanent Mission of Japan to the United Nations highlighted Japan’s already existing efforts at increasing the transparency of the extractives industry. She stated that Japan has supported the expansion of various international initiatives such as the Organisation for Economic Co-operation and Development’s Due

⁵⁶⁹ Italy to implement, Germany to pilot the EITI, Extractive Industries Transparency Initiative (Oslo) 18 June 2013. Date of Access: 27 December 2013. <http://eiti.org/news/italy-implement-germany-pilot-eiti>

⁵⁷⁰ ENI Annual Report 2012: Transparency Over Payments (City) DATE. Date of Access: 18 December 2013. http://annualreport2012.eni.com/annual-report/consolidated-sustainability/business-ethics/integrity-and-transparency.aspx?sc_lang=en

⁵⁷¹ ENI Ranked First in Survey of Italian Companies’ Transparency in Anti-Bribery Programs (Milan) 2 October 2013. Date of Access: 22 December 2013. https://www.eni.com/en_IT/media/press-releases/2013/10/2013-10-02-eni-ranked-first-transparency.shtml

⁵⁷² UK Lead on Oil and Mining Transparency Law Sends Strong Signal to US, Global Witness UK Edition (London) 31 October 2013. Date of Access: 19 December 2013. <http://www.globalwitness.org/library/uk-lead-oil-and-mining-transparency-law-sends-strong-signal-us>

⁵⁷³ ENI and Transparency International Sign Collaborative Agreement on New Anti-Corruption Tool (Milan) 19 December 2013. Date of Access: 22 December 2013. http://www.eni.com/en_IT/media/press-releases/2013/12/2013-12-19-eni-transparency.shtml

Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and high Risk Areas, as well as its support for the Extractive Industries Transparency Initiative (EITI).

Furthermore, Ms. Okai also highlighted the outcome of the Fifth Tokyo International Conference on African Development, which stipulates to “promote sustainable management of all Africa’s natural resources and conservation of biodiversity,” and reiterated Japan’s commitment to the issue.⁵⁷⁴

At the Lough Erne Summit, Japan stated its support for the goal of the EITI and declared that it would encourage national companies to support the EITI.⁵⁷⁵ On 5-6 September 2013, Prime Minister of Japan Shinzo Abe attended the G20 summit in St. Petersburg, Russia. Japan reiterated its support for the EITI in the G20 Leaders’ Declaration.⁵⁷⁶

However, there is no evidence of Japan taking action to improve domestic standards for extractives transparency or raise global reporting standards.

Thus, partially met its commitment to improve global standards for extractives transparency and has been awarded a 0.

Analyst: Malcolm Peck-McQueen

Russia: -1

Russia has failed to comply with the commitment on the Extractive Industry Transparency Initiative (EITI).

No facts of Russian actions to improve national transparency standards or implement global standards, such as the EITI, have been registered during the compliance period.

Thus, Russia receives a score of -1.

Analyst: Andrey Shelepov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to improve domestic and global standards of extractive transparency. It has done so by actively implementing the Extractive Industry Transparency Initiative (EITI) standard of extractive disclosure, and by promoting strong standards of global extractive reporting.

On 9 July 2013, Business Minister Jo Swinson launched the UK’s implementation of the EITI through the formation of a Multi-Stakeholder Group (MSG) comprising government, civil society, and private sector actors in Britain’s extractive industry.⁵⁷⁷ The MSG is mandated to define the framework and scope of UK participation in the EITI, an international initiative which

⁵⁷⁴ Statement by Ms. Asako Okai, Permanent Mission of Japan to the United Nations. 19 June 2013. Date of Access: 15 January 2013. <http://www.un.emb-japan.go.jp/statements/okai061913.html>

⁵⁷⁵ G8 Lough Erne Leaders Communique, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 13 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html#extractives>

⁵⁷⁶ G20 Leaders’ Declaration, G20 Information Centre (Toronto) 6 September 2013. Date of Access: 16 December 2013. <http://www.g20.utoronto.ca/2013/2013-0906-declaration.html#corruption>

⁵⁷⁷ New Transparency Rules Launched for Extractive Industry Payments, Department for Business, Innovation & Skills (London) 9 July 2013. Date of Access: 18 December 2013. <https://www.gov.uk/government/news/new-transparency-rules-launched-for-extractive-industry-payments>.

seeks to independently reconcile reported private and government revenues/payments in the extractive industry. The formation of the MSG follows Prime Minister David Cameron's May 2013 announcement that the UK would seek to implement EITI standards of extractive transparency.⁵⁷⁸

On 9 October 2013 the UK's EITI MSG convened for the first time.⁵⁷⁹ The meeting defined the scope of the UK's EITI implementation, and decided that "the scope of UK EITI should ensure the main companies are captured while ensuring that disproportionate burdens on smaller business are avoided."⁵⁸⁰ The MSG meeting set expectations that the UK apply for full EITI candidacy by the end of 2014.⁵⁸¹ It also recommended the establishment of working groups to draft a work-plan outlining the UK's objectives and priorities for EITI implementation.⁵⁸²

From 30 October to 1 November 2013, the UK hosted an Open Government Partnership (OGP) Summit in London.⁵⁸³ As summit co-chair, the UK chose to set and promote five summit priorities, including natural resource transparency.⁵⁸⁴

On 30 October 2013, Prime Minister David Cameron delivered a speech to the 2013 OGP summit announcing the establishment of a public register of company beneficial ownership in the UK.⁵⁸⁵ The register bolsters transparency by allowing citizens to access information explaining who owns and benefits from particular UK firms, including those in the extractive sector.⁵⁸⁶

⁵⁷⁸ France and United Kingdom Commit to Global Transparency Standard, Extractive Industries Transparency Initiative International Secretariat (Oslo) 22 May 2013. Date of Access: 17 December 2013. <http://eiti.org/news/france-and-united-kingdom-commit-global-transparency-standard>.

⁵⁷⁹ UK Extractive Industries Transparency Initiative Multi Stakeholder Group, Department of Business, Innovation & Skills (London) DATE. Date of access: <https://www.gov.uk/government/policy-advisory-groups/uk-extractive-industries-transparency-initiative-multi-stakeholder-group>.

⁵⁸⁰ Minutes From the 1st Meeting of the EITI MSG, UK Extractive Industries Transparency Initiative Multi-Stakeholder Group (London) 9 October 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/264505/Minutes_from_the_1st_Meeting_of_the_EITI_MSG.pdf.

⁵⁸¹ Minutes From the 1st Meeting of the EITI MSG, UK Extractive Industries Transparency Initiative Multi-Stakeholder Group (London) 9 October 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/264505/Minutes_from_the_1st_Meeting_of_the_EITI_MSG.pdf.

⁵⁸² Minutes From the 1st Meeting of the EITI MSG, UK Extractive Industries Transparency Initiative Multi-Stakeholder Group (London) 9 October 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/264505/Minutes_from_the_1st_Meeting_of_the_EITI_MSG.pdf.

⁵⁸³ UK Hosts Open Government Partnership Summit 2013, Cabinet Office (London) 17 October 2013. Date of Access: 21 December 2013. <https://www.gov.uk/government/topical-events/open-government-partnership-summit-2013>.

⁵⁸⁴ UK Hosts Open Government Partnership Summit 2013, Cabinet Office (London) 17 October 2013. Date of Access: 21 December 2013. <https://www.gov.uk/government/topical-events/open-government-partnership-summit-2013>.

⁵⁸⁵ Public Register to Boost Company Transparency, Department for Business, Innovation & Skills and Prime Minister's Office, 10 Downing Street (London) 31 October 2013. Date of Access: 18 December 2013. <https://www.gov.uk/government/news/public-register-to-boost-company-transparency>.

⁵⁸⁶ Public Register to Boost Company Transparency, Department for Business, Innovation & Skills and Prime Minister's Office, 10 Downing Street (London) 31 October 2013. Date of Access: 18 December 2013. <https://www.gov.uk/government/news/public-register-to-boost-company-transparency>.

On 31 October 2013, the Government of the United Kingdom published its second OGP “National Action Plan.” The document reaffirmed the UK’s commitment to government transparency, the G8 “Open Data Charter,” and the implementation of EITI standards of extractive transparency.⁵⁸⁷ The document also bolstered global reporting standards by setting expectations that UK-listed and UK-registered extractive companies publish revenue and payment data in an open and accessible format by 2016, under new European Union Accountancy and Transparency Directives.⁵⁸⁸

Thus, the United Kingdom has been awarded a score of +1 for its efforts to improve and implement standards of transparency and reporting in the extractive sector.

Analyst: Hayden Rodenkirchen

United States: +1

The United States has fully complied with its commitment to improve and implement standards for extractive transparency and reporting. It has done so by completing an application for Extractive Industries Transparency Initiative (EITI) candidacy, and by improving its standards of extractive data disclosure.

From 23-24 July 2013, the United States Department of the Interior (DOI) convened the fifth meeting of the U.S. Extractive Industries Transparency Initiative (USEITI) Multi-Stakeholder Group (MSG). The purpose of the meeting was to “determine scope and materiality for the U.S. draft candidacy application to the EITI international Board and to provide recommendations for Fall 2013 USEITI outreach activities.”⁵⁸⁹

On 29 August 2013, the U.S. Energy Information Administration (EIA) added 127,000 petroleum and natural gas time-series data sets to its application-programming interface (API). The data sets allow third-party utilization of information regarding “petroleum and natural gas production, consumption, inventories, prices, imports, exports, and sales.”⁵⁹⁰

⁵⁸⁷ Open Government Partnership UK National Action Plan 2013 to 2015, Cabinet Office (London) October 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255901/ogp_uknationalactionplan.pdf.

⁵⁸⁸ Open Government Partnership UK National Action Plan 2013 to 2015, Cabinet Office (London) October 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255901/ogp_uknationalactionplan.pdf.

⁵⁸⁹ United States Extractive Industries Transparency Initiative Multi-Stakeholder Group Advisory Committee Meeting July 23 — 24 Summary of Proceedings, U.S. Department of the Interior (Washington DC) 24 July 2013. Date of Access: 18 December 2013. <http://www.doi.gov/eiti/FACA/upload/USEITI-MSG-July-23-24-2013-DRAFT-Mtg-Minutes.pdf>.

⁵⁹⁰ Online Service Improves Public Access to Petroleum and Natural Gas Data, U.S. Energy Information Administration (Washington DC) 29 August 2013. Date of Access: 18 December 2013. <http://www.eia.gov/pressroom/releases/press397.cfm>.

On 10 September 2013, the U.S. DOI convened its sixth meeting of the USEITI MSG.⁵⁹¹ The meeting approved a draft United States EITI Candidacy Application⁵⁹² for publication and solicitation of public comment between 19 September 2013 and 18 November 2013.⁵⁹³

From 5-6 November 2013, the U.S. DOI convened its seventh meeting of the USEITI MSG. The meeting discussed public input received regarding the published draft of the United States EITI candidacy application. The USEITI MSG committed to publish a final draft application incorporating public input prior to their eighth meeting in December 2013.⁵⁹⁴

On 6 December 2013, the U.S. Government released its second Open Government Partnership (OGP) National Action Plan. The plan establishes a timeframe which commits the U.S. Government to publish its first USEITI report by 2015; achieve EITI compliant status by 2016⁵⁹⁵; unilaterally disclose all U.S. DOI receipts of extractive revenues in the USEITI report; create a process to discuss timber revenues in the future;⁵⁹⁶ and launch an improved Data.gov website which will centralize and index data produced by all federal agencies — including the DOI — into a single accessible catalog.⁵⁹⁷

On 11 December 2013, the USEITI MSG voted to approve a finalized EITI candidacy application.⁵⁹⁸ The final application defined the scope of the USEITI report, which the U.S. Government has committed to publishing by 2015. The report will disclose and reconcile payment information for firms extracting, “oil, gas, coal, other leasable minerals, and non-fuel minerals (such as hard rock, sand, and gravel), geothermal, solar, and wind.”⁵⁹⁹ The finalized

⁵⁹¹ United States Extractive Industries Transparency Initiative Multi-Stakeholder Group Advisory Committee Meeting September 10 2013 Summary of Proceedings, U.S. Department of the Interior (Washington DC) 10 September 2013. Date of Access: 18 December 2013.
<http://www.doi.gov/eiti/FACA/upload/USEITI-MSG-Sept-10-2013-DRAFT-Mtg-Minutes.pdf>.

⁵⁹² United States Extractive Industries Transparency Initiative EITI Candidacy Application Form Draft for Public Comment, U.S. Department of the Interior (Washington DC) 10 September 2013. Date of Access: 18 December 2013. <http://www.doi.gov/eiti/FACA/upload/USEITI-CanApp.pdf>.

⁵⁹³ United States Extractive Industries Transparency Initiative Multi-Stakeholder Group Advisory Committee Meeting September 10 2013 Summary of Proceedings, U.S. Department of the Interior (Washington DC) 10 September 2013. Date of Access: 18 December 2013.
<http://www.doi.gov/eiti/FACA/upload/USEITI-MSG-Sept-10-2013-DRAFT-Mtg-Minutes.pdf>.

⁵⁹⁴ United States Extractive Industries Transparency Initiative Multi-Stakeholder Group Advisory Committee Meeting September 10 2013 Summary of Proceedings, U.S. Department of the Interior (Washington DC) 10 September 2013. Date of Access: 18 December 2013.
<http://www.doi.gov/eiti/FACA/upload/USEITI-MSG-November-5-6-2013-DRAFT-Mtg-Minutes.pdf>.

⁵⁹⁵ Second Open Government National Action Plan for the United States of America, Office of the President (Washington DC) 5 December 2013. Date of Access: 18 December 2013.
http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf

⁵⁹⁶ Second Open Government National Action Plan for the United States of America, Office of the President (Washington DC) 5 December 2013. Date of Access: 18 December 2013.
http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁵⁹⁷ Second Open Government National Action Plan for the United States of America, Office of the President (Washington DC) 5 December 2013. Date of Access: 18 December 2013.
http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁵⁹⁸ United States Extractive Industries Transparency Initiative EITI Candidacy Application Form, U.S. Department of the Interior (Washington DC) 12 December 2013. Date of Access: 20 December 2013.
http://www.doi.gov/eiti/FACA/upload/USEITI-MSG-Approved-Application_12-12-13.pdf.

⁵⁹⁹ United States Extractive Industries Transparency Initiative EITI Candidacy Application Form, U.S. Department of the Interior (Washington DC) 12 December 2013. Date of Access: 20 December 2013.
http://www.doi.gov/eiti/FACA/upload/USEITI-MSG-Approved-Application_12-12-13.pdf.

application also clarifies that the U.S. DOI will unilaterally disclose revenues from all commodities above, “disaggregated by commodity, company, revenue stream, and by project...” in its USEITI report, as well as publish details of material and revenue transfers associated with the extractive sector between U.S. federal and state governments.⁶⁰⁰

On 19 December 2013, the U.S. DOI submitted its finalized Candidacy Application to the International board of the EITI.⁶⁰¹ The board will consider the United States’ application in March 2014.⁶⁰² If approved, the United States will be an admitted EITI Candidate committed to publishing its first USEITI report within two years.⁶⁰³

Thus, the United States has been awarded a score of +1 for its efforts to improve and implement standards of transparency and reporting in the extractive sector.

Analyst: Hayden Rodenkirchen

European Union: +1

The European Union has fully complied with its commitment to energy transparency. The EU has been awarded a score of +1 for helping to improve both European and global standards for extractive transparency along with having made progress towards improving global reporting standards. The EU has also cooperated fully with the work of the Extractive Industry Transparency Initiative (EITI).

In December 2011, the EU passed “The Regulation on Wholesale Energy Market Integrity and Transparency” (REMIT), which was to be enacted on a staggered schedule. REMIT is scheduled to come into full force by mid-2014. According to REMIT, any corporation in the EU, whether in operation in the EU or abroad, involved in the energy market must report their trading activity and any information which might affect the market to the EU in order to improve global reporting standards.⁶⁰⁴

By 29 June 2013, the member states of the EU were to have given regulators the power to punish energy corporations which failed to comply with REMIT. Information will be reported to the EU Agency for the Cooperation of Energy Regulators (ACER). ACER will work with national regulators in the EU member states to curb abuse. However, REMIT is still in the process of being implemented.⁶⁰⁵

⁶⁰⁰ United States Extractive Industries Transparency Initiative EITI Candidacy Application Form, U.S. Department of the Interior (Washington, D.C) 12 December 2013. Date of Access: 20 December 2013. http://www.doi.gov/eiti/FACA/upload/USEITI-MSG-Approved-Application_12-12-13.pdf.

⁶⁰¹ Interior Submits U.S. Candidacy Application for Extractive Industries Transparency Initiative, U.S. Department of the Interior (Washington DC) 19 December 2013. Date of Access: 21 December 2013. <http://www.doi.gov/eiti/FACA/upload/USEITI-Application-Background.pdf>.

⁶⁰² Interior Submits U.S. Candidacy Application for Extractive Industries Transparency Initiative, U.S. Department of the Interior (Washington DC) 19 December 2013. Date of Access: 21 December 2013. <http://www.doi.gov/eiti/FACA/upload/USEITI-Application-Background.pdf>.

⁶⁰³ Interior Submits U.S. Candidacy Application for Extractive Industries Transparency Initiative, U.S. Department of the Interior (Washington DC) 19 December 2013. Date of Access: 21 December 2013. <http://www.doi.gov/eiti/FACA/upload/USEITI-Application-Background.pdf>.

⁶⁰⁴ European regulators get to grips with Remit monitoring, Risk Magazine Online Edition (City) 8 August 2013. Date of Access: 21 December 2013. <http://www.risk.net/energy-risk/feature/2287272/european-regulators-get-to-grips-with-remit-monitoring>.

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The EU is neither a member, nor a candidate of the EITI, although it has enacted mandatory disclosure legislation, REMIT, which is a condition of membership in EITI. In addition, some members of the EU are beginning to undertake steps to enact EITI policies or join the group on their own.^{606,607}

In the “2013 Work Programme,” the EU included a section that promised a new framework to adopt transparency requirements for energy extraction in the EU. The Commission also initiated studies to explore support for new regulations.⁶⁰⁸

On 3 October 2013 the Environment Director-General (EDG) of the European Commission released a report on the extraction of domestic shale gas as an energy source for the EU. The report, which published concerns raised by EU citizens, highlighted the need for transparency as a goal for future shale gas extraction.⁶⁰⁹

Thus the European Union has been awarded a score of +1 for complying with the G8 commitment. The EU continues to work towards greater domestic and global transparency strives to aid the work of the EITI.

Analyst: George L. Grobe IV

⁶⁰⁶ EITI Countries, EITI (Oslo) DATE. Date of Access: 21 December 2013. <http://eiti.org/countries>.

⁶⁰⁷ Environmental Aspects on Unconventional Fossil Fuels, European Commission (Brussels) 15 October 2013. Date of Access: 21 December 2013. http://ec.europa.eu/environment/integration/energy/unconventional_en.htm

⁶⁰⁸ Analysis and presentation of the results of the public consultation “Unconventional fossil fuels (e.g. shale gas) in Europe”, European Commission DG Environment (Brussels) 3 October 2013. Date of Access: 21 December 2013. http://ec.europa.eu/environment/integration/energy/pdf/Shale_gas_consultation_report.pdf.

⁶⁰⁹

10. Information and Communication [115]

“G8 members will, by the end of this year, develop action plans, with a view to implementation of the Charter and technical annex by the end of 2015 at the latest.”

2013 Lough Erne Declaration

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France			+1
Germany		0	
Italy			+1
Japan			+1
Russia			+1
United Kingdom			+1
United States		0	
European Union			+1
Average Score	+0.67		

Background:

The G8 Open Data Charter was passed on 18 June 2013 at the Lough Erne Summit. The G8 Leaders recognise that the proliferation of technology, social media and information has created a potential for greater accountability, more efficient and responsive governments and businesses, and economic growth. The Charter is intended to foster free access to data and technology with the intention of increasing transparency and combating corruption with regards government and business policy. This is included but not limited to how a nation’s natural resources are used, how extractive revenues are spent and how land transactions are managed.⁶¹⁰ By providing free and open access to data, the Charter is also intended to lead to innovation, allow society to become more interconnected and better meet the needs of its people.⁶¹¹

Commitment Features

The Open Data Charter is based on five principals:

- Open data by default
- Quality and quantity
- Useable by all
- Releasing data for improved governance
- Releasing data for innovation

These five principals are intended to ensure that governments at all levels and their public sectors are oriented towards freely displaying high quality data by default.⁶¹²

⁶¹⁰ G8 Open Data Charter, G8 Information Centre, (Toronto) 18 June 2013. Date of Access: 02 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-open-data.html>.

⁶¹¹ G8 Open Data Charter, G8 Information Centre, (Toronto) 18 June 2013. Date of Access: 02 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-open-data.html>.

⁶¹² G8 Open Data Charter, G8 Information Centre, (Toronto) 18 June 2013. Date of Access: 02 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-open-data.html>.

The Charter is also accompanied by an Annex which identifies some of the best ways countries can implement the Charter in order to meet all of its principles.

Member countries have agreed to create national actions plans by which they will implement these principals according to individual national frameworks.⁶¹³ The action plans are to outline the time frame of implementing the Charter and the Annex by the end of 2015 at the latest.⁶¹⁴ The national action plans are to be written by the end of 2013 and reviewed in 2014. A review will be made again in 2015.⁶¹⁵

Scoring Guidelines:

-1	Member does not create any national action plan or timeline and shows no indication of implementing any of the five principles listed in the Charter.
0	Member creates only a partial action plan or timeline, or is implementing only some of the five principles, or is not on course to meet the 2015 deadline.
+1	Member completes a national action plan that addresses all five principles and outlines a timeline by which it will implement the Open Data Charter and Annex by the 2015 deadline.

Lead Analyst: Elizabeth Yando

Canada: 0

Canada has partially complied with its commitment to open data. Canada has a clear action plan to implement four out of five principles and is on pace to meet the 2015 deadline of the Open Data Charter and Annex. Open Data will be available to all through the Open Data Portal and administration of Access to Information. By 2015, the Open Data Portal and administration of Access to Information will be available completely online through “user-centric web services” that will be accessible to all Canadians.⁶¹⁶

Canada has also released high quantities of data through the Open Data Portal. The website contains data from over 20 departments covering topics such as the environment, housing, health and immigration.⁶¹⁷ In addition, the Portal also includes the Open Government License, which allows access to the unrestricted reuse of government information.⁶¹⁸

As of 24 December 2013, the Open Data Portal consists of 189,088 datasets from 24 different government organizations with plans to expand further through 2015.^{619,620}

⁶¹³ G8 Open Data Charter Annex, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 02 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-open-data-annex.html>.

⁶¹⁴ G8 Open Data Charter Annex, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 02 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-open-data-annex.html>.

⁶¹⁵ G8 Open Data Charter Annex, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 02 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-open-data-annex.html>.

⁶¹⁶ Canada’s Action Plan on Open Government, Government of Canada (Ottawa) 1 August 2013. Date of Access: 24 December 2013. <http://data.gc.ca/eng/canadas-action-plan-open-government>.

⁶¹⁷ News Release — Canada Launches Next Generation Open Data Portal, Government of Canada (Ottawa) 18 June 2013. Date of Access: 31 December 2013. <http://www.cic.gc.ca/english/department/media/releases/2013/2013-06-18.asp>.

⁶¹⁸ News Release — Canada Launches Next Generation Open Data Portal, Government of Canada (Ottawa) 18 June 2013. Date of Access: 31 December 2013. <http://www.cic.gc.ca/english/department/media/releases/2013/2013-06-18.asp>.

⁶¹⁹ Search for a Dataset | data.gc.ca, Government of Canada (Ottawa) 24 December 2013. Date of Access: 24 December 2013. http://data.gc.ca/data/en/dataset?_organization_limit=0.

The Government of Canada has established a thorough Action Plan to expand open data that has a deadline in 2015. However, Canada's Open Government Action Plan does not meet all five principles of the Open Data Charter and Annex. Thus, Canada receives a score of 0 for partial compliance.

Analyst: Raajan Aery

France: +1

France has fully complied with its commitment to complete a national action plan outlining all five principles in the Open Data Charter along with a timeline of implementation.

On 17 September 2013, French Prime Minister Jean-Marc Ayrault announced the publication of a Handbook on Open Government Data⁶²¹ which was distributed to members of the government. It was intended to be a guide for the various ministries to learn about the importance of public data and how to achieve greater accessibility.⁶²²

On 8 November 2013, Prime Minister Ayrault released an Action Plan for France⁶²³ to implement the commitments his government made in the G8 Open Data Charter. This document provides the context of France's Open Government Data policy, underscores the challenges the country is facing, and highlights the areas for further development in the future.⁶²⁴

On 18 December 2013, France's national open data portal, data.gouv.fr, was revamped.⁶²⁵ This latest iteration host datasets produced by a wider range of society from corporations, citizens, non-profits, as well as government data. As a result, the new version allows access to four times as much information as the previous one.⁶²⁶

Thus, France has been awarded a score of +1 for releasing a national action plan that addresses all five principles in the Open Data Charter, including concrete timelines for future goals.

Analyst: Mohamed Huque

⁶²⁰ Frequently Asked Questions | data.gc.ca, Government of Canada 14 June 2013. Date of Access: 24 December 2013. <http://data.gc.ca/eng/frequently-asked-questions>.

⁶²¹ Handbook on Open Government Data, Secretariat General for Modernization of Public Action (Paris), 17 September 2013. Date of Access: 21 December 2013. http://www.gouvernement.fr/sites/default/files/fichiers_joints/plan_dactions_-_version_anglaise.pdf.

⁶²² Handbook on Open Government Data, Secretariat General for Modernization of Public Action (Paris), 17 September 2013. Date of Access: 21 December 2013. http://www.gouvernement.fr/sites/default/files/fichiers_joints/plan_dactions_-_version_anglaise.pdf.

⁶²³ Action Plan for France, Secretariat General for Modernization of Public Action (Paris), 8 November 2013. Date of Access: 21 December 2013. http://www.gouvernement.fr/sites/default/files/fichiers_joints/plan_dactions_-_version_anglaise.pdf.

⁶²⁴ Action Plan for France, Secretariat General for Modernization of Public Action (Paris), 8 November 2013. Date of Access: 21 December 2013. http://www.gouvernement.fr/sites/default/files/fichiers_joints/plan_dactions_-_version_anglaise.pdf.

⁶²⁵ The Next Generation of 'Data.gouv.fr': a Community of Publishers and Users of Open Government Data, Etalab (Paris), 18 December 2013. Date of Access: 21 December 2013. <http://www.etalab.gouv.fr/article-the-next-generation-of-data-gouv-fr-a-community-of-publishers-and-users-of-open-government-data-121659708.html>.

⁶²⁶ The Next Generation of 'Data.gouv.fr': a Community of Publishers and Users of Open Government Data, Etalab (Paris), 18 December 2013. Date of Access: 21 December 2013. <http://www.etalab.gouv.fr/article-the-next-generation-of-data-gouv-fr-a-community-of-publishers-and-users-of-open-government-data-121659708.html>.

Germany: 0

Germany receives a score of 0 as it has not created any national action plan or time line but has developed a central database for government data that is publicly accessible.

Launched as a trial version of an open data portal, www.govdata.de contains a wide number of departmental data sets that are publicly accessible. The website is expected to be gradually improved throughout 10,000.

While Germany is engaged with some open data initiatives, these do not cohere with any national strategy. In March 2013, the German Federal Ministry for Economic Operation and Development (BMZ) published data on development projects around the world that complied with the standards of the International Aid Transparency Initiative and the Busan Transparency Agreements.⁶²⁷ From March 2013 onwards, the BMZ will use the International Aid Transparency Initiative standard for publishing information on all bilateral Official Development Assistance.⁶²⁸

Thus Germany receives a score of 0 because while it has not completed any explicit action plan, Germany has implemented several of the five specific principles listed through the GovData website.

Analyst: Rab Bruce-Lockhart

Italy: +1

Italy has fully complied with its commitment to complete a national action plan outlining all five principles in the Open Data Charter, along with a timeline of implementation.

On 31 July 2013, the Italian government released a preliminary paper, documenting the status of open data across the country.⁶²⁹ It was part of an agenda promoting the sharing of knowledge, tools, and experiences across regions.

On 8 August 2013, the Agency for Digital Italy (AgID) issued national guidelines for the enhancement of public information.⁶³⁰ AgID is a legally mandated organization responsible for implementing the Italian Digital Agenda.⁶³¹

On 31 October 2013, Italy's Department for Public Administration in cooperation with AgID released an Open Data Action Plan in accordance to its commitment at the 2013 G8 Summit.⁶³²

⁶²⁷ Ministry for Economic Cooperation and Development: BMZ implements international transparency standards, International Aid Transparency Initiative, 12 April 2013. Date of Access: 23 December 2013. <http://www.aidtransparency.net/news/bmz-implements-international-transparency-standards>.

⁶²⁸ Transparency: Publication in accordance with the IATI standard, Federal Ministry for Economic Cooperation and Development (Bonn) March 2013. Date of Access: 23 December 2013. http://www.bmz.de/en/what_we_do/approaches/transparency-for-greater-effectiveness/publication-in-accordance-with-the-IATI-standard/index.html.

⁶²⁹ Development of Guidelines for the National Enhancement of Heritage Public Information — Second Half 2013, Agency for Digital Italy (Rome), 31 July 2013. Date of Access: 21 December 2013. http://www.digitpa.gov.it/sites/default/files/allegati_tec/Regolamenti%20e%20direttive%20locali%20open%20data%20regioni.pdf

⁶³⁰ New guidelines for the Agency for Digital Italy, European Public Sector Information Platform (Brussels) 8 August 2013. Date of Access 21 December 2013. <http://www.epsiplatform.eu/content/new-guidelines-agency-digital-italy>

⁶³¹ Infrastructure for Spatial Information in the European Community, European Commission (Brussels). Date of Access: 21 December 2013. <http://inspire.ec.europa.eu/index.cfm/pageid/42/list/6/id/12285>

The document contains the government's strategy and timeline for implementation of the Open Data Charter and Annex by the 2015 deadline.

Thus, Italy has been awarded a score of +1 for releasing a national action plan that addresses all five principles in the Open Data Charter, including concrete timelines for future goals.

Analyst: Mohamed Huque

Japan: +1

Japan has fully complied with its commitment to promote proliferation of technology and information. It has fulfilled the commitments of the Open Data Charter by creating action plans that incorporates the five principles listed in the Charter.

On 29 October 2013, Japan has released a draft of detailed instructions for an action plan to make public data openly available for “commercial and non-commercial purposes.”⁶³³ It has scheduled further publication of key data sets such as national statistics and higher data sets that includes companies, education, and crime after autumn of 2013.⁶³⁴ This information will be available on the national portal, which will be used not only to display data but also collect feedbacks from public users.⁶³⁵

On 27 November 2013, Prime Minister Sinzo Abe discussed in a meeting with the Council for Science and Technology Policy about “a policy for formulating science and technology-related budgets for FY2014,” and the Innovative Research and Development Promotion Program (ImPACT).⁶³⁶

On 17 December 2013, Prime Minister Shinzo Abe discussed in a meeting with the Council for Science and Technology Policy about the “the creation of an environment suitable for science and technology innovation.”⁶³⁷

Thus Japan has been given a score of +1 for creating and a National Action Plan that addresses all five points on the Open Data Charter, and for planning to implement it by the 2015 deadline.

Analyst: Jenny Chen

Russia: +1

Russia has fully complied with the commitment on Information and Communication.

⁶³² Open Data Action Plan, Department for Public Administration (Rome), 31 October 2013. Date of Access: 21 December 2013.

http://www.funzionepubblica.gov.it/media/1104831/piano_azione_g8_open_data.pdf

⁶³³ Japan Open Charter Action Plan, Prime Minister of Japan and His Cabinet (Tokyo) 29 October 2013. Date of Access: 21 December 2013. http://www.kantei.go.jp/jp/singi/it2/cio/dai53/plan_en.pdf

⁶³⁴ Japan Open Charter Action Plan, Prime Minister of Japan and His Cabinet (Tokyo) 29 October 2013. Date of Access: 21 December 2013. http://www.kantei.go.jp/jp/singi/it2/cio/dai53/plan_en.pdf

⁶³⁵ Japan Open Charter Action Plan, Prime Minister of Japan and His Cabinet (Tokyo) 29 October 2013. Date of Access: 21 December 2013. http://www.kantei.go.jp/jp/singi/it2/cio/dai53/plan_en.pdf

⁶³⁶ Council for Science and Technology Policy, Prime Minister of Japan and His Cabinet (Tokyo) 27 November 2013. Date of Access: 21 December 2013.

http://www.kantei.go.jp/foreign/96_abe/actions/201311/27skgkaigi_e.html

⁶³⁷ Council for Science and Technology Policy, Prime Minister of Japan and His Cabinet (Tokyo) 17 December 2013. Date of Access: 21 December 2013.

http://www.kantei.go.jp/foreign/96_abe/actions/201312/17skgkaigi_e.html

On 30 October 2013, Russian Government Commission on Coordination of Open Government adopted the Action Plan for the Implementation of the Principles of the Open Data Charter.⁶³⁸ It is stated that by 2015 Russia “plans to improve the quality and accessibility of the published data sets and to ensure the publication of ... maximum possible amount of data collected by the state and local authorities.” The Action Plan includes the timeline of publishing the data sets with term of publication under an open source license set for the fourth quarter of 2014.⁶³⁹

Russia has adopted a national action plan to implement the principles of the Open Data Charter with a timeline for implementation by the 2015 deadline. Thus, it has been awarded a score of +1.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has fully complied with its commitment for the completion of a national action plan that addresses all five principles of the Open Data Charter and Annex and outlines a timeline by which they will implement it by the 2015 deadline.

On 1 November 2013 the Government of the United Kingdom released its G8 Open Data Charter UK Action Plan.⁶⁴⁰ The plan is anchored by the five principles of the Open Data Charter. The UK Government has committed to ensuring that “all datasets released are published via national data portal.”⁶⁴¹ This is being operationalized through the creation of the database data.gov.uk, a central information portal which now holds more than 10,000 datasets from public authorities as well as the central government.⁶⁴²

The plan also explicitly addresses both the quality and quantity elements of the Open Data Charter, expressly committing to ensure that “better quality and a higher quantity of open data is released from government into the hands of citizens and businesses.”⁶⁴³

The plan addressed the third principle, stating the intention to “bring the power of open data to a wider audience through working to make open data more accessible to all users.”⁶⁴⁴ This will be enhanced by the creation of the data.co.uk website.

⁶³⁸ Action Plan for the Implementation of the Principles of the Open Data Charter (in Russian), Government of Russia 30 October 2013. <http://xn--80ahccvvactsc1ibf.xn--80abeamcuufxbhgound0h9cl.xn--p1ai/upload/iblock/6b8/6b886a0fbaf98af29941ddedff572e6.pdf>.

⁶³⁹ Action Plan for the Implementation of the Principles of the Open Data Charter (in English), Government of Russia 30 October 2013. <http://xn--80ahccvvactsc1ibf.xn--80abeamcuufxbhgound0h9cl.xn--p1ai/upload/iblock/276/276f129083ea1b8730a536094bd2295a.docx>.

⁶⁴⁰ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), November 2013. Date of Access: 21 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254518/G8_National_Action_Plan.pdf.

⁶⁴¹ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), 1 November 2013. Date of Access: 21 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254518/G8_National_Action_Plan.pdf.

⁶⁴² Open Government Partnership UK National Action Plan 2013 to 2015, Cabinet Office (London), October 2013. Date of Access: 21 December 2013. http://data.gov.uk/sites/default/files/library/20131031_ogp_uknationalactionplan.pdf.

⁶⁴³ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), 1 November 2013. Date of Access: 21 December 2013. http://data.gov.uk/sites/default/files/library/20131031_ogp_uknationalactionplan.pdf

The plan addresses the fourth principle as it aims to provide “Greater clarity over government actions, spend and decision making as a means for government to be held to account”⁶⁴⁵ and also provides “details on performance on public services which through analysis can identify options for improving services.”⁶⁴⁶ The government has created Sector Transparency Boards in each government department to ensure government-wide implementation of open data strategies.⁶⁴⁷

Finally, the plan addresses the fifth principle, as it calls for the Open Data Charter to serve as “a catalyst for innovation and a fuel to drive economic growth through new data driven products and services.”⁶⁴⁸ To date, the UK government has provided over GBP 10 million for the non-profit Open Data Institute.⁶⁴⁹ The Institute is meant to spark innovation by harnessing open data culture to generate “economic, environmental, and social value.”⁶⁵⁰ These goals are further enhanced by the Seizing the Data Opportunity, a strategy which outlines the UK government’s vision for making the UK a “leader in extracting insight and value from data for the benefit of citizens and consumers, business and academia the public and private sectors.”⁶⁵¹ This strategy will be overseen the Information economy Council and the E-infrastructure Leadership Council.⁶⁵²

The United Kingdom’s G8 Open Data Charter Action Plan also provides a timeline stating that the “main progress reporting will be done through the G8 in June 2014 and June 2015.”⁶⁵³

Thus, the United Kingdom has been awarded a score of +1 for the creation of its action plan that identifies each of the five principals and sets out a clear timeline for the plan to be executed.

Analyst: Rab Bruce-Lockhart

⁶⁴⁴ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), 1 November 2013. Date of Access: 21 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254518/G8_National_Action_Plan.pdf.

⁶⁴⁵ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), 1 November 2013. Date of Access: 21 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254518/G8_National_Action_Plan.pdf.

⁶⁴⁶ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), 1 November 2013. Date of Access: 21 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254518/G8_National_Action_Plan.pdf.

⁶⁴⁷ Open Government Partnership UK National Action Plan 2013 to 2015, Cabinet Office (London), October 2013. Date of Access: 21 December 2013. http://data.gov.uk/sites/default/files/library/20131031_ogp_uknationalactionplan.pdf.

⁶⁴⁸ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), 1 November 2013. Date of Access: 21 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254518/G8_National_Action_Plan.pdf.

⁶⁴⁹ About the ODI, Open Data Institute. Date of Access: 20 December 2013. <http://theodi.org/about-us>.

⁶⁵⁰ About the ODI, Open Data Institute. Date of Access: 20 December 2013. <http://theodi.org/about-us>.

⁶⁵¹ Seizing the data opportunity: A strategy for UK data capability, HM Government (London), October 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254136/bis-13-1250-strategy-for-uk-data-capability-v4.pdf.

⁶⁵² Seizing the data opportunity: A strategy for UK data capability, HM Government (London), October 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254136/bis-13-1250-strategy-for-uk-data-capability-v4.pdf.

⁶⁵³ G8 Open Data Charter UK Action Plan 2013, Cabinet Office (London), 1 November 2013. Date of Access: 21 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/254518/G8_National_Action_Plan.pdf.

United States: 0

The United States partially complied with its commitments to the Open Data Charter and Annex. Although the White House has established a National Action Plan with a timeline set for 2015, the United States has no plans on making open data a default for Federal agencies.

On 5 December 2013, the White House released its Second Open Government National Action Plan for the United States of America.⁶⁵⁴ The document serves the purpose of establishing a roadmap for “the next two years,” which complies with the Open Data Charter.⁶⁵⁵

The White House’s Second Open Government National Action Plan pledges to “make government data more accessible and useful for the public.”⁶⁵⁶ The White House will make data more accessible to all with an increase of quality information through: (1) launching an enhanced Data.gov website that is easy to use; (2) opening data related to natural disasters, agriculture and nutrition; (3) making regulations easier to read; (4) and requiring Federal agencies to “develop an inventory of their data and publish a list of datasets that are public or can be made public.”⁶⁵⁷

The Second Open Government National Action Plan also commits to releasing data for improved governance. Through modernizing the management of government records the United States plans on utilizing the National Archives and Records Administration to work with other Federal agencies to “assess the impact of programs, reduce redundant efforts, save money and share knowledge within and across organizations.”⁶⁵⁸

Furthermore, the Second Open Government National Action Plan promises to release data for innovation purposes. By facilitating public participation through crowdsourcing, the White House will attempt to engage the public through the fields of science, technology, engineering and math with the analysis of the released data.⁶⁵⁹ The White House also plans on promoting innovation through the creation of an Open Innovation Toolkit and new competitions and incentives to innovate.⁶⁶⁰

⁶⁵⁴ Second Open Government National Action Plan for the United States of America, White House (Washington D.C.) 5 December 2013. Date of Access: 24 December 2013.

http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁶⁵⁵ Second Open Government National Action Plan for the United States of America, White House (Washington D.C.) 5 December 2013. Date of Access: 24 December 2013.

http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁶⁵⁶ Second Open Government National Action Plan for the United States of America, White House (Washington D.C.) 5 December 2013. Date of Access: 24 December 2013.

http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁶⁵⁷ Second Open Government National Action Plan for the United States of America, White House (Washington D.C.) 5 December 2013. Date of Access: 24 December 2013.

http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁶⁵⁸ Second Open Government National Action Plan for the United States of America, White House (Washington D.C.) 5 December 2013. Date of Access: 24 December 2013.

http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁶⁵⁹ Second Open Government National Action Plan for the United States of America, White House (Washington D.C.) 5 December 2013. Date of Access: 24 December 2013.

http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

⁶⁶⁰ Second Open Government National Action Plan for the United States of America, White House (Washington D.C.) 5 December 2013. Date of Access: 24 December 2013.

http://www.whitehouse.gov/sites/default/files/docs/us_national_action_plan_6p.pdf.

However, the Second Open Government National Action Plan fails to mention any commitments to explicitly make open data the default for American Federal institutions.

Therefore, the United States earns a score of 0 for partial compliance. The White House's Second Open Government National Action Plan establishes a clear action plan for the United States in regards to open data with a deadline set for 2015. Yet, the National Action Plan fails to explicitly commit to making open data the default for American Federal institutions, causing the United States to meet only four out of five principles of the Open Data Charter.

Analyst: Raajan Aery

European Union: +1

European Union has complied with its commitment to promote open data. It has fulfilled the commitments of the Open Data Charter by creating action plans that incorporate the five principles listed in the Charter by the target date.

On 31 October 2013, European Union has released its action plan and timeline to publish its data sets. According to this timeline, most basic data and higher data are already available or will be available by the second quarter of 2014.⁶⁶¹ This data will be available on EU open data portal that is aimed "to promote the opening up of datasets from as many domains as possible."⁶⁶² European Union also aims to promote open data action within their member countries.⁶⁶³ The EU has also committed to supporting outreach activities, such as including open data in policy making processes and encouraging future innovation projects to use openly available data for analysis.⁶⁶⁴ Furthermore, the EU has committed to promoting the principles of the Open Data Charter among its member states, and has committed to promote the free access to information from national statistical institutes endorsed by the European Statistical System Committee in February 2013.⁶⁶⁵

Thus, the European Union has been given a score of +1 for its partial compliance with the commitments of the Open Data Charter.

Analyst: Jenny Chen

⁶⁶¹ EU implementation of the G8 Open Data Charter, European Commission (Brussels) 31 October 2013. Date of Access: 22 December 2013. <http://ec.europa.eu/digital-agenda/en/news/eu-implementation-g8-open-data-charter>.

⁶⁶² EU implementation of the G8 Open Data Charter, European Commission (Brussels) 31 October 2013. Date of Access: 22 December 2013. <http://ec.europa.eu/digital-agenda/en/news/eu-implementation-g8-open-data-charter>.

⁶⁶³ EU implementation of the G8 Open Data Charter, European Commission (Brussels) 31 October 2013. Date of Access: 22 December 2013. <http://ec.europa.eu/digital-agenda/en/news/eu-implementation-g8-open-data-charter>.

⁶⁶⁴ EU implementation of the G8 Open Data Charter, European Commission (Brussels) 31 October 2013. Date of Access: 22 December 2013. <http://ec.europa.eu/digital-agenda/en/news/eu-implementation-g8-open-data-charter>.

⁶⁶⁵ EU implementation of the G8 Open Data Charter, European Commission (Brussels) 31 October 2013. Date of Access: 22 December 2013. <http://ec.europa.eu/digital-agenda/en/news/eu-implementation-g8-open-data-charter>.

11. Health [136]

Commitment:

“We will build on the achievements of the U.S. G8 Presidency by advancing action in four areas: Deepening impact—by ensuring that investments have a measurable impact on [malnutrition, particularly for smallholders and women, and are made responsibly and support the sustainable use of *natural resources*].”

2013 G8 Lough Erne Communiqué

Assessment:

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

Background:

According to the World Health Organization (WHO), lack of nutrition “contribute(s) to more than one third of all child deaths.”⁶⁶⁶ One estimate from The Lancet suggests that 3.1 million, or 45 percent, of all child mortalities in low-income and middle-income countries during the year 2011 were a result of malnutrition and subsequent complications.⁶⁶⁷ According to the Committee on World Food Security, investments aimed at reducing malnutrition will not only improve health of those suffering from under-nutrition, but will also reduce regional poverty and increase national economic growth.⁶⁶⁸

The G8 first made concrete steps with focus on agricultural development and global food security during the 2008 Hokkaido Summit, where focus was given on preventing global food price increases, which drive populations into poverty, particularly in developing countries.⁶⁶⁹

In the following year at the 2009 L’Aquila G8 Summit, further emphasis was directed towards the development of sustainable agricultural strategies, with short-term, medium-term, and long-term investments by launching together with several non-G8 advanced and developing countries the

⁶⁶⁶ Global Nutrition for Growth Impact Date of Access: 30 November 2013

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248754/Endorserscompact_update7_10_2013.pdf

⁶⁶⁷ Muskoka Declaration: Recovery and New Beginnings, G8 Information Centre. 26 June 2010. Date of access: 23 December 2013. <http://www.g8.utoronto.ca/summit/2010muskoka/communique.html>.

⁶⁶⁸ A Road Map for Scaling-Up Nutrition 20 September 2013 Date of Access: 30 November 2013 http://un-foodsecurity.org/sites/default/files/SUNRoadMap_English.pdf

⁶⁶⁹ G8 Leaders Statement on Global Food Security (Hokkaido) 8 July 2008. Date of Access: 30 November 2013 www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html

Aquila Food Security Initiative (AFSI).⁶⁷⁰ In addition, international institutions expected to be utilized as partners for development and implementation strategies and all partners indicated their national commitments to fund AFSI. According to the 2013 Lough Erne Joint communiqué, “we (G8 Member States) have met our financial pledges made at L’Aquila in 2009 and will work to complete disbursements.”⁶⁷¹

At the 2010 Muskoka Summit, the G8 members launched the initiative of funding for maternal, newborn, and child health (MNCH) in developing nations, congruent with two of the Millennium Development Goals and committed “USD 5 billion of additional funding for disbursement over the next five years.”⁶⁷² In September 2010 a similar initiative “to accelerate progress on women’s and children’s health” received over USD 40 billion in pledges from developed and developing countries, along with the private sector, foundations, international organizations, civil society and research organizations which collectively launched the Global Strategy for Women’s and Children’s Health.⁶⁷³

To further confront this problem, at the 2012 Camp David G8 Summit, USD 1.2 billion were pledged to improve food security in sub-Saharan Africa.⁶⁷⁴ This commitment resulted in the emergence of The New Alliance for Food Security and Nutrition (New Alliance). The New Alliance initiative aimed at creating cooperation between G8 members, and respective partner African countries along with partner private sectors. This was for a collective approach “to help lift 50 million people in sub-Saharan Africa out of poverty in the next 10 years by supporting agricultural development.”⁶⁷⁵

At the 2013 Lough Erne Summit, the G8 reaffirmed its support to New Alliance, as well as the Comprehensive Africa Agriculture Development Programme (CAADP).⁶⁷⁶ CAADP aims at eliminating “hunger and reduce poverty through agriculture” through increasing national economic growth, with the goal of a 6 percent growth in agricultural sector per year by 2015. Furthermore, investments must be sustainable and environmentally sound, for the application of agricultural development.⁶⁷⁷

⁶⁷⁰ L’Aquila Joint Statement on Global Food Security: L’Aquila Food Security Initiative (AFSI) G8 Information Centre, 9 July 2009. Date of Access: 23 December 2013.

<http://www.g8.utoronto.ca/summit/2009laquila/2009-food.html>

⁶⁷¹ Lough Erne Joint Communiqué from Group of Eight Leaders (Lough Erne) 18 June 2013 Date of Access: 30 November 2013

<http://iipdigital.usembassy.gov/st/english/texttrans/2013/06/20130618276629.html#axzz2m3EHVebS>

⁶⁷² Muskoka Declaration: Recovery and New Beginnings, G8 Information Centre. 26 June 2010. Date of access: 23 December 2013. <http://www.g8.utoronto.ca/summit/2010muskoka/communique.html>

⁶⁷³ UN secured \$40 billion for women’s and children’s health, We can End Poverty, United Nations (New York). Date of Access: 30 November 2013. <http://www.un.org/en/mdg/summit2010>

⁶⁷⁴ G8 Action on Food Security and Nutrition, U.S. Department of State, 18 May 2012. Date of Access: 23 December 2013. <http://www.state.gov/s/globalfoodsecurity/rls/other/190282.htm>.

⁶⁷⁵ Lough Erne Joint Communiqué from Group of Eight Leaders (Lough Erne) 18 June 2013 Date of Access: 30 November 2013

<http://iipdigital.usembassy.gov/st/english/texttrans/2013/06/20130618276629.html#axzz2m3EHVebS>

⁶⁷⁶ Lough Erne Joint Communiqué from Group of Eight Leaders (Lough Erne) 18 June 2013 Date of Access: 30 November 2013

<http://iipdigital.usembassy.gov/st/english/texttrans/2013/06/20130618276629.html#axzz2m3EHVebS>

⁶⁷⁷ Comprehensive Africa Agriculture Development Programme. Date of Access: 30 November 2013 <http://www.nepad-caadp.net/about-caadp.php>

At the 2013 Lough Erne Summit, the G8 welcomed the Global Nutrition for Growth Compact initiative which was launched on 8 June 2013. It should be noted that among the G8 members Italy and Russia have not joined the compact, which is aimed at ending under-nutrition.⁶⁷⁸

Progress made within the “financial and policy commitments to accelerate progress towards ending under-nutrition for women and young children” must be reported and reviewed through the Scaling-Up Nutrition Movement.⁶⁷⁹

During the U.S. G8 Presidency, the G8 welcomed the involvement of NGOs and business to contribute to solving the problems of food security.⁶⁸⁰ Particular to this new involvement, not only will member countries have commitments, which are elucidated in the following section, but so will the private sector.

Commitment Features:

The commitment focuses on “deepening” the health and nutrition related initiatives put forward during the U.S G8 Presidency, which called for partnership within the New Alliance for Food Security and Nutrition, between African leaders, and the private sector with ambitions to take 50 million people out of poverty within the next ten years. This entails investing in sustainable agricultural development for smallholders and women in low-income countries.¹⁵ Unilateral investments must be made to private sectors for the purposes of agricultural growth and must be effective, accountable, and responsible

To this end, full compliance requires that G8 members promote investment in areas that directly relate to (1) women and (2) small holders and is (3) a responsible investment in regards to the sustainability of natural resources.

Scoring Guidelines:

-1	Member does not make any investments that target smallholders and women.
0	Member makes investments that target smallholders and women, BUT does not make them responsibly and supportive of the sustainable use of natural resources.
+1	Member makes investments that target smallholders and women AND makes them responsibly and supportive of the sustainable use of natural resources.

Lead Analyst: Michael Humeniuk

Canada: +1

Canada has fully complied with its commitment to promote investment and deepen health and nutrition related initiatives, with specific emphasis on women, smaller holders, and natural resource responsibility.

On 28 August 2013, Canadian International Cooperation Minister Christian Paradis visited Haiti and announced a contribution of CAD 6.6 million to the Support to Sustainable School Feeding

⁶⁷⁸ Global Nutrition for Growth Impact Date of Access: 30 November 2013
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248754/Endorserscompact_update7_10_2013.pdf

⁶⁷⁹ Lough Erne Joint Communiqué from Group of Eight Leaders (Lough Erne) 18 June 2013 Date of Access: 30 November 2013
<http://iipdigital.usembassy.gov/st/english/texttrans/2013/06/20130618276629.html#axzz2m3EHVebS>

⁶⁸⁰ Final Update on the U.S. G-8 Presidency 31 December 2012 Date of Access: 30 November 2013
<http://www.state.gov/documents/organization/202643.pdf>

program, run by the World Food Programme. The program gives a daily meal to Haitian schoolchildren, combatting malnutrition.⁶⁸¹

Additionally, on 24 October 2013, Minister Paradis announced that Canada would provide CAD 10 million in support to Guatemala in order to help increase food security and combat malnutrition. The aid is specifically directed towards young children, mothers and pregnant women. It will also allow 3,300 small farmers to increase sustainable agricultural production and improve the quality of their products. The projects, delivered in partnership with the private sector, are in line with the UN's Scaling Up Nutrition Initiative and will be supervised by the World Food Programme.⁶⁸²

On 25 October 2013, Minister Paradis held a round table discussion with business leaders to deliberate business involvement in aid. On the agenda was the role of the private sector in increasing food security and combatting malnutrition.⁶⁸³

Moreover, on 13 November 2013, during a visit to Dakar, Minister Paradis officially launched Senegal's membership in the New Alliance for Food Security and Nutrition. As Senegal's "G8 Lead," Canada assisted in establishing the framework. The total amount of public and private section investment is roughly CAD 400 million.⁶⁸⁴

Canada has continued efforts to promote investment from both the public and private sectors, to enhance food security and combat malnutrition, by expanding the New Alliance for Food Security and Nutrition and working with other UN and WFP programs, specifically addressing women and small holders. In addition, Canada's investments are accountable with regard to natural resources. Thus, Canada receives a full compliance score of +1.

Analyst: Alexander Cohen

France: +1

France has fully complied with its commitment to improve nutrition-related health issues for smallholders and women, with accountable investments in regards to natural resources.

On 8 June 2013, the Nutrition for Growth Summit co-hosted by the UK and Brazilian government was held to establish commitments for preventing undernutrition.⁶⁸⁵ An executive summary

⁶⁸¹ Minister Paradis visits Haiti to assess progress and challenges, Foreign Affairs, Trade and Development Canada (Ottawa) 28 August 2013. Date of Access: 19 December 2013.

⁶⁸² Canada working with Guatemala to improve food security and reduce chronic malnutrition, Foreign Affairs, Trade and Development Canada (Ottawa) 24 October 2013. Date of Access: 19 December 2013. <http://www.international.gc.ca/media/dev/news-communiques/2013/08/28a.aspx?lang=eng>

⁶⁸³ Minister Paradis hosts round table on private sector engagement in development, Foreign Affairs, Trade and Development Canada (Ottawa) 25 October 2013. Date of Access: 19 December 2013. <http://www.international.gc.ca/media/dev/news-communiques/2013/10/24a.aspx?lang=eng>

⁶⁸⁴ Minister Paradis concludes a productive visit in France and Senegal, Foreign Affairs, Trade and Development Canada (Ottawa) 13 November 2013. Date of Access: 19 December 2013. <http://www.marketwired.com/press-release/minister-paradis-concludes-a-productive-visit-in-france-and-senegal-1852100.htm>

⁶⁸⁵ Nutrition for Growth Commitments: Executive Summary (UK) 10 June 2013. Date of Access: 24 December 2013. <http://allafrica.com/download/resource/main/main/idadcs/00061905:565e149b4dba840db23129893a7477f4.pdf>

report outlines that France has allocated a share of its revenues of its tax on international transaction to improve child health in Sahel, including the financing of nutrition-related healthcare. The government has developed an intervention strategic framework of the Agence Française de Développement on food security in Sub-Saharan Africa, putting an emphasis on nutrition as a mainstream objective.⁶⁸⁶

Furthermore, on 20 June 2013, New Alliance published the first six Cooperation Frameworks outlining private cooperation and government commitments outlined by contributions in the sectors of agriculture, food security, rural development, and nutrition.⁶⁸⁷

Updated most recently, on 2 December 2013, Cooperation Frameworks for New Alliance have been created for ten countries.⁶⁸⁸ The government of France pledged to fund up to USD678.5 million to eight of the ten African countries: Nigeria, Ghana, Ethiopia, Cote d'Ivoire, Burkina Faso, Benin, Senegal, Tanzania.⁶⁸⁹ The Cooperation Framework reports specifically mention the development of tangible benefits for smallholder farmers and women.⁶⁹⁰

Therefore, France has been awarded +1 for attending the Nutrition for Growth Summit reaffirming commitment to combating undernutrition, and for pledging monies to various African countries.

Analyst: Nicholas Chong

Germany: +1

Germany has fully complied with its commitment to invest in sustainable agriculture, in particular, investments pertaining to women and smallholders, which are responsible with respect to natural resources.

On October 2013, the Federal Ministry for Economic Cooperation and Development (BMZ) published a report outlining the strategic guidelines for Germany. In this report the BMZ established their multifaceted approach to tackling the issue of malnutrition.⁶⁹¹ The approach has five core elements to create food security in the developing world: (1) integrating food security issues; (2) putting a focus on women; (3) involving the private sector; (4) developing civil

⁶⁸⁶ Nutrition for Growth Commitments: Executive Summary (UK) 10 June 2013. Date of Access: 24 December 2013. <http://allafrica.com/download/resource/main/main/يداتس/00061905:565e149b4dba840db23129893a7477f4.pdf>

⁶⁸⁷ New Alliance for Food Security and Nutrition — Cooperation Frameworks Collection (UK) 2 December 2013. Date of Access: 24 December 2013. <https://www.gov.uk/government/collections/the-new-alliance-for-food-security-and-nutrition-corporate-frameworks>

⁶⁸⁸ New Alliance for Food Security and Nutrition — Cooperation Frameworks Collection (UK) 2 December 2013. Date of Access: 24 December 2013. <https://www.gov.uk/government/collections/the-new-alliance-for-food-security-and-nutrition-corporate-frameworks>

⁶⁸⁹ New Alliance for Food Security and Nutrition — Cooperation Frameworks Collection (UK) 2 December 2013. Date of Access: 24 December 2013. <https://www.gov.uk/government/collections/the-new-alliance-for-food-security-and-nutrition-corporate-frameworks>

⁶⁹⁰ New Alliance for Food Security and Nutrition — Cooperation Frameworks Collection (UK) 2 December 2013. Date of Access: 24 December 2013. <https://www.gov.uk/government/collections/the-new-alliance-for-food-security-and-nutrition-corporate-frameworks>

⁶⁹¹ Food Security — Strategic Guideline for German Development Policy, Federal Ministry of Economic Cooperation and Development (Berlin) October 2013. Date Accessed: 16 December 2013. http://www.bmz.de/en/publications/type_of_publication/strategies/Strategiepapier340_11_2013.pdf

society; (5) systematic monitoring of the impact relevant programs have.⁶⁹² In addition, Germany recommits itself to the Scaling Up Nutrition Movement and the promises to continue to be active in EU development policies that pertain to food security, such as the Agenda for Change and the Communication on Enhancing Maternal nutrition in External Assistance.⁶⁹³

Moreover, on 23 June 2013 Germany signed Global Nutrition for Growth Compact 2013 and pledged to make EUR 200 million available by 2020 for projects that contribute to improving food quality supplies, especially for small children and mothers.⁶⁹⁴

Due to the new pledge of EUR 200 million by 2020, and the BMZ report, Germany fulfilled its commitment to fighting malnutrition by focusing investments on women, as well as developing agriculture in a sustainable way. Thus, Germany has been awarded a compliance score of +1.

Analyst: Amelia Cook

Italy: +1

Italy has complied with its commitment to promote resource responsible agricultural investments that target smallholders and women.

On 30 May 2013, Italy signed the New Country Programme of 2013-2015. The new Ethio-Italian Cooperation Framework is expected to increase Italian aid in Ethiopia. The proposed financial contribution is EUR 98,900,000, “divided between gifts and soft loans.”⁶⁹⁵ The new cooperation framework has doubled Italy’s previous contribution of EUR 48,000,000. It encompasses Italy’s “adhesion to the New Alliance for Food Security and Nutrition Initiative,”⁶⁹⁶ and affirms Italy’s focus on the issues of “gender, private sector and climate change.”⁶⁹⁷ The programme details a contribution of EUR 600,000 over three years towards a “gender initiative aimed at promoting women empowerment.”⁶⁹⁸ The New Country Programme also specifies the need to protect the environment through sustainable initiatives.⁶⁹⁹

⁶⁹² Food Security — Strategic Guideline for German Development Policy, Federal Ministry of Economic Cooperation and Development (Berlin) October 2013. Date Accessed: 16 December 2013.

http://www.bmz.de/en/publications/type_of_publication/strategies/Strategiepapier340_11_2013.pdf

⁶⁹³ Food Security — Strategic Guideline for German Development Policy, Federal Ministry of Economic Cooperation and Development (Berlin) October 2013. Date Accessed: 16 December 2013.

http://www.bmz.de/en/publications/type_of_publication/strategies/Strategiepapier340_11_2013.pdf

⁶⁹⁴ Germany Pledges EUR200 million to Fight Malnutrition, Germany Information Centre: Africa (Berlin) 21 June 2013. Date Accessed: 16 December 2013. http://www.gicafrika.diplo.de/Vertretung/suedafrika-dz/en/___pr/2013/06/06-Nutrition-For-Growth.html

⁶⁹⁵ Who We Are, Cooperazione Italiana allo Sviluppo Ministero Affari Esteri, 2013. Date of Access: 21 December 2013. http://www.itacaddis.org/en/who_we_are.php

⁶⁹⁶ Italy and Ethiopia pledge to a new Cooperation Framework 2013-2015, reliefweb 30 May 2013. Date of Access: 21 December 2013. <http://reliefweb.int/report/ethiopia/italy-and-ethiopia-pledge-new-cooperation-framework-2013-2015>

⁶⁹⁷ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

⁶⁹⁸ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

⁶⁹⁹ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

Italy further announced an additional EUR 6 million contribution to the Food and Agriculture Organization (FAO).⁷⁰⁰ The FAO covers a broad spectrum of focuses, with a stated emphasis on impoverished individuals and communities.⁷⁰¹ From 2012 to 2013, Italy has contributed US\$22.3 million as of March 2013 towards the FAO.⁷⁰²

Moreover, the Ethio-Italian Cooperation Framework also outlines a budget allocation of EUR 6 million towards the Agriculture Growth Program through the Ethiopian Ministry of Agriculture.⁷⁰³ The program aims to “promote sustainable agricultural growth.”⁷⁰⁴

In 2013, Italy pledged EUR 200,000 towards creating Integrated Agro-Food Parks. The initiative is designed to transform smallholder farmers into commercial farms, in hopes of increasing prosperity.⁷⁰⁵ The total amount budgeted for this initiative is EUR 1.8 million.⁷⁰⁶

Therefore, Italy has been awarded a +1 for making investments in initiatives that target smallholders and women, which are resource responsible.

Analyst: Andy Li

Japan: 0

Japan has partially complied with its commitment to make investments that are accountable to natural resources which aim to benefit smallholders and women. It has declared its efforts and intentions at improving status of women, enhancing the roles of smallholders, and accountability of natural resources.

On 25 September 2013, in a statement given by Prime Minister Shinzo Abe of Japan, at the Side Event “Post-2015: Health and Development” held in New York, Abe addressed Japan’s goals at “achieving universal health coverage (UHC), which ensures access to essential health-care services for all.”⁷⁰⁷ Abe highlighted that “a health boost for the entire population...women in particular” is needed.⁷⁰⁸

Furthermore, on 5 October 2013, Minister of Foreign Affairs Fumio Kishida attended the 25th APEC Ministers Meeting held in Bali, Indonesia. The ministers recognize “the crucial role of

⁷⁰⁰ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

⁷⁰¹ Reduce Rural Poverty, Food and Agriculture Organisation of the United Nations. Date of Access: 21 December 2013. <http://www.fao.org/about/what-we-do/so3/en/>

⁷⁰² Growth Green Agriculture — FAO receives €6m donation GG Agriculture, 7 June 2013. Date of Access: 21 December 2013. <http://growthgreenagriculture.com/fao-donation/>

⁷⁰³ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

⁷⁰⁴ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

⁷⁰⁵ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

⁷⁰⁶ Ethio-Italian Cooperation Framework 2013-2015. Date of Access: 21 December 2013.

http://www.itacaddis.org/docs/2013_07_18_08_27_28_Framework%202013-2015.pdf

⁷⁰⁷ Statement by Mr. Shinzo Abe, Prime Minister of Japan, at the Side Event “Post-2015: Health and Development,” 25 September 2013. Date of Access: 20 December 2013.

http://www.mofa.go.jp/policy/page3e_000089.html

⁷⁰⁸ Statement by Mr. Shinzo Abe, Prime Minister of Japan, at the Side Event “Post-2015: Health and Development,” 25 September 2013. Date of Access: 20 December 2013.

http://www.mofa.go.jp/policy/page3e_000089.html

farmers and fishers, especially smallholders and women, in increasing food production and attaining food security in the region.”⁷⁰⁹ They also note the need to improve individual capacity to food loss reduction due to their “vulnerability to economic turbulence and natural shocks.”⁷¹⁰ Ministers suggested that “integrating smallholder farmers and fishers with the private sector in food supply-chains” to enhance partnerships, which will also “take into account the importance of gender equality and the significant role of women in ensuring food security from household, to community, economy-wide, and regional levels.”⁷¹¹

In addition, on 14 December 2013, the Heads of State/Government of the Member States of the Association of Southeast Asian Nations (ASEAN) and Japan discussed the Implementation Plan of the Vision Statement on ASEAN-Japan Friendship and Cooperation at a meeting in Tokyo. With regards to smallholders and accountable investments in natural resources, the two parties aim to advance “the establishment of public-private partnership (PPP) guidelines and schemes to mobilise resources;”⁷ “promote industrial advancement especially through human resources development in industrial sectors, small and medium enterprises (SMEs) cooperation, and upgrading supply chain networks across the region;” and “forge closer cooperation in protecting and conserving the environment and promoting sustainable use of natural resources [through] environmental education and public participation.”⁷¹² Recognizing the importance of fostering the roles of women, Japan and ASEAN seek to “strengthen cooperation to empower women to participate in political, economic, and socio-cultural development.”⁷¹³

Moreover, on 26 September 2013, Prime Minister Shinzo Abe announced “what will serve as both a factor for and outcome of growth [of Japan] will be to mobilize the power of women,” and that “creating an environment in which women find it comfortable to work and enhancing opportunities for women to work and to be active in society is...a matter of the greatest urgency.”⁷¹⁴ He declared his intention to “create a society in which women shine, and...develop a national action plan regarding women, peace, and security, in cooperation with people working at the grass-roots level.”⁷¹⁵

Therefore, Japan has been awarded a score of 0 for taking steps to promote investment that supports women, children and that promotes sustainable development, but so far it has failed to implement more concrete policies or allocations of moneys.

Analyst: Eric Na

⁷⁰⁹ Joint Ministerial Statement, 5 October 2013. Date of Access: 20 December 2013.
<http://www.mofa.go.jp/files/000016154.pdf>

⁷¹⁰ Joint Ministerial Statement, 5 October 2013. Date of Access: 20 December 2013.
<http://www.mofa.go.jp/files/000016154.pdf>

⁷¹¹ Joint Ministerial Statement, 5 October 2013. Date of Access: 20 December 2013.
<http://www.mofa.go.jp/files/000016154.pdf>

⁷¹² Implementation Plan of the Vision Statement on ASEAN-Japan Friendship and Cooperation, 14 December 2013. Date of Access: 29 December 2013. <http://www.mofa.go.jp/files/000022447.pdf>

⁷¹³ Implementation Plan of the Vision Statement on ASEAN-Japan Friendship and Cooperation, 14 December 2013. Date of Access: 29 December 2013. <http://www.mofa.go.jp/files/000022447.pdf>

⁷¹⁴ Address by Prime Minister Shinzo Abe, at The Sixty-Eighth Session of The General Assembly of The United Nations, 26 September 2013. Date of Access: 29 December 2013.
http://www.kantei.go.jp/foreign/96_abe/statement/201309/26generaldebate_e.html

⁷¹⁵ Address by Prime Minister Shinzo Abe, at The Sixty-Eighth Session of The General Assembly of The United Nations, 26 September 2013. Date of Access: 29 December 2013.
http://www.kantei.go.jp/foreign/96_abe/statement/201309/26generaldebate_e.html

Russia: -1

Russia has failed to comply with the commitment on health.

In 2013 Russia contributed USD 47 million to the World Food Program, which represents an increase as compared to 2012 contribution of USD 38 million.⁷¹⁶

However, no facts that Russia has made investments that target smallholders and women has been registered during the compliance period.

Thus, it has been awarded a score of -1.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to deepen impact by ensuring investments have a measurable impact on malnutrition, particularly for smallholders and women, and are made responsibly and support the sustainable use of natural resources.

On 8 June 2013 the UK and Brazil co-hosted the “Nutrition for Growth” meeting. Participants signed the “Global Nutrition for Growth Compact” which committed to improving nutrition with a focus on pregnant women and children. Commitment of up to GBP 2.7 million have been secured for tackling malnutrition by 2020, and the UK up until now has committed an additional GBP 375 million. Related to this commitment, funds will focus on developing nutrient-rich and resilient crops and “ensuring businesses in developing countries place good nutrition at the heart of their workforce welfare priorities.”⁷¹⁷

Furthermore, on 15 October 2013, the UK launched the “Global Handwashing Day” and a partnership with UNICEF, Oxfam, Mercy Corps and five other international NGOs to improve access to water, sanitation and hygiene in the Democratic Republic of Congo. By allocating GBP 84.6 million on the program “École et Village Assainis” of promoting healthy villages and schools, this initiative places children as its focus.⁷¹⁸

Britain is also working to “forge a new partnership between East Africa, leading businesses and the London Stock Exchange Group to boost development in the region.” The UK’s International Development Secretary Justine Greening, along with representatives of eighteen British and international businesses and social enterprises met to “set out four new commercial initiatives to help the poorest benefit from economic growth in Tanzania.” On 7 November 2013, the UK announced an investment of GBP 3.3 million for “Equity for Tanzania” that focuses on financing small and medium agricultural businesses and farmers.⁷¹⁹

⁷¹⁶ Contributions to WFP 2013, WFP. <http://www.wfp.org/about/funding/year/2013>.

⁷¹⁷ Nutrition for Growth: Beating Hunger through Business and Science, Department for International Development (London) 8 June 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/nutrition-for-growth-beating-hunger-through-business-and-science>

⁷¹⁸ Global Handwashing Day: Britain Supports Water and Sanitation Access to 4 million in DRC, Department for International Development (London) 15 October 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/global-handwashing-day-britain-supports-water-and-sanitation-access-to-4-million-in-drc>

⁷¹⁹ UK Promotes Business Links in East Africa to End Poverty, Department for International Development (London) 5 November 2013. Date of Access: 8 January 2014 <https://www.gov.uk/government/news/uk-promotes-business-links-in-east-africa-to-end-poverty>

In addition, on 27 November 2013, the UK's Department for International Development announced to contribute to a global initiative of providing girls and women with clean sources of energy, thus providing safe cooking solutions in developing countries. The Department for International Development agreed to provide GBP 4.5 million to the ENERGIA International Network on Gender and Sustainable Energy and GBP 7 million to the "Global Alliance for Clean Cookstoves."⁷²⁰

On 20 December 2013, the UK and United Nations Food and Agriculture Organization announced to team up on a four-year, GBP 30 million project to improve agricultural sustainability, rural development, and nutrition in Zimbabwe. The goals of this project is to "address the root causes of poverty and food insecurity, and build resilience against climate change." In particular it aims to address the challenges facing smallholder farmers, especially women in boosting productivity and acquiring access to markets.⁷²¹

Thus, the United Kingdom has been awarded with a score of +1 for the government's efforts in complying with its commitments of tackling malnutrition with a focus on children, women and smallholders with accountability to natural resources.

Analyst: Xinhe (Alissa) Wang

United States: 0

The United States has partially fulfilled its commitment to ensure that agricultural investments have a tangible impact on women and small holders, and in ensuring and supporting the use of sustainable resources. This is evident in the ongoing activity of existing projects.

On May 2010, the United States created the Feed the Future (FtF) initiative that seeks to ensure that opportunities for sustainable food security are utilized by the United States and partnering nations.⁷²² From 2010 to 2012, President Barack Obama pledged USD 3.5 billion in support of this initiative.⁷²³

One of the United States core investments, made through FtF, is in women's empowerment in the agricultural sector.⁷²⁴ FtF created a measurement of women's empowerment known as the Women's Empowerment in Agriculture Index (or WEAI). WEAI measures the "empowerment,

⁷²⁰ UK to Help Girls and Women Access Clean Energy, Department for International Development (London) 27 November 2013. Date of Access: 8 January 2014. <https://www.gov.uk/government/news/uk-to-help-girls-and-women-access-clean-energy>

⁷²¹ Major Boost for Zimbabwe's Sustainable Agricultural Development and Food Security Efforts, Food and Agriculture Organization of the United Nations (Media) 20 December 2013. Date of Access: 8 January 2014. <http://www.fao.org/news/story/en/item/210883/icode/>

⁷²² Meeting the President's Challenge to End Extreme Poverty, Feed the Future (Washington), 15 February 2013. Date of Access: 21 December 2013. <http://feedthefuture.gov/article/meeting-president-s-challenge-end-extreme-poverty#>

⁷²³ The Obama Administration's Feed the Future Initiative, Congressional Research Service (Washington), 10 January 2011. Date of Access: 21 December 2013 <https://www.fas.org/sgp/crs/misc/R41612.pdf>

⁷²⁴ Women and Agriculture: Improving Global Food Security, United States Agency for International Development (Washington), September 2011. Date of Access: 21 December 2013 <http://feedthefuture.gov/sites/default/files/resource/files/Clinton%20Women%20and%20Agriculture%20report.pdf>

[agency] and inclusion of women in the agriculture sector,”⁷²⁵ which in turn has impacts on women’s decision-making abilities, access to income and leadership in the community.⁷²⁶

Moreover, through FtF, the United States has worked to connect smallholders to the global economy. This has primarily taken place through providing “smallholder farmers with the tools and technologies they need to produce more robust harvests” and, consequently have greater access to opportunities in local markets. Moreover, there has been an increased focus on engaging women smallholders. This is evident in the fact that out of the nearly 7.5 million farmers that used “improved technology and management practices” with FtF support; of these, approximately 30 per cent were women.⁷²⁷

Additionally, although the U.S. Agency for International Development has supported investments in areas related of sustainable food production—evident in the United States’ involvement in the Sustainable Agriculture and Natural Resource Management Collaborative Research Support Program and the Consultative Group on International Agriculture Research—so as to increase agricultural productivity and economic growth⁷²⁸ the role of the private sector has been emphasized. Although this alludes to President Obama’s call for greater private sector involvement, it does not speak to increased levels of public funding for such programs and research initiatives.

Thus, while the United States continues to implement existing programs that are designed to support women and smallholders, as well as facilitate sustainable agricultural practices, no new investments in these areas have been made since the Lough Erne Summit. As a result, this reports awards the United States a score of 0.

Analyst: Aditya Rau

European Union: +1

The European Union has fully complied with its commitment to promote health and nutrition investments in areas that directly target women and small holders, which are accountable and resource responsible.

On 28 October 2013, Ambassador, Deputy Head of the Delegation of the European Union to the United Nations, H.E. Mr. Ioannis Vrailas reaffirmed the commitment by the EU to pay “special

⁷²⁵ The Women’s Empowerment in Agriculture Index, Feed the Future (Washington), 12 September 2013. Date of Access: 21 December 2013. <http://feedthefuture.gov/article/womens-empowerment-agriculture-index-0>

⁷²⁶ Women’s Empowerment in Agriculture Index, International Food Policy Research Institute (Washington), 2012. Date of Access: 21 December 2013. http://www.ifpri.org/sites/default/files/publications/weai_brochure.pdf

⁷²⁷ Progress Report: Growing Innovation, Harvesting Results, Feed the Future (Washington), June 2013. Date of Access: December 2013.

http://www.feedthefuture.gov/sites/default/files/resource/files/feed_the_future_progress_report_2013.pdf

⁷²⁸ Investing in Sustainable Agriculture, United States Agency for International Development (Washington), 11 April 2013. Date of Access: 21 December 2013. <http://www.usaid.gov/what-we-do/agriculture-and-food-security/investing-sustainable-agriculture>

attention to small-holder farmers, particularly women” and to “adopt ecologically efficient agricultural practices” and “improve their nutrition status.”⁷²⁹

Moreover, on the 24 November 2013, the EU launched the “Food Security Policy and Strategy Capacity Building Programme” and announced EUR 8.6 million allocated to its support.⁷³⁰ Additionally, the EU extended its approach for Eastern Sudan by including provisions to support small-scale farmers to improve their agricultural productivity while promoting at the same time sustainable use of arable land. To this end EUR 20 million in funding is available.⁷³¹

The European Union together with the UN Food and Agriculture Organization has also provided EUR 60 million in assistance as a part of the Millennium Development Goals under which the EU and FAO focus on agricultural development involving smallholder farmers and their families to promote improved nutrition and support for agricultural policies.⁷³²

In addition, the EU has reinforced its support for the Sahel region for the period 2014 to 2020 with the announcement of new funding by EU Development Commissioner, Adris Piebalgs, during a joint visit with UN Secretary, Ban Ki Moon, World Bank President, Jim Yong Kim, Chairperson of the African Union Commission, Nkosazana Dlamini-Zuma, and African Development Bank President, Donald Kaberuka.⁷³³

The support of EUR 5 billion aims to help Burkina Faso, Mali, Mauritania, Niger, Senegal, and Chad tackle the challenges of agriculture and food security among others.⁷³⁴ Accordingly, during the visits to each of the six countries, the EU announced support in the amount of EUR 442 million to Chad,⁷³⁵ EUR 623 million to Burkina Faso,⁷³⁶ EUR 615 million to Mali,⁷³⁷ and EUR

⁷²⁹ EU Statement — United Nations 2nd Committee: Agriculture Development, Food Security and Nutrition, EU at the UN (Brussels) 28 October 2013. Date of Access: 20 December 2013. <http://www.eu-un.europa.eu/articles/en/article_14167_en.htm>

⁷³⁰ European Development Days addresses Food Security in East Sudan, European Union Delegation to Sudan (Sudan) 25 November 2013. Date of Access: 20 December 2013. <http://eeas.europa.eu/delegations/sudan/press_corner/all_news/news/2013/20131125_en.htm>

⁷³¹ European Development Days addresses Food Security in East Sudan, European Union Delegation to Sudan (Khartoum) 25 November 2013. Date of Access: 20 December 2013. <http://eeas.europa.eu/delegations/sudan/press_corner/all_news/news/2013/20131125_en.htm>

⁷³² EU and FAO help six countries achieve the Millennium Development Goal on hunger, European Commission (Brussels) 26 September 2013. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-880_en.htm?locale=en

⁷³³ EU reinforces its support for the Sahel in the years to come, European Commission (Brussels) 4 November 2013, Date Accessed: 20 December 2012. http://europa.eu/rapid/press-release_IP-13-1013_en.htm

⁷³⁴ EU reinforces its support for the Sahel in the years to come, European Commission (Brussels) 4 November 2013, Date Accessed: 20 December 2012. http://europa.eu/rapid/press-release_IP-13-1013_en.htm

⁷³⁵ European Union announces increase in development aid for Chad for 2014-2020, European Commission (Brussels) 7 November 2013, Date Accessed: 20 December 2012. http://europa.eu/rapid/press-release_IP-13-1033_en.htm?locale=en

⁷³⁶ EU announces new development support for Burkina Faso, European Commission (Brussels) 7 November 2013, Date Accessed: 20 December 2012. http://europa.eu/rapid/press-release_IP-13-1031_en.htm?locale=en

⁷³⁷ European Union maintains its commitment to Mali, European Commission (Brussels) 4 November 2013, Date Accessed: 20 December 2012. http://europa.eu/rapid/press-release_IP-13-1014_en.htm?locale=en

542 million to Niger.⁷³⁸ Additionally, the EU reached a new agreement with Niger on the Northern Niger Local Development project under which EUR 25.6 million are committed for stabilization and local development.⁷³⁹ The goal of this development, amongst others, is to strengthen the capacities of public and private players, improving food security through income from agricultural and pastoral activities.⁷⁴⁰

Furthermore, during his 18 June 2013 to 20 June 2013 visit to Zambia, EU Commissioner for Development, Andris Piebalgs signed an agreement to support smallholder farmers and promote agricultural conservation in Zambia with EUR 11.1 million in EU funding.⁷⁴¹ Additionally, the Commissioner attended the Seminar on Energy future of Zambia: Sustainable Energy Sources and Hydro Power Potential, where he expressed the strong support the EU intends to provide to Zambia's energy sector.⁷⁴²

On 4 October 2013, The EU announced the provision of EUR 50 million to improve food security and build resilience to drought in southern and eastern Ethiopia as a part of the Supporting Horn of Africa Resilience (SHARE) initiative.⁷⁴³

Thus the European Union has been awarded a score of +1 for promoting health and nutrition investments in areas that directly relate to women and small holders. It has made accountable investments for smallholder and women that are responsible in regards to natural resources.

Analyst: Alex Mazanik

⁷³⁸ The EU reinforces its support for development and security in Niger, European Commission (Brussels) 6 November 2013, Date Accessed: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-1029_en.htm?locale=en

⁷³⁹ The EU reinforces its support for development and security in Niger, European Commission (Brussels) 6 November 2013, Date Accessed: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-1029_en.htm?locale=en

⁷⁴⁰ The EU reinforces its support for development and security in Niger, European Commission (Brussels) 6 November 2013, Date Accessed: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-1029_en.htm?locale=en

⁷⁴¹ EU signs new agreement to boost agriculture and promotes access to energy in Zambia, European Commission (Brussels) 18 June 2013, Date Accessed: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-550_en.htm?locale=en

⁷⁴² EU signs new agreement to boost agriculture and promotes access to energy in Zambia, European Commission (Brussels) 18 June 2013, Date Accessed: 20 December 2013. http://europa.eu/rapid/press-release_IP-13-550_en.htm?locale=en

⁷⁴³ EU helps to boost food security and build resilience to drought in Ethiopia, European Commission (Brussels) 4 October 2013, Date Accessed: 20 December 2012. http://europa.eu/rapid/press-release_IP-13-911_en.htm?locale=en

12. Climate Change: Climate and Clean Air Coalition [145]

Commitment:

“[We will pursue ambitious and transparent action] internationally, in the UNFCCC, complemented by actions addressed through other relevant fora, including but not limited to:] the Climate and Clean Air Coalition which we all committed to join at our last Summit, where we will build on the eight global initiatives already begun and further develop the scientific evidence base and private sector involvement.”

2013 G8 Lough Erne Communiqué

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France		0	
Germany			+1
Italy		0	
Japan	-1		
Russia	-1		
United Kingdom			+1
United States			+1
European Union			+1
Average Score	+0.33		

Background:

The G8 has been committed to the reduction of pollutants and other steps necessary to halt climate change since the 2007 Heiligendamm Summit.⁷⁴⁴

In 1992, the UNFCCC was created as an international treaty in order to coordinate the efforts of the international community in limiting the average rise of global temperatures.⁷⁴⁵ There are four focus areas the UNFCCC works within as part of its mandate: mitigation (1), adaptation (2), finance technology and capacity building (3), and economic instruments (4).⁷⁴⁶

At the 2012 Camp David Summit, the G8 specifically recognised the impact of short lived climate pollutants on climate change and established the Climate and Clean Air Coalition (CCAC) to Reduce Short-lived Climate Pollutants (SLCPs).⁷⁴⁷ The focus of the CCAC is the reduction of SLCPs which include gasses such as: “methane, black carbon, tropospheric ozone, and many hydrofluorocarbons, [which] are responsible for a substantial fraction of climate

⁷⁴⁴ 2012 Camp David G8 Summit Final Compliance Report, G8 Information Center (Toronto) 20 May 2013. Date of Access: 29 November 2013. <http://www.g8.utoronto.ca/evaluations/index.html#2013>

⁷⁴⁵ Background on the UNFCCC, United Nations Framework Convention on Climate Change (Bonn, Germany). Date of Access: 29 November 2013.

⁷⁴⁶ An overview of the mandates, as well as the progress of work under institutions, mechanisms, and arrangement under the Convention. UNFCCC (Warsaw) 30 October 2013. Date of Access: 29 November 2013. <http://unfccc.int/resource/docs/2013/adp2/eng/inf02.pdf>

⁷⁴⁷ Concept Paper, Climate and Clean Air Coalition (Paris) February 2012. Date of Access: 29 November 2013. <http://www.unep.org/ccac/Portals/24183/docs/ConceptPaper.pdf>

change.”⁷⁴⁸ On 24 April 2012, the CCAC members met in Stockholm and prepared five initiatives focussing on municipal solid waste, diesel engines, brick production, oil and natural gas production, and alternatives for HFCs.⁷⁴⁹

Commitment Features:

The CCAC is “a partnership of governments, intergovernmental organizations, and representatives of the private sector, the environmental community, and other members of civil society.” The CCAC’s goals are the following:

1. Raising awareness of SLCP impacts and mitigation strategies;
2. Enhancing and developing new national and regional actions, including by identifying and overcoming barriers, enhancing capacity, and mobilizing support;
3. Promoting best practices and showcasing successful efforts; and
4. Improving scientific understanding of SLCP impacts and mitigation strategies.⁷⁵⁰

The Coalition also helps “to provide funds to help create the necessary enabling environment for action, and leverage greater private sector investment in SLCP mitigation.”⁷⁵¹

The commitment specifically mentions the need to “further develop the scientific evidence base and private sector involvement.” Thus, compliance will be assessed on the basis of members’ participation on these two issues. Full compliance will be awarded to members, which take significant actions to further develop CCAC scientific evidence base and promote private sector involvement in CCAC activities.

Scoring Guidelines:

-1	Member does not participate in further development of CCAC scientific evidence base AND does not promote private sector involvement in CCAC activities.
0	Member participates in further development of CCAC scientific evidence base OR promotes private sector involvement in CCAC activities.
+1	Member participates in further development of CCAC scientific evidence base AND promotes private sector involvement in CCAC activities.

Analyst:

Canada: +1

Canada has fully complied with its commitment to contribute to the Climate and Clean Air Coalition (CCAC) to reduce Short-lived Climate Pollutants (SLCPs).

Canada is a founding member, leading partner, and the largest financial contributor to the CCAC.⁷⁵² Canada participates in several of the CCAC’s initiatives, including as a co-lead on the initiative to reduce SLCPs.⁷⁵³

⁷⁴⁸ Concept Paper, Climate and Clean Air Coalition (Paris) February 2012. Date of Access: 29 November 2013. www.unep.org/ccac/About/tabid/101649/Default.aspx

⁷⁴⁹ CCAC A Year in the Coalition 2012-2013, Climate and Clean Air Coalition (Paris). Date of Access: 30 November 2013.

⁷⁵⁰ Concept Paper, Climate and Clean Air Coalition (Paris) February 2012. Date of Access: 25 December 2013. <http://www.unep.org/ccac/Portals/24183/docs/ConceptPaper.pdf>

⁷⁵¹ Concept Paper, Climate and Clean Air Coalition (Paris) February 2012. Date of Access: 25 December 2013. <http://www.unep.org/ccac/Portals/24183/docs/ConceptPaper.pdf>

On October 2013, Environment Canada issued an Emissions Trend report outlining Canada's progress in advancing the UNFCCC's work towards climate change mitigation. According to the report, Canada is investing CAD 1.2 billion in new and additional climate change financing to support global emissions reduction.⁷⁵⁴ To support the long-term mitigation of SLCPs in developing countries, the Government of Canada is delivering financial support including CAD 3 million to the Trust Fund and an additional CAD 7 million for other related projects.⁷⁵⁵

Furthermore, Canada has taken action to advance the UNFCCC's mandate in areas of adaptation and capacity building. The Canadian government has provided CAD 12.6 million to the World Meteorological Organization for projects aimed at enhancing weather services for vulnerable countries to adapt to climate change.⁷⁵⁶ In a collaborative project with the United Nations Development Program, Canada has provided CAD 20 million of fast-start financing for a broad range of capacity building projects to help local populations reduce the impact of climate change.⁷⁵⁷

Thus, Canada has been awarded a score of +1 for fulfilling its commitment to reduce the use of SLCPs domestically and internationally through legislative and funding initiatives and for its action to contribute to the UNFCCC's mandate.

Analyst: Duja Muhanna

France: 0

France has partially has complied with its commitment to contribute to the Climate and Clean Air Coalition (CCAC) to reduce Short-lived Climate Pollutants (SLCPs).

On 20 and 21 September 2013, France held a second environmental conference to discuss the framework of ecological transition for 2014. The roadmap outlined three objectives for 2014: energy transition, biodiversity, and ecological tax.⁷⁵⁸ The Parliament planned to review a bill of energy transition for adoption before the end of 2014. Subsequently, the French Government

⁷⁵² Minister Aglukkaq Travels to Norway to Attend the Climate and Clean Air Coalition to Reduce Short-Lived Climate Pollutants, Environment Canada 1 September 2003. Date of Access: 16 December 2013. <http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=A979EAB8-E681-4026-8B8F-ED6A1C50507B>.

⁷⁵³ United Nations Environment Program, Climate and Clean Air Coalition. Date of Access: 16 December 2013. <http://www.unep.org/ccac/Partners/CountryPartners/Canada.aspx>.

⁷⁵⁴ Canada's Emissions Trend, Environment Canada October 2013. Date of Access: 16 December 2013. http://www.ec.gc.ca/ges-ghg/985F05FB-4744-4269-8C1A-D443F8A86814/1001-Canada's%20Emissions%20Trends%202013_e.pdf

⁷⁵⁵ United Nations Environment Program, Climate and Clean Air Coalition. Date of Access: 16 December 2013. <http://www.unep.org/ccac/Partners/CountryPartners/Canada.aspx>.

⁷⁵⁶ Canada's Action on Climate Change, Government of Canada 13 August 2013. Date of Access: 16 December 2013. <http://www.climatechange.gc.ca/default.asp?lang=En&n=0A607A30-1&offset=1&toc=show>.

⁷⁵⁷ Canada's Action on Climate Change, Government of Canada (Ottawa) 13 August 2013. Date of Access: 16 December 2013. <http://www.climatechange.gc.ca/default.asp?lang=En&n=0A607A30-1&offset=1&toc=show>.

⁷⁵⁸ Ministry of Ecology, Sustainable Development and Energy: Suites de la conférence environnementale 2013, Ministry of Ecology (Paris) 25 September 2013. Date of Access: 10 December 2013. http://www.developpement-durable.gouv.fr/spip.php?page=article&id_article=34187

announced the creations of the Office of Biodiversity and the establishment of a Climate-Energy Contribution in its Finance Act in 2014.⁷⁵⁹

Moreover, on 22 November 2013, the French Government was selected to host the Conference of the Parties on Climate Change in 2015.⁷⁶⁰ President François Hollande announced that France would play a decisive role in negotiations among the participating nations. President François Hollande highlighted that “an ambitious target of 40 per cent in greenhouse emission by 2030 and of 60 per cent by 2040” is necessary to curb climate change.⁷⁶¹

Additionally, through the Agence française du développement (AFD), France has been active player in fighting global warming since 2012. AFD has awarded EUR 2.4 billion to assist various climate projects in developing countries.⁷⁶²

France has received a score of 0 for its commitments to undertake significant actions in laying out the groundwork for sustainable development relating to the UNFCCC’s mandate. While France is active in its work, the government has not undertaken measures to specifically regulate the reduction of SLCPs in pertaining to CCAC.

Analyst: Freda Zhang

Germany: +1

Germany has complied with its commitment to mitigate short-lived climate pollutants (SLCPs), as dictated by the Climate and Clean Air Committee (CCAC). Thus, Germany has been awarded a score of +1.

The Climate and Clear Air Committee states that, “Germany is particularly committed to reducing the pollutants addressed by the CCAC (so-called SLCPs).”⁷⁶³ This has been observed domestically as Germany domestically reduced pollutants such as: tropospheric ozone precursors, black carbon, nitrogen compounds, fluorinated greenhouse gases, and methane emissions.⁷⁶⁴ In addition, Germany partakes in many multilateral activities on the international level.

On 3 April 2011, the Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety published a report on Germany’s climate change policies. Compared to the Greenhouse

⁷⁵⁹ Discours de clôture de la Conférence environnementale Portail du Gouvernement, 21 September 2013. Date of Access: 10 December 2013. <http://www.gouvernement.fr/premier-ministre/discours-de-cloture-de-la-conference-environnementale>

⁷⁶⁰ France confirmed as host of 2015 Climate Conference, France-Diplomatie (Paris) 22 November 2013. Date of Access: 18 December 2013. <http://www.diplomatie.gouv.fr/en/french-foreign-policy-1/sustainable-development-1097/21st-conference-of-the-parties-on/article/france-confirmed-as-host-of-2015>

⁷⁶¹ Issues and reasons behind the French offer to host the 21st Conference of the Parties on Climate Change 2015, France-Diplomatie (Paris) 22 May 2013. Date of Access: 18 December 2013. <http://www.diplomatie.gouv.fr/en/french-foreign-policy-1/sustainable-development-1097/21st-conference-of-the-parties-on/article/issues-and-reasons-behind-the>

⁷⁶² L’AFD présente au Sommet de Varsovie, du 11 au 22 novembre 2013, participe aux négociations internationales sur le climat, French Development Agency 11 November 2013. Date of Access: 12 December 2013. http://www.afd.fr/home/ctnscroll_ActualitesList/6_6?engineName=search&requestedCategories=tech_news_home_site_afd

⁷⁶³ Germany. Date of Access: 5 January 2014. <http://www.unep.org/ccac/Partners/CountryPartners/Germany.aspx>

⁷⁶⁴ Germany. Date of Access: 5 January 2014. <http://www.unep.org/ccac/Partners/CountryPartners/Germany.aspx>

gas (GHG) levels of 1990, Germany in 2011 is 26.5 per cent lower.⁷⁶⁵ Furthermore, Germany aims to increase the reduction of the GHG target by 40 per cent as of 2020 — in contrast, the EU's ambitions are to reduce by 30 percent as of 2020.

According to a study published by the Ecologic Institute in June 2013, increased activity regarding energy efficiency and integration of renewable energy will have to be taken, if Germany is expected to achieve its 2020 ambition. Nevertheless, there have been significant measures taken between May 2012 and January 2013. Policy developments, such as the high implicit taxation rates on energy have rendered Germany's economy the sixth least energy intensive in the EU.⁷⁶⁶

Additionally, on 8 November 2013 a draft of the government coalition agreement was released. Section 1.4, proposes decrease the Feed in Tariffs (FITs) program that help support wind energy companies. The agreement also would see the offshore wind capacity goal for 2020 decrease from 10GW to 6.5GW.⁷⁶⁷

Germany's objectives combating climate change are ambitious. Mitigating SLCPs and aiming for lower GHGs, Germany has successfully complied with its commitment and has received a +1 for full compliance.

Analyst: Michael Humeniuk

Italy: 0

Italy has partially complied with its commitment to take significant legislative and funding action with regards to to the Climate and Clean Air Coalition (CCAC) with its focus on reducing Short-Lived Climate Pollutants (SLCP).

On 10 October 2013, Italian minister of economic development, Flavo Zanon, and Minister of Environment Andrea Orlando, signed a ministerial decree on biorefineries.⁷⁶⁸ This decree aims to promote the development, investment, and acceleration in the production of conventional bio-fuels by simplifying the procedures and permits involved in this sector.⁷⁶⁹ Bio-fuels are environmentally friendly renewable and they're use will aid Italy's goal of carbon dioxide reductions by 2020 under the EU directive and the UN.

On 28 October 2013, Minister of Environment Andrea Orlando, met 12 European Union ministers and set out a new manifesto outlining: a package of climate and energy policies for 2030, reform of the European emissions market and a target for carbon dioxide reduction under

⁷⁶⁵ Germany's Climate Policies Towards a Low Carbon Society 3 April 2011. Date of Access: 5 January 2014. http://unfccc.int/files/meetings/ad_hoc_working_groups/lca/application/pdf/2-4-110402_german_cc_bmu__bkk.pdf

⁷⁶⁶ Assessment of climate change policies in the context of the European Semester (Berlin) June 2013. Date of Access: 5 January 2013. http://ec.europa.eu/clima/policies/g-gas/progress/docs/de_2013_en.pdf

⁷⁶⁷ Angela Merkel agrees to form German coalition with Social democrats, The Guardian (London) 27 November 2013. Date of Access: 19 December 2013.

<http://www.theguardian.com/world/2013/nov/27/angela-merkel-german-coalition-social-democrats>

⁷⁶⁸ Orlando and sign Zanonato regulation of biorefineries. Ministreo dell' Ambiente e della tutela del territorio e del mare. 10 October 2013. Date of Access: 24 December 2013.

<http://www.minambiente.it/comunicati/orlando-e-zanonato-firmano-regolamento-su-bioraffinerie>

⁷⁶⁹ Orlando and sign Zanonato regulation of biorefineries. Ministreo dell' Ambiente e della tutela del territorio e del mare. 10 October 2013. Date of Access: 24 December 2013.

<http://www.minambiente.it/comunicati/orlando-e-zanonato-firmano-regolamento-su-bioraffinerie>

the UN climate negotiations.⁷⁷⁰ The main intent of this legislative agreement was to promote immediate action with respect to carbon dioxide reduction.

In addition, on 7 November 2013, the United Nations Framework Convention on Climate Change (UNFCCC) stated that, among other nations, Italy has contributed in 2013 EUR 781,168 to the Trust Fund for the Core Budget of the UNFCCC for the Convention and EUR 455,530 to the UNFCCC Trust Fund for the Kyoto protocol.⁷⁷¹ However, Italy still has contributions outstanding of EUR 629,747 for the Convention and EUR 411,894 for the Kyoto Protocol; thus, not meeting their proposed amount for 2013.⁷⁷²

On 15 November 2013, the Italian Council of Ministers approved the “Green Agenda” bill containing 31 articles that set out new policy and directive on environmental protection, regulatory frameworks and sustainable economic development.⁷⁷³ All new policies have a focus on cost reduction, simplification and administrative transparency. Articles in particular that demonstrate legislative action in regards to the UNFCCC and CCAC focuses are article 12: incentive for Green economy recycling and re-use and article 15: measures to increase collection and recycling, and 20; planning incineration plants.⁷⁷⁴

Furthermore, on 27 November 2013, the Italian Ministry of Environment announced that it will be allocating EUR 5 million for the environmental rehabilitation of the Port of Piombino to ensure it is environmentally sustainable and competitive in today’s market,⁷⁷⁵ Specific reference to the mechanisms by which the rehabilitation will be environmentally sustainable or how it will reduce SCLPs was not mentioned.

On 18 December 2013, Minister of Environment Andrea Orlando announced that a working group has been created to develop a national plan for the prevention of food waste as part of the National plan of waste prevention.⁷⁷⁶ This could impact Italy’s SCLP emissions, especially

⁷⁷⁰ Europe immediately reduce CO2 emissions, the appeal of Orlando and 12 European Ministers. *Ministreo dell’Ambiente e della tutela del territorio e del mare*. 28 October 2013. Date of Access: 24 December 2013. <http://www.minambiente.it/comunicati/europa-riduca-subito-emissioni-co2-lappello-di-orlando-e-12-ministri-europei>

⁷⁷¹ Administrative, financial and institutional matters budget performance for the biennium 2012-2013. UNFCCC (Warsaw) 07 November 2013. Date of Access: 21 December 2013. <http://unfccc.int/resource/docs/2013/sbi/eng/inf15.pdf>

⁷⁷² Administrative, financial and institutional matters budget performance for the biennium 2012-2013. UNFCCC (Warsaw) 07 November 2013. Date of Access: 21 December 2013. <http://unfccc.int/resource/docs/2013/sbi/eng/inf15.pdf>

⁷⁷³ CDM approves related environmental “Green Agenda of the government”. *Ministreo dell’Ambiente e della tutela del territorio e del mare*. 15 November 2013. Date of Acces: 23 December 2013. <http://www.minambiente.it/comunicati/cdm-approva-collegato-ambientale-lagenda-verde-del-governo>

⁷⁷⁴ CDM approves related environmental “Green Agenda of the government”. *Ministreo dell’Ambiente e della tutela del territorio e del mare*. 15 November 2013. Date of Acces: 23 December 2013. <http://www.minambiente.it/comunicati/cdm-approva-collegato-ambientale-lagenda-verde-del-governo>

⁷⁷⁵ Piombino, Minambiente 5 million Euros. Orlando: Respected promise. *Ministreo dell’Ambiente e della tutela del territorio e del mare* (Livorno). 27 November 2013. Date of Access: 21 December 2013. <http://www.minambiente.it/comunicati/piombino-da-minambiente-5-milioni-di-euro-orlando-rispettato-impegno-presi>

⁷⁷⁶ Italy has a national plan for the prevention of food waste. *Ministreo dell’Ambiente e della tutela del territorio e del mare*. 18 Decemeber 2013. Date of Access: 21 December 2013. <http://www.minambiente.it/comunicati/litalia-avra-un-piano-nazionale-di-prevenzione-dello-spreco-alimentare>

landfill emissions; however, this announcement did not make specific reference to such emission reductions. On 19 December 2013, Minister of Environment Andrea Orlando also signed a program agreement to coordinate anti-pollution initiatives in Po basin; a location with frequent smog advisory days.⁷⁷⁷ However, no operation proposals or funding has been provided.

Moreover, on 21 December 2013, an agreement was reached on the cooperation in the areas of energy and climate change between the Italian Foreign Minister, Emma Bonino, and Head of Iran's Department of Environment, Masoumeh Ebtekar, in Tehran, Iran.⁷⁷⁸ No further action and no direct implications to SCLP reductions or UNFCCC focuses were mentioned.

Italy was awarded a score of 0 for its significant steps in invoking legislation to promote the reduction of SCLPs and many of the UNFCCC focuses. However, Italy has not provided significant funding as promised to both the UNFCCC and CCAC during the compliance period.

Analyst: Daniel Szulc

Japan: -1

Japan has not complied with its commitments regarding climate change. So far it has not taken legislative action or allocated funding to the United Nations Framework Convention of Climate Change (UNFCCC), nor has it taken significance action towards assisting the Climate and Clean Air Coalition (CACC).

Japan is still experiencing repercussions of the Fukushima nuclear meltdown. On 16 September 2013, Japan has shut down its last nuclear reactor with no schedule for when the reactors will be operational again. This lack of nuclear energy which once supplied 30 per cent of Japan's power has caused difficulties in Japan's abilities to meet its climate change commitments.⁷⁷⁹

On 15 November 2013, the Japanese government lowered 2020 emission targets from a 25 per cent reduction from 2005 to 3.8 per cent.⁷⁸⁰ The target cut is a reversal in mitigation commitments made by Japan to the UNFCCC.

Thus, Japan has received a score of -1 for taking minimal measures to meet its commitments.

Analyst: Xi Xi (Edward) Xiao

Russia: -1

Russia has failed to comply with its commitment on climate change.

⁷⁷⁷ Smog, Po basin regions sign agreement to fight pollution. Ministreo dell'Ambiente e della tutela del territorio e del mare (Milan). 19 December 2013. Date of Access: 21 December 2013. <http://www.minambiente.it/comunicati/smog-regioni-bacino-padano-firmano-accordo-lotta-inquinamento>

⁷⁷⁸ Italian FM meets director of Iran's Department of the Environment. Tehran Times (Tehran). 21 December 2013. Date of Access: 21 December 2013. <http://www.tehrantimes.com/politics/112977-italian-fm-meets-director-of-irans-department-of-the-environment>

⁷⁷⁹ Japan halts last nuclear reactor at Ohi, BBC News UK Edition 15 September 2013. Date of Access: 20 December 2013. <http://www.bbc.co.uk/news/world-asia-24099022>

⁷⁸⁰ Japan's new CO2 goal dismays U.N. climate conference, Reuters US Edition 15 November 2013. Date of Access: 20 December 2013. <http://www.reuters.com/article/2013/11/15/us-climate-japan-idUSBRE9AE00P20131115>

No significant legislative or funding actions to contribute to the UNFCCC and no significant actions towards assisting the CCAC with its ongoing initiatives during the monitoring period have been registered.

Russia has failed to comply with its commitment on climate change. Thus it gets a score of -1.

Analyst: Andrei Sakharov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to support the United Nations Framework Convention on Climate Change (UNFCCC) and the Climate and Clean Air Coalition, passing measures that directly tackle all four categories of this commitment: mitigation (1) adaptation, (2) finance technology, (3) capacity building, and (4) economic instruments.

On 7 November 2013 Deputy Prime Minister Nick Clegg gave a speech on the environment at an event hosted by the Green Alliance. Clegg observed that although some claim focusing on economic recovery should be the main priority, he argued this is in fact the time “to sharpen” the UK’s “green commitments,” adding that the UK must “make low carbon industry a cornerstone of the new economy.” He also summarized some of the key initiatives being undertaken by the current administration including the Energy Bill, the Green Investment Bank and the Local Sustainable Transport Fund. Clegg further highlighted that the government is working towards passing a “5p charge on throw-away plastic bags;” planting over one million trees “by the end of parliament;” and launching a “National Pollinator strategy next spring to protect the country’s bees and many other pollinating insects.”⁷⁸¹

Regarding the UN climate change negotiations in Warsaw he emphasized that the UK would be pushing for an agreement to reduce the EU’s greenhouse gases by 50 per cent by 2030 — “the most ambitious target proposed by any member state.” He also noted that Britain is meeting its target of obtaining 15 per cent of its energy from renewable sources by 2020. The UK is currently the number one generator of offshore wind.⁷⁸²

In addition, Clegg welcomed the efforts of the Green Investment Bank which is now operating and which seeks to “to accelerate the UK’s transition to a green economy and to create an enduring Institution, operating independently of Government.”⁷⁸³ According to Clegg, 80 per cent of the 85,000 homes which have had a Green Deal assessment confirmed that they have or intend to install an energy saving measures. Clegg also asserted that he wants to give the Green Investment Bank “the power to borrow on the markets as early as possible in the next parliament — in order to support greater levels of investment.”⁷⁸⁴

⁷⁸¹ Staying the course on the environment: Nick Clegg speech, Cabinet Office (London) 7 November 2013. Date of Access: 20 January 2013. <https://www.gov.uk/government/speeches/staying-the-course-on-the-environment-nick-clegg-speech>.

⁷⁸² Staying the course on the environment: Nick Clegg speech, Cabinet Office (London) 7 November 2013. Date of Access: 20 January 2013. <https://www.gov.uk/government/speeches/staying-the-course-on-the-environment-nick-clegg-speech>.

⁷⁸³ About Us, Green Investment Bank. Date of Access: 20 January 2013. <http://www.greeninvestmentbank.com/who-we-are/default.html>

⁷⁸⁴ Staying the course on the environment: Nick Clegg speech, Cabinet Office (London) 7 November 2013. Date of Access: 20 January 2013. <https://www.gov.uk/government/speeches/staying-the-course-on-the-environment-nick-clegg-speech>.

The UK government has also introduced the Local Sustainable Transport Fund which seeks to support “low carbon transport schemes.” Over GBP 1 billion will be invested to promote alternative forms of transportation such as walking, biking or public transportation.⁷⁸⁵ It is also pushing for “ultra low emission vehicles” by 2040. The UK committed GBP 400 million from 2010 to 2015 to make vehicle affordable for consumers. An additional sum of GBP 500 million will be invested by 2020.⁷⁸⁶

Moreover, in a response from the Secretary of State for Energy and Climate Change to the Breathe Clean Air Group about the Barton Renewable Energy Plant, member of Parliament Edward Davey assured that “a biomass plant using primarily waste wood would need to go through an extremely rigorous process for pollution control.” The permit given to the plant would set limits to “on emissions to air, water, sewer, land and groundwater; disposal of ash; operating conditions such as temperature, oxygen and polluting gas concentrations; conditions on the fuel that can be burned; monitoring and reporting requirements; and conditions to achieve control of noise emissions and energy efficiency.”⁷⁸⁷

Additionally, at the Conference of Parties (COP19) in Warsaw, Poland, the UK made a significant financial pledge towards emission reduction projects as part of the United Nations Framework Convention on Climate Change (UNFCCC). In conjunction with the United States, Norway and the World Bank, the UK launched the US\$280 million “BioCarbon Fund Initiative for Sustainable Forest Landscapes,” which aims to curve deforestation levels by partnering with developing countries. After Norway, the UK was the second largest contributor, pledging a total of US\$120 million.⁷⁸⁸ According to Edward Davey, Secretary of State for Energy and Climate Change “The UK’s key objective for the Warsaw climate change talks has been met. All nations have now agreed to start their homework to prepare for a global climate change deal in 2015.”⁷⁸⁹

Furthermore, on 18 December 2013, the Energy Act received Royal Assent. According to Deputy Prime Minister Nick Clegg, it aims “to create the world’s first low carbon electricity market.” The Act creates provisions for decarbonization, puts in place measures to attract the UK\$110 billion of investment to replace current generating capacity and upgrade the grid by 2020, and to cope with a rising demand for electricity.⁷⁹⁰

⁷⁸⁵ Local Sustainable Transport Fund, Department of Transport (London) 2 July 2013. Date of Access: 20 July 2013. <https://www.gov.uk/government/collections/local-sustainable-transport-fund>

⁷⁸⁶ Staying the course on the environment: Nick Clegg speech, Cabinet Office (London) 7 November 2013. Date of Access: 20 January 2013. <https://www.gov.uk/government/speeches/staying-the-course-on-the-environment-nick-clegg-speech>.

⁷⁸⁷ Response to Breathe Clean Air Group campaign about burning wood and biomass, Department of Energy and Climate Change (London) 29 July 2013. Date of Access: 20 January 2013. <https://www.gov.uk/government/publications/response-to-breathe-clean-air-group-campaign-about-burning-wood-and-biomass>

⁷⁸⁸ Climate Change Negotiations in Warsaw Result in a Timeline for Agreement in 2015, Brookings (Washington) 27 November 2013. Date of Access: 20 January 2013. <http://www.brookings.edu/blogs/up-front/posts/2013/11/27-climate-change-warsaw-cop19-timeline-hultman#>

⁷⁸⁹ Outcomes of the COP19 international talks on climate change, Department of Energy and Climate Change (London) 24 November 2013. Date of access: 20 January 2013. <https://www.gov.uk/government/news/outcomes-of-the-cop19-international-climate-change-talks>

⁷⁹⁰ Staying the course on the environment: Nick Clegg speech, Cabinet Office (London) 7 November 2013. Date of access: 20 January 2013. <https://www.gov.uk/government/speeches/staying-the-course-on-the-environment-nick-clegg-speech>

In addition, the UK is undertaking multilateral efforts to reduce greenhouse emissions. Under the Clean Technology Fund (CTF) the UK is providing GBP 75 million to develop a wide range of projects such as renewable energy production, energy efficiency improvements and low carbon transport development in Chile, India, Nigeria and Turkey. Combined these initiatives are projected to save 7.3 metric tonnes of carbon dioxide.⁷⁹¹ Furthermore, the UK Secretary of State Edward Davey met with the Romanian Environment Minister, Rovana Plumb on 4 December 2013. The two countries are working “on deepening their bilateral working relations on national and EU energy, climate and low carbon policies in order to tackle climate change effectively while boosting jobs and growth.”⁷⁹² In particular, they reaffirmed both countries commitment to reduce EU greenhouse emissions by 80 to 95 per cent on 1990 levels by 2050. They also acknowledged that promoting a “transition to a low carbon, green future” will contribute significantly to job creation and economic recovery.⁷⁹³

Moreover, the UK is working to developing advanced low-carbon fuels technologies, like converting yoghurt containers into diesel or turning household waste into jet fuel. According to Baroness Kramer Britain needs to cut its transport related emissions. “The government is looking at whether such innovative processes can help reduce carbon emissions and support the growth of a high-tech, highly-skilled industry.” Earlier in the year the UK government announced a GBP 25 million competition to develop a demonstration plant to produce advanced transport fuels.⁷⁹⁴

Therefore, the United Kingdom has been awarded a full score of +1 for taking concrete steps to support the Climate and the Clean Air Coalition.

Analyst: Laura Correa Ochoa

United States: +1

The United States has fully complied with its commitment to reduce short-lived climate pollutants through action with the United Nations Framework Convention on the Climate and Clean Air Coalition (CCAC).

On 25 June 2013 United States President Barrack Obama introduced the ‘Climate Action Plan’ to reduce emissions of carbon dioxide and other greenhouse gases, as well as encourage adaptation to climate change. The president announced that the United States Environmental Protection

⁷⁹¹ Low carbon transition in Chile, India, Nigeria and Turkey, Department of Energy and Climate Change (London) 20 May 2013. Date of access: 20 January 2013. <https://www.gov.uk/government/case-studies/how-the-international-climate-fund-icf-is-supporting-a-low-carbon-transition-in-chile-india-nigeria-and-turkey>

⁷⁹² UK and Romania joint statement on Green Growth, Department of Energy and Climate Change (London) 4 December 2013. Date of access: 20 January 2013. <https://www.gov.uk/government/news/uk-and-romania-joint-statement-on-green-growth>.

⁷⁹³ Joint Statement on Green Growth, Department of Energy and Climate Change (London) 4 December 2013. Date of access: 20 January 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/263187/JOINT_STATEMENT_ON_GREEN_GROWTH.pdf

⁷⁹⁴ New green fuels in the spotlight, Department of Transport (London) 12 December 2013. Date of access: 20 January 2013. <https://www.gov.uk/government/news/new-green-fuels-in-the-spotlight>

Agency will work to curtail carbon dioxide emissions under the Clean Air Act and will also provide guidelines for carbon dioxide emissions to reduce power plant emissions.⁷⁹⁵

Additionally on 4 September 2013 the Kingdom of Denmark, Republic of Finland, Republic of Iceland, Kingdom of Norway, Kingdom of Sweden, and the United States of America released a joint statement on their commitment to accelerating the transition to low-carbon energy systems. The Nordic countries will join the U.S. to end public funding for coal-fired power plants. The U.S. agreed to join the Nordic members of the Friends of Fossil Fuel Subsidy Reform to undertake peer reviews of domestic fossil fuel subsidies.⁷⁹⁶

On 19 August 2013, President Obama attempted to mitigate and adapt to climate change in the form of the Hurricane Sandy Rebuilding Strategy. The federal government is cooperating with state and local governments to create locally driven solution to decide how funds can be spent.⁷⁹⁷

Moreover, in 20 September 2013 the EPA proposed carbon pollution standards for new power plants to reduce carbon pollution. New large natural gas-fired turbines would need to meet a limit of 1,000 pounds of carbon dioxide per megawatt-hour. New small natural gas-fired turbines would need to meet a limit of 1,100 pounds of carbon dioxide per megawatt-hour. New coal-fired units would need to meet a limit of 1,100 pounds of carbon dioxide per megawatt-hour.⁷⁹⁸

On 1 November 2013 President Obama signed an order to establish a Task Force on Climate Preparedness and Resilience to advise the Administration on how the Federal Government can respond to the needs of communities as they are dealing with the impacts of extreme weather and other impacts of climate change.⁷⁹⁹

Furthermore, on 12 December 2013 the Department of Energy released USD 8 billion solicitations for advanced fossil energy projects as part of the president's Climate Action Plan. This will support innovative advanced fossil energy that do not release greenhouse gasses like carbon dioxide and methane.⁸⁰⁰

On 19 December 2013 President Obama's also pledged to end public funds for new coal plants that do not rely on carbon capture and sequestration technology (CCS), or as the world's poorest

⁷⁹⁵ The President's Climate Action Plan, Executive Office of the President (Washington DC) 25 June 2013. Date of Access: 18 December 2013.

<http://www.whitehouse.gov/sites/default/files/image/president27sclimateactionplan.pdf>

⁷⁹⁶ Joint Statement by Kingdom of Denmark, Republic of Finland, Republic of Iceland, Kingdom of Norway, Kingdom of Sweden, and the United States of America, Office of the Press Secretary (Washington) 4 September 2013. Date of Access: 18 December 2013. <http://www.whitehouse.gov/the-press-office/2013/09/04/joint-statement-kingdom-denmark-republic-finland-republic-iceland-kingdo>

⁷⁹⁷ Hurricane Sandy Rebuilding Task Force Releases Rebuilding Strategy, US Department of Housing and Urban Development (Washington DC) 19 August 2013. Date of Access: 18 December 2013. http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2013/HUDNo.13-125

⁷⁹⁸ EPA Proposes Carbon Pollution Standards for New Power Plants, The US Environmental Protection Agency (Washington DC) 20 September 2013. Date of Access: 18 December 2013.

<http://yosemite.epa.gov/opa/admpress.nsf/0/da9640577ceacd9f85257beb006cb2b6!OpenDocument>

⁷⁹⁹ Fact Sheet: Executive Order on Climate Preparedness, Office of the Press Secretary (Washington DC) 1 November 2013. Date of Access: 18 December 2013. <http://www.whitehouse.gov/the-press-office/2013/11/01/fact-sheet-executive-order-climate-preparedness>

⁸⁰⁰ Department of Energy Releases \$8 Billion Solicitation for Advanced Fossil Energy Projects, US Department of Loan Programs Office (Washington DC) 12 December 2013. Date of Access: 18 December 2013. <https://lpo.energy.gov/department-of-energy-releases-8-billion-solicitation-for-advanced-fossil-energy-projects/>

countries when there are no other options was put to the test with the Kosovo coal plant that has been supported by the U.S. government as well as the possibility of funding from the World Bank. The Environmental Protection Agency indicated that it did not pass the test.⁸⁰¹ The EPA regulations have contributed to the closure of more than 300 coal units in 33 states.⁸⁰²

Thus, the United States has been awarded a score of +1 for its promotion of the UNFCCC and its four focuses and taking significant action with the CCAC to reduce SLCP's.

Analyst: Farina Mendelson

European Union +1

The EU has fulfilled its climate change commitment. The EU has taken significant legislative and funding action towards addressing the mandate of the Climate and Clean Air Coalition (CCAC).

On 23 November 2013, the EU attended and helped to successfully meet their climate change objectives at the UN climate conference in Warsaw. The resulting agreement sets out a timeplan for nations to “accelerate efforts to deepen emissions cuts over the rest of this decade.”⁸⁰³ Ending on 25 October 2013, the annual Meeting of the Parties to the Montreal Protocol saw the EU voice its belief that the Montreal Protocol is the best solution to ending the emissions of HCFCs. The parties present also discussed the cost and benefits of adapting technologies away from HCFCs.⁸⁰⁴ On 19 November 2013, the EU further announced that one fifth of its budget — EUR 180 billion — will be directed towards climate change.⁸⁰⁵

The EU has also taken significant action by assisting other nations in building their capacity to respond to climate change, and has taken important steps towards refining their emissions trading system. On 1 December 2013, and 5 December 2013 respectively, the EU commits USD10 million to Tanzania,⁸⁰⁶ and EUR 4 million to aid Maldives for the purpose of helping these two recipient nations build a capacity to adapt to and mitigate against climate change.⁸⁰⁷ Moreover, the European Commission and the European External Action Service hosted a roundtable discussion about building international capacity to deal with climate change with Latin American

⁸⁰¹ Kosovo Coal Plant Fails President Obama's Climate Plan Test, Huffington Post (Washington DC) 25 November 2013. Date of Access: 18 December 2013. http://www.huffingtonpost.com/justin-guay/kosovo-coal-plant-fails-p_b_4339052.html

⁸⁰² EPA Preparing to Unleash a Deluge of New Regulations, Daily Caller (Washington DC) 27 November 2013. Date of Access: 18 December 2013. <http://dailycaller.com/2013/11/27/epa-preparing-to-unleash-a-deluge-of-new-regulations/>

⁸⁰³ Warsaw climate change conference, European Commission on Climate Action (Brussels) 23 November 2013. Date of Access: 27 December 2013. http://ec.europa.eu/clima/events/articles/0086_en.htm

⁸⁰⁴ 25th Meeting of the Parties to the Montreal Protocol, European Commission (Bangkok) 25 October 2013. Date of Access: 27 December 2013.

⁸⁰⁵ One-fifth of total EU budget to be spent on climate action, European Commissions (Brussels) 19 November 2013 Date of Access: 27 December 2013.

http://ec.europa.eu/clima/news/articles/news_2013111901_en.htm

⁸⁰⁶ Tanzania:EU Gives Tanzania U.S. \$10 Million, AllAfrica.com (Kampala) 1 December 2013. Date of Access: 27 December 2013. <http://allafrica.com/stories/201312021083.html>

⁸⁰⁷ EU approves 4 million euro in climate change aid to Maldives, Global Post (Xinhua) 5 December 2013. Date of Access: 27 December 2013. <http://www.globalpost.com/dispatch/news/xinhua-news-agency/131205/eu-approves-4-million-euro-climate-change-aid-maldives>

and Caribbean countries.⁸⁰⁸ In terms of economic instruments, the EU has further refined its emissions trading systems by continuing to monitor and act on ongoing emissions concerns from aircraft,⁸⁰⁹ by adding the flexibility to select member states free carbon allocations for industries of their choosing,⁸¹⁰ and by continuing to work on the trading of carbon emissions credits via auction.⁸¹¹

Moreover, as concerns the CCAC and its mandate to address the emissions of Short-lived Climate Pollutants (SLCPs), the EU is planning strict air quality laws, is investing in emerging low carbon technologies, and is legally pursuing noncompliant nations with regards to its emissions laws. The EU has outlined a new set of air quality laws. The stated target of these laws is to reduce the level of pollutants by 20 per cent by 2030.⁸¹² Methods through which the EU is attempting to reach its goal of cleaner air include the 22 October 2013 workshop report on technologies that emit little to no carbon.⁸¹³ On 22 November 2013, the EU also took legal action against Austria, Cyprus, Hungary, Ireland, Sweden, and Slovenia so as to ensure that all EU members follow carbon dioxide emissions and storage protocols set out as EU guidelines.⁸¹⁴

Therefore, the EU has received a score of + 1 for taking significant steps to meet its CCAC climate change commitments.

Analyst: Akbar Khurshid

⁸⁰⁸ Engaging with Latin American and the Caribbean on Climate Change, European Commission (Brussels) 17 October 2013. Date of Access: 27 December 2013.

http://ec.europa.eu/clima/events/articles/0085_en.htm

⁸⁰⁹ Stakeholder meeting on Aviation ETS Small Emitters, European Commission (Brussels) 30 July 2013. Date of Access: 27 December 2013. http://ec.europa.eu/clima/events/articles/0082_en.htm

⁸¹⁰ Commission gives green light for first set of Member States to allocate allowances for calendar year 2013, European Commission (Brussels) 18 December 2013. Date of Access: 27 December 2013.

⁸¹¹ EU Climate Change Committee meets on 8 January to decide on back-loading details, European Commission (Brussels) 19 December 2013. Date of Access: 27 December 2013.

http://ec.europa.eu/clima/news/articles/news_2013121901_en.htm

⁸¹² EU plans air quality laws to tackle 'invisible killer', BBC News (London) 18 December 2013. Date of Access 27 December 2013. <http://www.bbc.co.uk/news/science-environment-25431608>

⁸¹³ Workshop to report on emerging low carbon technology, European Commission (Brussels) 22 October 2013. Date of Access: 27 December 2013. http://ec.europa.eu/clima/events/articles/0083_en.htm

⁸¹⁴ Commission asks six Member States to transpose CCS Directive, closes cases against 10 others, European Commission (Brussels) 21 November 2013. Date of Access: 27 December 2013. http://ec.europa.eu/clima/news/articles/news_2013112102_en.htm

13. Climate Change: Climate Finance [150]

Commitment:

“We reiterate our commitment to the developed countries’ goal of mobilising jointly USD100 billion of climate finance per year by 2020 from a wide variety of sources in the context of meaningful mitigation actions and transparency on implementation and are advancing our efforts to continue to improve the transparency of international climate finance flows.”

G8 Leaders Declaration on Climate Change

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada	-1		
France		0	
Germany			+1
Italy	-1		
Japan		0	
Russia	-1		
United Kingdom		0	
United States		0	
European Union			+1
Average Score	-0.11		

Background:

The first commitments to climate change by the G7 were introduced in the 1978 Bonn I and 1980 Venice summits.⁸¹⁵ These negotiations focused on energy security rather than the environment.

Prior to the 2003 Evian Summit, the environment was not the main focus of the commitment on climate change. The Evian Summit discussed sustainable development and sanitation for the first time, but lacked significant political action or follow-up processes to ensure compliance. During the 2005 Gleneagles Summit, UK Prime Minister Tony Blair declared climate change as “long term the single most important issue we face as a global community.”⁸¹⁶

The Intergovernmental Panel on Climate Change is the “leading international body for the assessment of climate change.”⁸¹⁷ Created in 1988, the IPCC has provided the G8 with four reports in the past to “provide the world with a clear scientific view on the current state of knowledge in climate change and its potential environmental and socio-economic impacts.”⁸¹⁸

⁸¹⁵ “G8 Impact on International Climate Change Negotiations: Good or bad?” (Berlin) Date of Access: 3 December 2013. http://www.ecologic.eu/download/zeitschriftenartikel/meyer-ohlendorf/g8_impact_on_international_climate_change_negotiations.pdf

⁸¹⁶ “G8 Impact on International Climate Change Negotiations: Good or bad?” (Berlin) Date of Access: 3 December 2013. http://www.ecologic.eu/download/zeitschriftenartikel/meyer-ohlendorf/g8_impact_on_international_climate_change_negotiations.pdf

⁸¹⁷ “IPCC: Intergovernmental Panel on Climate Change” Date of Access: 3 December 2013. <http://www.ipcc.ch/organization/organization.shtml#.UqEGXpGEzwI>

⁸¹⁸ “IPCC: Intergovernmental Panel on Climate Change” Date of Access: 3 December 2013. <http://www.ipcc.ch/organization/organization.shtml#.UqEGXpGEzwI>

In 1992, the United Nations Framework Convention on Climate Change was signed at the Earth Summit in Rio de Janeiro with the objective to “stabilize greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate.

At the Camp David Summit in 2012, G8 leaders recognized that “the development of and universal access to environmentally safe, sustainable, secure, and affordable sources of energy is essential to global economic growth and to their overall efforts to address climate change.”⁸¹⁹ Previous G8 Summits have focused on pursuing a comprehensive energy strategy, the sustainability of renewable resources and reduction of climate pollutants.

Commitment Features:

The commitment is focused on the necessity for all countries to contribute to the mobilization of the combined amount of \$100 billion of climate finance per year by 2020. Any action taken by G8 member countries that contributes to the mobilization of \$100 billion will be viewed as compliance to this section of the commitment.

Scoring Guidelines:

-1	Member does not contribute to the \$100 billion necessary for climate finance AND does not express intention to do so.
0	Member expresses intention to make a contribution towards the \$100 billion of climate finance BUT does not make this contribution.
+1	Member makes a contribution towards the \$100 billion of climate finance.

Lead Analyst: Christine Jacob

Canada: -1

Canada has not complied with its commitment on climate change.

Canada has not taken action to lower greenhouse gas emissions, creating UNFCCC protocols or contributing USD100 billion towards climate finance. Thus, Canada has received a score of -1.

Analyst: Sangeethai Sivan

France: 0

France has partially complied with its commitment to take action to reduce greenhouse gas emissions by 2020, create United Nations Framework Convention on Climate Change legal protocols that could be implemented with force in 2020 and contribute to the mobilization of USD100 billion for climate finance.

On 9 October 2013, the board of the Green Climate Fund met in Paris to help developing countries adapt to climate change and reduce emissions.⁸²⁰ For France, EUR 110 million were attributed to the fund for 2014 and 2015 under the draft 2013 finance law initially.⁸²¹ The French

⁸¹⁹ “The White House: Fact Sheet: G-8 Action on Energy and Climate Change.” (Washington) May 2012. Date of Access: 3 December 2013. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-energy-and-climate-change>

⁸²⁰ Green Climate Fund meets amid cash problems, EurActiv (Brussels) 4 November 2013. Date of Access: 22 December 2013. <http://www.euractiv.com/development-policy/meeting-green-fund-amid-failure-news-530927>.

⁸²¹ Green Climate Fund meets amid cash problems, EurActiv (Brussels) 4 November 2013. Date of Access: 22 December 2013. <http://www.euractiv.com/development-policy/meeting-green-fund-amid-failure-news-530927>.

contribution was to be derived from the country's tax on financial transactions, 10 per cent of which was to be repaid to the development aid budget.⁸²²

On 11 September 2013, French lead climate negotiator Paul Watkinson confirmed the country's main development agency had allocated EUR 2 billion a year towards climate mitigation and adaptation projects up to 2015 and put at least 50 per cent of their resources towards climate activities.⁸²³

France has partially complied with its commitment to climate change. France has contributed to the mobilization of USD100 billion for climate finance but has yet to disburse the funds. Thus, France has been awarded a score of 0.

Analyst: Sohyeoun Joung

Germany: +1

Germany has fully complied with its commitment to contribute to the USD100 billion for climate finance. Germany has made significant efforts in reducing greenhouse emissions by contributing EUR 12 million to a program supporting pioneer regions that have reduced deforestation.⁸²⁴ In total, Germany has provided EUR 56 million to support forest protection measures that demonstrably contribute to reducing emissions.

Germany has also contributed to the mobilization of USD100 billion necessary for climate finance. At the 2013 United Nations climate change conference held in Warsaw, Poland, Germany pledged to contribute to the Green Climate Fund, a fund associated with the United Nations Framework Convention on Climate Change (UNFCCC) founded to promote efforts combatting climate change.⁸²⁵ In addition, Germany has contributed USD40 million to the Adaptation Fund, an international fund that finances programs aimed at helping developing countries adapt to the effects of climate change.⁸²⁶

Germany has also taken action to create UNFCCC legal protocol. At the 2013 United Nations climate change conference in Warsaw, Germany also contributed to efforts to create a UNFCCC

⁸²² Green Climate Fund meets amid cash problems, EurActiv (Brussels) 4 November 2013. Date of Access: 22 December 2013. <http://www.euractiv.com/development-policy/meeting-green-fund-amid-failure-news-530927>.

⁸²³ \$40 million boost for Green Climate Fund from South Korea, Climate Action; UNEP (London) 11 September 2013. Date of Access: 22 December 2013. http://www.climateactionprogramme.org/news/40_million_boost_for_green_climate_fund_from_south_korea/.

⁸²⁴ Germany Increases Its Commitment To Forest Protection, International Climate Initiative (Berlin) 22 November 2013. Date of Access: 20 December 2013. <http://www.international-climate-initiative.com/en/nc/media-centre/news-archive/news-detail/article/germany-increases-its-commitment-to-forest-protection/?cHash=5da88829cb0a448a68b7177937ff932a>

⁸²⁵ U.N Launches Green Climate Fund With Little in Its Coffers, Reuters UK (London) 4 December 2013. Date of Access: 20 December 2013. <http://uk.reuters.com/article/2013/12/04/uk-korea-climate-idUKBRE9B308E20131204>

⁸²⁶ Climate Change Conference in Warsaw concluded, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (Berlin). 23 November 2013. Date of Access: 20 December 2013. <http://www.bmu.de/en/bmu/press-and-speeches/current-press-releases/detailansicht-en/artikel/klimakonferenz-in-warschau-beendet/>

legal protocol, scheduled to be agreed upon in 2015 during the upcoming Paris conference and implemented by 2020.⁸²⁷

Germany has fully complied with the commitment of lowering its emissions, assisting in the creation of UNFCCC legal protocol, and contributing to the \$100 billion necessary for climate finance and as a result receives a score of +1.

Analyst: Stephanie Lim

Italy: -1

Italy has not complied with its commitment to climate change.

Italy has not contributed to the mobilization of USD 100 billion for climate finance, has not taken action to lower its greenhouse gas emissions, and has not assisted in the creation of UNFCCC legal protocol. Because of its non-compliance, it has been awarded a score of -1.

Analyst: Stephanie Lim

Japan: 0

Japan has partially complied with its commitment to climate change.

Japan has taken action to reduce greenhouse gas emissions. On 22 August 2013, Japan launched its Joint Crediting Mechanism, aimed at assisting developing countries reduce carbon emissions by providing them with low-carbon technologies as well as facilitating global action for greenhouse gas emissions reduction.⁸²⁸

On 1 November 2013, Japan's Ministry of Environment endorsed a "co-benefits" approach to climate change.⁸²⁹ Japan is publicly promoting this approach, which aims to alleviate environmental pollution and to reduce greenhouse gas emissions, and is hoping to collaborate more with Asian countries as the main partners towards the promotion of this approach.⁸³⁰

On 15 November 2013, at the Warsaw Climate Change conference, Japan's Chief Cabinet Secretary Yoshihide Suga announced that in the wake of the Fukushima nuclear disaster Japan would decrease its greenhouse gas emission reduction target from 25 per cent below 2005 levels to 3.8 per cent by the year 2020.⁸³¹

⁸²⁷ Warsaw Climate Conference: Agreement Reached in Added Time, Umweltbundesamt (Berlin). 23 November 2013. Date of Access: 20 December 2013. <http://www.umweltbundesamt.de/en/topics/warsaw-climate-conference-agreement-reached-in>

⁸²⁸ Japan Launches Joint Crediting Mechanism, International Institute for Sustainable Development (Tokyo) 22 August 2013. Date of Access: 22 December 2013. <http://climate-l.iisd.org/news/japan-launches-joint-crediting-mechanism/>

⁸²⁹ A Co-Benefits Approach to GHG Emissions Reduction, Ministry of the Environment (Tokyo) 01 November 2013. Date of Access: 22 December 2013. <http://www.env.go.jp/en/focus/docs/files/20131213-80.pdf>

⁸³⁰ A Co-Benefits Approach to GHG Emissions Reduction, Ministry of the Environment (Tokyo) 01 November 2013. Date of Access: 22 December 2013. <http://www.env.go.jp/en/focus/docs/files/20131213-80.pdf>

⁸³¹ Warsaw Climate Change Conference: Japan Dials Back on Emission Reduction Targets, The Economic Times (Warsaw) 16 November 2013. Date of Access: 22 December 2013. http://articles.economictimes.indiatimes.com/2013-11-16/news/44138189_1_emission-reduction-reduction-target-fukushima

Japan has taken action to reduce greenhouse gas emissions but has not made a contribution towards the USD 100 billion goal. Japan is thus awarded a score of 0 for partial compliance.

Analyst: Rija Rasoul

Russia: -1

Russia has failed to comply with its commitment on climate change.

On 30 September 2013, Russian President signed Executive Order on Reducing Greenhouse Gas Emissions,⁸³² which defined the level of reduction of greenhouse gas emissions in Russia at 25% by 2020.⁸³³

However, no information on Russia's contribution to the \$100 billion necessary for climate finance or its intention to do so has been registered.

Russia has made no contribution to the \$100 billion necessary for climate finance during the monitoring period. Thus, it receives a score of -1.

Analyst: Andrei Sakharov

United Kingdom: 0

The United Kingdom has partially complied with its commitment towards climate change finance.

On 22 November 2013, The United Kingdom released a Carbon Market Finance Case Study that stated the United Kingdom was contributing GBP 50 million towards developing access to carbon market finance in Sub-Saharan African countries between 2013 and 2025.⁸³⁴ The United Kingdom also announced that it would contribute GBR49 million to the World Bank's Carbon Initiative for Development, intended to invest in low-carbon technologies at the communal or household level.⁸³⁵

On 10 October 2013, the United Kingdom announced that it was expected to be on track to reduce gas emissions by 34 per cent by 2020 as a result of active attempts by the government.⁸³⁶ The United Kingdom also noted its commitment towards encouraging tighter 2020 emissions

⁸³² Executive Order on reducing greenhouse gas emissions, President of Russia 1 October 2013. <http://eng.kremlin.ru/acts/6090>.

⁸³³ Executive Order on reducing greenhouse gas emissions signed, President of Russia 1 October 2013. <http://kremlin.ru/acts/19344>.

⁸³⁴ Carbon Market Finance (CMF), Department of Energy & Climate Change (London) 22 November 2013. Date of Access: 6 January 2013. <https://www.gov.uk/government/case-studies/carbon-market-finance-cmf>.

⁸³⁵ Carbon Market Finance (CMF), Department of Energy & Climate Change (London) 22 November 2013. Date of Access: 6 January 2013. <https://www.gov.uk/government/case-studies/carbon-market-finance-cmf>.

⁸³⁶ Government responds to committee on climate change and delivers record investment in energy infrastructure by 2020, Department of Energy & Climate Change (London) 10 October 2013. Date of Access: 6 January 2013. <https://www.gov.uk/government/news/government-responds-to-committee-on-climate-change-and-delivers-record-investment-in-energy-infrastructure-by-2020>.

targets throughout the European Union at large, a stance the United Kingdom has held since July 2013.^{837,838}

The United Kingdom has both actively attempted to lower its greenhouse gas emissions by 2020 and has promised to contribute funds towards the USD100 billion meant for climate change finance. However, no money has been disbursed yet. Thus, the United Kingdom has been awarded a score of 0 for partial compliance.

Analyst: Guillaume Lacombe-Kishibe

United States: 0

The United States has partially complied with its commitment to take action to reduce greenhouse gas emissions.

President Barack Obama has directed the Environmental Protection Agency (EPA) to work closely with states, industry and other stakeholders to establish carbon pollution standards for both new and existing power plants from 2013 to 2016.⁸³⁹ On 1 November 2013, President Obama signed an Executive Order, which created the Council on Climate Preparedness and Resilience, which would work with the Interagency Climate Change Adaptation Task Force.⁸⁴⁰

The United States has partially complied with its commitment to climate change. It has taken action to lower its emissions, though it has not contributed to the mobilization of USD100 billion. Thus, it has been awarded a score of 0.

Analyst: Sohyeoun Joung

European Union: +1

The European Union has fully complied with its commitment to mitigate the effects of climate change by taking steps towards lowering emissions and making a contribution towards the USD 100 billion necessary for climate finance.

The European Union has taken measures to lower greenhouse gas emissions. On 3 July 2013, the European Commission approved the investment of EUR 281.4 million in 248 new projects in the

⁸³⁷ Government responds to committee on climate change and delivers record investment in energy infrastructure by 2020, Department of Energy & Climate Change (London) 10 October 2013. Date of Access: 6 January 2013. <https://www.gov.uk/government/news/government-responds-to-committee-on-climate-change-and-delivers-record-investment-in-energy-infrastructure-by-2020>.

⁸³⁸ Response to the European Commission's consultation on the EU's 2030 climate and energy framework, Department of Energy & Climate Change (London) 22 November 2013. Date of Access: 6 January 2013. <https://www.gov.uk/government/publications/response-to-the-european-commissions-consultation-on-the-eus-2030-climate-and-energy-framework>.

⁸³⁹ Progress Report on Joint Efforts To Mobilize Climate Finance, U.S. Department of State (Washington) 24 October 2013. Date of Access: 18 December 2013. <http://www.state.gov/e/oes/rls/other/2013/215831.htm>.

⁸⁴⁰ Executive Order — Preparing the United States for the Impacts of Climate Change, White House (Washington) 1 November 2013. Date of Access: 2 January 2013. <http://www.whitehouse.gov/the-press-office/2013/11/01/executive-order-preparing-united-states-impacts-climate-change>.

fields of climate change and environmental policy, many of which will have an impact on greenhouse gas emissions.⁸⁴¹

The European Union has taken action to mobilize the USD 100 billion necessary for climate finance. On 19 November 2013, the EU announced that at least 20 per cent of the new 2014-2020 budget would be dedicated towards climate-related projects and policies.⁸⁴² The new budget allows the EU to invest up to EUR 960 billion by 2020, which contributes to the EU's collective effort to contribute to the USD 100 billion goal.⁸⁴³

On 18 December 2013, the Committee of Permanent Representatives in the European Union unanimously supported a proposal to significantly reduce emissions of dangerous greenhouse gases.⁸⁴⁴ The agreement aims to reduce fluorinated gas emissions in the EU by two thirds by the year 2030, and will simultaneously stimulate technological innovation, green jobs, and growth.⁸⁴⁵

By taking steps to lower greenhouse gas emissions, and for contributing to the USD 100 billion goal needed for climate finance, the European Union has shown full compliance and is thus awarded a score of +1.

Analyst: Rija Rasoul

⁸⁴¹ Commission Invests €281.4 Million in New Environment and Climate Projects, European Commission (Brussels) 3 July 2013. Date of Access: 21 December 2013. http://ec.europa.eu/clima/news/articles/news_2013070301_en.htm.

⁸⁴² An EU Budget for Low Carbon Growth, European Commission (Warsaw) 19 November 2013. Date of Access: 20 December 2013. http://ec.europa.eu/commission_2010-2014/hedegaard/headlines/docs/pr_2013_11_19_en.pdf.

⁸⁴³ An EU Budget for Low Carbon Growth, European Commission (Warsaw) 19 November 2013. Date of Access: 20 December 2013. http://ec.europa.eu/commission_2010-2014/hedegaard/headlines/docs/pr_2013_11_19_en.pdf.

⁸⁴⁴ European Commissioner Connie Hedegaard Welcomes Major Step Forward, European Commission (Brussels) 18 December 2013. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_MEMO-13-1183_en.htm.

⁸⁴⁵ European Commissioner Connie Hedegaard Welcomes Major Step Forward, European Commission (Brussels) 18 December 2013. Date of Access: 20 December 2013. http://europa.eu/rapid/press-release_MEMO-13-1183_en.htm.

14. Development [157]

Commitment:

“We will continue to support country-led reforms, including projects to support institutional reform, enhanced trade, investment and job creation, including through the MENA Transition Fund, alongside other support from Partners.”

2013 G8 Lough Erne Communiqué

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada	-1		
France			+1
Germany		0	
Italy		0	
Japan		0	
Russia		0	
United Kingdom			+1
United States			+1
European Union		0	
Average Score	+0.22		

Background:

At the 2011 Deauville G8 Summit, G8 members first addressed the rising concern of Arab countries in transition towards free democratic societies under the Arab Spring. The Declaration of the G8 on the Arab Springs recognized the rapid changes in the Middle East and North Africa (MENA) as a historic transformation towards freedom, human rights, democracy, job opportunities, empowerment, and dignity.⁸⁴⁶ In the Declaration, G8 members affirmed their support for the aspirations of the Arab Spring, and acknowledged their determination to support the citizens' legitimate call for democracy, open societies and inclusive economic modernisation.⁸⁴⁷ The Declaration initiated the creation of the “Deauville Partnership,” which extended to all countries in the region engaging in this transition, “based on our common goals for the future.”⁸⁴⁸ The Partnership was based on two pillars: (1) A political process to strengthen political institutions against corruption and ensure transparency for accountable, democratic government and; (2) an economic framework for sustainable and inclusive growth.⁸⁴⁹ The Partnership also developed an economic agenda for comprehensive growth based on four objectives: (1) “Improving governance, transparency, accountability and citizens' participation in economic life”; (2) “Increasing social and economic inclusion, by expanding opportunities to all and improving the effectiveness of support for the vulnerable”; (3) “Modernising their economies, supporting the private sector, particularly SMEs, to aid job creation, and developing

⁸⁴⁶ Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

⁸⁴⁷ Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

⁸⁴⁸ Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

⁸⁴⁹ Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

human capital and skills”; and (4) “Fostering regional and global integration to reap the benefits of globalisation.”⁸⁵⁰

The Partnership committed to integrating Partnership Countries in the regional and global economy through increased trade, and agreed to support the efforts of MENA countries to increase trade through bilateral and multilateral channels, including trade facilitation, tariff reductions, and access to the service sector.⁸⁵¹

At the 2012 Camp David Summit, G8 members reaffirmed their commitment to this issue by supporting the establishment of a new transition fund, in conjunction with regional partners and financial institutions, to support country-owned policy reforms.⁸⁵² This led to the creation of the MENA Transition Fund which provides grants for: “technical cooperation to help transition countries strengthen their governance, social and economic institutions by developing and implementing home-grown and country-owned reforms.”⁸⁵³ The Transition Fund also provides rapid, flexible and responsive advice for Partnership Countries, in support of their targeted policy initiatives.⁸⁵⁴ Moreover, the “Transition Fund emphasizes funding for technical cooperation proposals that leverage and complement support from other partners where relevant, in particular, bilateral donors, academic institutions and policy research institutions, regional and international organizations, industry and labor associations, and other civil society organizations.”⁸⁵⁵

Commitment Features:

The commitment aims to help countries in transition achieve sustainable and inclusive growth, and to create jobs, through bilateral and multilateral support.⁸⁵⁶ This includes achieving economic stability, structural reform, and good governance and anti-corruption reforms.⁸⁵⁷ It further supports greater trade, investment and economic integration into the region, through bilateral trade and investment agreements, and improved access to capital for governments and businesses.

The commitment supports country-led reforms through the MENA Transition Fund and alongside Partnership Countries. It aims to create projects to support institution reform, enhance trade, investment and job creation.⁸⁵⁸ The commitment approves of USD1 million towards MENA Transition Fund projects and, “encourage[s] partners to deliver on pledges made to date and to

⁸⁵⁰Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

⁸⁵¹Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

⁸⁵²Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 23 December 2013. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

⁸⁵³Overview, MENA Transition Fund. Date of Access: 23 December 2013. <http://www.menatransitionfund.org/content/overview>.

⁸⁵⁴Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

⁸⁵⁵Declaration of the G8 on the Arab Springs, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

⁸⁵⁶G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

⁸⁵⁷G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

⁸⁵⁸G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

increase contributions to ensure the initial capitalization of [USD]250 million is met.”⁸⁵⁹ The commitment also encourages new donors to the Fund, beyond Partnership Countries.

Scoring Guidelines:

-1	G8 member does not support country-led reforms through the MENA Transition Fund and Partnership Countries to create projects to support institutional reform, enhanced trade, investment and job creation, nor does it support greater trade, investment and economic integration in the region through including bilateral and multilateral trade and investment agreements
0	G8 member supports country-led reforms through the MENA Transition Fund and Partnership Countries to create projects to support institutional reform, enhanced trade, investment and job creation OR supports greater trade, investment and economic integration in the region through including bilateral and multilateral trade and investment agreements
+1	G8 member supports country-led reforms through the MENA Transition Fund and Partnership Countries to create projects to support institutional reform, enhanced trade, investment and job creation AND supports greater trade, investment and economic integration in the region through including bilateral and multilateral investment agreements

Lead Analyst: Sarah Burton

Canada: -1

Canada receives a score of -1 for its lack of contribution to country-led reforms through the MENA transition fund, since the 2013 Lough Erne G8 Summit.

In October 2012, Canada committed itself to “help[ing] countries in the Middle East and North Africa strengthen their governance, social, and economic institutions, and plan and implement locally-led reforms.”⁸⁶⁰ However, since the 2013 Lough Erne G8 Summit, Canada has not recommitted itself to any of these projects.

According to Foreign Affairs, Trade and Development Canada, Canada initiated a MENA Transition Fund project on 15 October 2012. This MENA project will remain operational until 31 March 2018.⁸⁶¹ Over this periods of time, the Canadian International Development Agency (CIDA) will contribute a maximum of CAD 15 million.⁸⁶²

The executing agency and partner of the Canadian MENA Transition Fund contribution is the World Bank. On 21 November 2012, CIDA provided a grant to the World Bank for the transition

⁸⁵⁹ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 03 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communicue.html>.

⁸⁶⁰ Project profile: Middle East and North Africa Transition Fund, Foreign Affairs, Trade and Development Canada (Ottawa) 30 December 2013. Date of Access: 30 December 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vWebCSAZEn/61B6B17A0E35A95085257AB9003B1D2E>.

⁸⁶¹ Project profile: Middle East and North Africa Transition Fund, Foreign Affairs, Trade and Development Canada (Ottawa) 30 December 2013. Date of Access: 30 December 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vWebCSAZEn/61B6B17A0E35A95085257AB9003B1D2E>.

⁸⁶² Project profile: Middle East and North Africa Transition Fund, Foreign Affairs, Trade and Development Canada (Ottawa) 30 December 2013. Date of Access: 30 December 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vWebCSAZEn/61B6B17A0E35A95085257AB9003B1D2E>.

fund, however, the amount was not specified.⁸⁶³ CIDA made no further contribution to the MENA Transition Fund through the World Bank.

On 31 March 2013, Canada created a project to, “support sustainable economic growth and employment opportunities for citizens of the Middle East and North Africa (MENA) region. Its purpose is to improve access to finance for micro, small and medium enterprises (MSMEs).”⁸⁶⁴ This project is currently “operational” and is expected to run until 29 March 2013.⁸⁶⁵ The maximum CIDA contribution to this project is projected at CAD 10 million. Although CIDA provided a grant to the International Finance Corporation (IFC) in order to achieve the MSMEs project, no further support has been provided.

Thus, given Canada’s lack of support for neither the MENA Transition Fund, nor the MSMEs project, since March 2013, Canada is awarded a score of -1 for its commitment to development in the MENA region.

Analyst: Sarah Burton

France: +1

France has fully complied with its commitments to the MENA Transition Fund and Partnership Countries. It has supported economic, educational, and development projects in the MENA region and fulfilled all monetary obligations.

France gave EUR 2.3 billion to Tunisia, Egypt, Jordan, and Morocco, and will reach its original pledge of EUR 2.7 billion by the end of 2013.⁸⁶⁶ France gave EUR 335 million of this money to small and medium enterprises and very small enterprises, including the Tunisian “Plan to support recovery.”⁸⁶⁷ France also designated EUR 0.5 million aimed at supporting economic inclusion for and preventing violence against women in the Mediterranean, EUR 0.5 million for corruption prevention and constitution drafting support in Yemen, and EUR 9 million to promote development in economics and education for Transition countries including Morocco and Tunisia.⁸⁶⁸

⁸⁶³ Project profile: Middle East and North Africa Transition Fund, Foreign Affairs, Trade and Development Canada (Ottawa) 30 December 2013. Date of Access: 30 December 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vWebCSAZEn/61B6B17A0E35A95085257AB9003B1D2E>.

⁸⁶⁴ Project profile: Micro, Small and Medium Enterprise Technical Assistance Facility, Foreign Affairs, Trade and Development Canada (Ottawa) 30 December 2013. Date of Access: 30 December 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vWebCSAZEn/9DC57F01D58BF72685257B3D0035A885>.

⁸⁶⁵ Project profile: Micro, Small and Medium Enterprise Technical Assistance Facility, Foreign Affairs, Trade and Development Canada (Ottawa) 30 December 2013. Date of Access: 30 December 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vWebCSAZEn/9DC57F01D58BF72685257B3D0035A885>.

⁸⁶⁶ The Deauville Partnership with Arab Countries in Transition, Chairman of the Deauville Partnership 3 December 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf.

⁸⁶⁷ The Deauville Partnership with Arab Countries in Transition, Chairman of the Deauville Partnership 3 December 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf.

⁸⁶⁸ The Deauville Partnership with Arab Countries in Transition, Chairman of the Deauville Partnership 3 December 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf.

Moreover, French officials also regularly share expertise with Tunisian and Egyptian judicial officers.⁸⁶⁹ France supports sustainable government, governance, and trade in Egypt, Jordan, Morocco, and Tunisia through the new Centre for Mediterranean Integration,⁸⁷⁰ and specific trade projects in Morocco with loans and grants.⁸⁷¹

In addition, on 9 November 2012, France signed a donation agreement with the MENA Transition Fund.⁸⁷² France paid EUR 5 million immediately, and pledged to pay a further EUR 5 million, due 31 December 2013.⁸⁷³ All EUR 10 million (USD13 million) has been paid.⁸⁷⁴ In addition, in January 2013, France joined the United Kingdom and Canada in giving USD37.7 million to the MENA Transition Fund to support economic growth.⁸⁷⁵

Thus, France has been awarded a +1 for full compliance.

Analyst: Annie Rose Webb

Germany: 0

Germany has partially complied with its commitment to support country-led reforms through the MENA transition fund and support greater trade, investment and economic integration in the region through bilateral trade and investment agreements.

The German Investment and Development Corporation (DEG), a unit of the German State development bank KfW, has plans of investing up to EUR 140 million in Middle Eastern and North African (MENA) private firms in 2014, despite the short-term political instability concerns. The DEG has a current portfolio of EUR 160 million in the MENA region, excluding Turkey.⁸⁷⁶

⁸⁶⁹ The Deauville Partnership with Arab Countries in Transition, Chairman of the Deauville Partnership 3 December 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf.

⁸⁷⁰ The Deauville Partnership with Arab Countries in Transition, Chairman of the Deauville Partnership 3 December 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf.

⁸⁷¹ The Deauville Partnership with Arab Countries in Transition, Chairman of the Deauville Partnership 3 December 2013. Date of Access: 18 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf.

⁸⁷² France Contribution Agreement, Middle USD and North Africa Transition Fund 2013. Date of Access: 18 December 2013. http://www.menatransitionfund.org/sites/mena_trans_fund/files/documents/French%20Republic%20-%20Contribution%20Agreement%20-%20Fully%20executed_11192012_4.pdf.

⁸⁷³ France Contribution Agreement, Middle USD and North Africa Transition Fund 2013. Date of Access: 18 December 2013. http://www.menatransitionfund.org/sites/mena_trans_fund/files/documents/French%20Republic%20-%20Contribution%20Agreement%20-%20Fully%20executed_11192012_4.pdf.

⁸⁷⁴ Donors and Partners, Middle USD and North Africa Transition Fund 2013. Date of Access: 18 December 2013. <http://www.menatransitionfund.org/content/donors-and-partners>.

⁸⁷⁵ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, The World Bank Group (Washington) 2 January 2013. Date of Access: 18 December 2013. <http://www.worldbank.org/en/news/press-release/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

⁸⁷⁶ Germany's DEG to invest up to \$188 mln in MENA firms next year, Reuters U.S Edition (Dubai) 20 June 2013. Date of Access: 31 December 2013. <http://www.reuters.com/article/2013/06/20/deg-mena-idUSL5N0EW00420130620>.

On 22 June 2013, German Foreign Minister Westerwelle met with Turkey's Foreign Minister Ahmet Davutoğlu to exchange views on partnerships, EU-Turkish relations, as well as bilateral relations.⁸⁷⁷

Moreover, Germany has positioned itself in favour of dialogue and cooperation across political divides in Egypt, as a means to resolve the violence resulted from the political clashes.⁸⁷⁸ Foreign Minister Westerwelle spoke on the phone with Egypt's Interim Foreign Minister Nabil Fahmy on 20 July 2013, where he emphasized the need for an inclusive political process in order to secure a democratic reform to take place.⁸⁷⁹ Further, on 25 July 2013, he re-emphasized Germany's position by urging "de-escalation, restraint and prudence on all parties" during his statement regarding Egypt.⁸⁸⁰

On 5 October 2013, with a reoccurrence of violent clashes in Cairo and other towns in Egypt, Foreign Minister Westerwelle emphasized that: "the process of restoring democratic and constitutional order must not be called into question, all sections of society must have the chance to participate in the political process."⁸⁸¹ In a further attempt to bring stability to the region, on 17 August 2013, Westerwelle spoke to Egypt's Foreign Minister Nabil Fahmy and, "urged the Egyptian Government not to do anything that would create an obstacle to a political solution and to re-establish dialogue with all political forces."⁸⁸²

Furthermore, Westerwelle opened a two-day event held in Berlin (30 October 2013) and Munich (31 October 2013) aimed at deepening the economic relations between Germany and Pakistan. The event, called "Pakistan Days," was organized by the Association of German Chambers of Commerce and Industry and the Pakistan German Business Forum. The event brought panels made up of high-ranking figures from German and Pakistan governments, as well as diplomacy, economic, and financial experts to discuss opportunities and expectations in economic and trade relations.⁸⁸³

⁸⁷⁷ Foreign Minister Westerwelle meets Turkish Foreign Minister Davutoğlu, German Foreign Office (Berlin) 22 June 2013. Date of Access: 31 December 2013. www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130622_BM_Davotoglu_Doha.html.

⁸⁷⁸ Foreign Minister Westerwelle on the interim Government in Egypt, German Foreign Office (Berlin) 17 July 2013. Date of Access: 31 December 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130717-BM_EGY.html.

⁸⁷⁹ Foreign Minister Westerwelle talks on the phone to Egypt's interim Foreign Minister, German Foreign Office (Berlin) 20 July 2013. Date of Access: 31 December 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130720_BM_Westerwelle_%C3%84GY_AM_Fahmy.html.

⁸⁸⁰ Foreign Minister Westerwelle on Egypt: an inclusive process under civilian leadership is the right way forward, not street clashes, German Foreign Office (Berlin) 25 July 2013. Date of Access: 31 December 2013. www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130725-BM_EGY.html.

⁸⁸¹ Foreign Minister Westerwelle on Egypt — preventing further bloodshed, German Foreign Office (Berlin) 5 October 2013. Date of Access: 31 December 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/131005-BM_Aegypten.html.

⁸⁸² Telephone call between Foreign Minister Westerwelle and Foreign Minister of Egypt, German Foreign Office (Berlin) 17 August 2013. Date of Access: 31 December 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130817_AM_Westerwelle_telefoniert_mit_%C3%A4gyptischem_AM.html.

⁸⁸³ Foreign Minister Westerwelle to open the Pakistan Days of the Association of German Chambers of Commerce and Industry (DIHK), German Foreign Office (Berlin) 29 October 2013. Date of Access: 31 December 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/131029-Pakistan_Days.html.

Following UN Secretary General Ban Ki Moon's settlement for a concrete date for the Geneva peace conference on Syria, the German foreign minister stated on 26 November 2013 that Germany would make EUR 2 million available to support the Geneva peace process and the work of the UN Special Representative for Syria, Lakhdar Brahimi. He emphasized that, "this is our only real opportunity to finally embark upon a political process."⁸⁸⁴

Thus, Germany has been awarded a score of 0 for engaging in bilateral and multilateral dialogue in the MENA region to allow for political and economic stability, as well as providing direct investments.

Analyst: Artur Pereira

Italy: 0

Italy has partially complied with its commitment to support country-led reforms through the MENA Transition Fund, alongside other support from Partners. It has demonstrated support for trade and investments in the region through agreements and partnerships

On July 2013 Italy, together with 25 other European regulators, signed the Memoranda of Understanding together with the Dubai Financial Services Association with the intent of attracting European fund managers to Dubai's financial free zone. All regulators agreed to "help each other supervise fund managers operating across borders, between Dubai International Centre and Europe."⁸⁸⁵ The efforts aim to facilitate investment flows and grant the Dubai International Financial Centre-based fund managers a greater pool of investors.⁸⁸⁶

Moreover, Maurizio Massari, Italian Ambassador to Egypt, met on 12 November 2013 with Egypt's Trade and Industry Minister Mounir Fakhri Abdel-Nour to discuss economic and commercial cooperation between the countries. A green trade project, devised within the debt-swap program established between both countries, was announced with an implementation value of EGP54.9 million.⁸⁸⁷ The project aims at improving the quality of Egyptian agricultural crops, while also developing the transport logistics system.⁸⁸⁸

On 3 October 2013, Secretary General Michele Valensise met with Libyan Prime Minister Ali' Zidan, Foreign Minister Mohammed Abdel Aziz, among other political exponents to discuss

⁸⁸⁴ Germany to make available 2 million euros for the Geneva peace process on Syria, German Foreign Office (Berlin) 26 November 2013. Date of Access: 31 December 2013. <http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/131126-Genf-SYR.html>.

⁸⁸⁵ DIFC takes steps to attract European fund managers, MENA Fund Manager 28 August 2013. Date of Access: 16 December 2013. <http://www.menafm.com/tag/italy/>.

⁸⁸⁶ DIFC takes steps to attract European fund managers, MENA Fund Manager 28 August 2013. Date of Access: 16 December 2013. <http://www.menafm.com/tag/italy/>.

⁸⁸⁷ Industry Minister: Egyptian-Italian green project to be launched, Egyptian State Information Service (Cairo) 13 November 2013. Date of Access: 16 December 2013. <http://www.sis.gov.eg/En/Templates/Articles/tmpArticleNews.aspx?ArtID=71102>.

⁸⁸⁸ Industry Minister: Egyptian-Italian green project to be launched, Egyptian State Information Service (Cairo) 13 November 2013. Date of Access: 16 December 2013. <http://www.sis.gov.eg/En/Templates/Articles/tmpArticleNews.aspx?ArtID=71102>.

political stabilization and security in Libya. Italy reinforced its position of collaboration and committed to facilitate the Libyan authorities' endeavour to build stable institutions.⁸⁸⁹

Furthermore, on 31 October and 1 November 2013, the fifth Euro-Arab Banking Dialogue on Investment and Islamic Banking was held in Rome, Italy.⁸⁹⁰ Talks aimed at attracting cross-border investments and banking opportunities.

Additionally, on 9 December 2013, the Italian Deputy Minister for Foreign Affairs met with the head of foreign affairs of the autonomous region of Iraqi Kurdistan, Falah Mustafa Bakir, to discuss humanitarian support for Syrian refugees in the region. The deputy minister emphasized the common interest of promoting "the encounter of Kurdistan's investment capability and the first hand know-how of Italian enterprise."⁸⁹¹

Thus, Italy was awarded a score of 0 for its strengthening of bilateral ties and increased investment in the MENA region.

Analyst: Artur Pereira

Japan: 0

Japan has partially complied with its commitment to support country-led reforms through creating projects that enhance trade, investment and job creation and through bilateral trade and investment agreements. It has funded several projects that are expected to increase employment opportunities and support economic integration in countries of transition.

On 21 June 2013, the Japanese government approved a loan of JPY 11,000 to support the Local Cities Water Environment Improvement Project in Tunisia. The loan has an interest of 1.2 per cent and requires repayment in 25 years.⁸⁹² The project seeks to improve the sewage facility in Tunisia and will help to create job opportunities for local workers.⁸⁹³

Further, on 6 November 2013, the Japanese government signed a contract that granted Egypt USD 82,000 to purchase school desks and chairs. The contract would provide Egyptian students a better learning environment and contribute to the development of human resources in Egypt.⁸⁹⁴

⁸⁸⁹ Meeting between SG Valensise and Minister Ali' Zidan — Press Release, Italian Ministry of Foreign Affairs (Rome) 3 October 2013. Date of Access: 16 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Comunicati/2013/10/20131003_Libia_Valensise.htm.

⁸⁹⁰ The 5th EURO — ARAB BANKING DIALOGUE, Union of Arab Banks 31 October 2013. Date of Access: 16 December 2013. <http://www.uabonline.org/en/events/forums/the5theuroarabbankingdialogue>.

⁸⁹¹ Italy-Iraq: Pistelli- Bakir meeting, Italian Ministry of Foreign Affairs (Rome) 9 December 2013. Date of Access: 16 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Comunicati/2013/12/20131209_PistelliBakir.htm.

⁸⁹² ODA Loan Project, Japan International Cooperation Agency 12 December 2013. Date of Access: 15 December 2013. http://www2.jica.go.jp/en/yen_loan/index.php/module/search?anken_name=&area1=0&area2=0&area3=0&country1=55&country2=0&country3=0§ion1=0§ion2=0§ion3=0&industry1=0&industry2=0&industry3=0&anken_kubun=0&shotatsu_kubun=0&from_year=&to_year=&submit=Search.

⁸⁹³ Ex-Ante Evaluation, Japan International Cooperation Agency 21 June 2013. Date of Access: 15 December 2013. http://www.jica.go.jp/english/our_work/evaluation/oda_loan/economic_cooperation/c8h0vm000001rdjt-att/tunisia_130621_01.pdf.

⁸⁹⁴ Japan Assists Primary Education in Sedfa, Assiut, Embassy of Japan in Egypt 6 November 2013. Date of Access: 15 December 2013. http://www.eg.emb-japan.go.jp/e/bilateral/japan_egypt/recent_progress/2013/20131106.htm.

In addition, on 20 November 2013, the Japanese government approved to lend out a loan of JPY 9 billion to the Kingdom of Morocco for the Basic Education Sector Support Project.⁸⁹⁵ The project seeks to “improve the access to and quality of basic education in Morocco.”⁸⁹⁶ The loan has contributed to the improvement of Morocco’s labour quality.

Moreover, on 2 June 2013, the Japan International Cooperation Agency, along with the African Development Bank and the World Bank, launched the “Joint Recommendation on Youth and Employment: The Way Forward- Empowering Young Africans to Live Their Dreams.”⁸⁹⁷ The project sought to “strengthen pro-growth strategies; to raise productivity in agriculture; to embrace the informal sector ... [and] to build strong human capital for the African youth.”⁸⁹⁸

Thus, Japan has been awarded a score of 0 for its support for the economic integration of countries in transition.

Analyst: Kai-Yuan Chen

Russia: 0

According to the Russian Government decision of 8 December 2012, Russia committed to allocate USD 10 million to the MENA Transition Fund in 2013-2015, including USD 4 million in 2013 and USD 3 million in 2014.⁸⁹⁹ According to the Transition Fund information USD 4 million were already disbursed.⁹⁰⁰

On 6 November 2013, the first session of the Russian-Jordanian IGC was held in Amman. The parties discussed joint measures to intensify bilateral cooperation in the fields of trade, industry, agriculture, banking sphere, education, health, and energy, including nuclear. The Russian side expressed its interest in development of Russian tourism in Jordan and offered assistance in education and training of Jordanian specialists in engineering, agriculture, energy and other spheres. It was decided to create a working group on trade and investment and a working group on tourism within the Commission as well as to organize Russian-Jordanian business forum in first half of 2014 in Moscow.⁹⁰¹

Russia has taken actions to support country-led reforms through the MENA Transition Fund but no facts of supporting greater trade, investment and economic integration in the region through

⁸⁹⁵ Signing of Japanese ODA Loan Agreement with the Kingdom of Morocco, Japan International Cooperation Agency 9 December 2013.

Date of Access: 15 December 2013. http://www.jica.go.jp/english/news/press/2013/131209_01.html.

⁸⁹⁶ Signing of Japanese ODA Loan Agreement with the Kingdom of Morocco, Japan International Cooperation Agency 9 December 2013.

Date of Access: 15 December 2013. http://www.jica.go.jp/english/news/press/2013/131209_01.html.

⁸⁹⁷ JICA, African Development Bank and World Bank Launched Joint Recommendations for Empowering Young Africans, Japan International Cooperation Agency 6 June 2013.

Date of Access: 15 December 2013. http://www.jica.go.jp/english/news/press/2013/130606_01.html.

⁸⁹⁸ JICA, African Development Bank and World Bank Launched Joint Recommendations for Empowering Young Africans, Japan International Cooperation Agency 6 June 2013.

Date of Access: 15 December 2013. http://www.jica.go.jp/english/news/press/2013/130606_01.html.

⁸⁹⁹ Government Resolution № 2297-p of 8 December 2012, Government of Russia 8 December 2012. <http://government.ru/docs/6564>.

⁹⁰⁰ Donors and Partners, MENA Transition Fund. <http://www.menatransitionfund.org/content/donors-and-partners>.

⁹⁰¹ First Meeting of the Russian-Jordanian Inter-Governmental Commission, Ministry of Agriculture of Russia 6 November 2013. http://mcx.ru/news/news/v7_show/17311.285.htm.

trade and investment agreements has been registered during the compliance period. Thus, it has been awarded a score of 0.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has fully complied with the commitment regarding development in the Middle East North Africa (MENA) region.

On 2013, the United Kingdom chaired the Deauville Partnership with Arab countries in Transition. In September 2013 it held the Deauville Partnership Investment Conference to promote further investment opportunities in transition countries. In June 2013, the United Kingdom launched Forsa, a new mentoring initiative that aims to support small and medium enterprises (SMEs) in Jordan, Tunisia, Morocco, Egypt, Yemen and Libya.⁹⁰² The initiative connects with 250 entrepreneurs from these countries to grow their business through guidance and expertise from mentors for three to four months.⁹⁰³

Additionally, on 30 September 2013, British Ambassador to Tunis Hamish Cowell opened a conference on Freedom of Access to information: Issues and Challenges of Implementation in Tunis.⁹⁰⁴ He reiterated the importance for Tunisia to “end corruption and opaque practices of the government,” with the United Kingdom currently engaging with Tunisian organisations to “share its own experiences on this important issue.”⁹⁰⁵ Furthermore, the United Kingdom supported a high-level conference to promote transparency and integrity in Tunisia’s public governance that was held from 19-21 June 2013 in Tunisia. The conference was held by the Organisation for Co-operation and Economic Development (OECD), and focused on fiscal transparency and anti-corruption as its main agenda. It worked on legal framework alongside the United Nations Development Programme (UNDP) to provide technical advisory support to the newly established Independent Commission for anti-corruption.⁹⁰⁶

Moreover, on 17 October 2013, the United Kingdom implemented 7 policies to assist governmental and structural reform in Libya.⁹⁰⁷ These policies are conducted by the Department of International Development and are currently in the implementation phase. The total project budget for active policies for the fiscal year of 2013/2014 is GBP 12 million.⁹⁰⁸ The policies

⁹⁰² Countries, Forsa SME Mentoring Scheme (London). Date of access: 13 December 2013.

<http://www.forsa-mena.org/countries.html>.

⁹⁰³ Programme, Forsa SME Mentoring Scheme (London). Date of access: 13 December 2013.

<http://www.forsa-mena.org/programme.html>.

⁹⁰⁴ The UK supports a free access to information in Tunisia, British Embassy Tunis (Tunis) 12 October 2013. Date of access: 12 December 2013. <https://www.gov.uk/government/world-location-news/the-uk-supports-a-free-access-to-information-in-tunisia>.

⁹⁰⁵ The UK supports a free access to information in Tunisia, British Embassy Tunis (Tunis) 12 October 2013. Date of access: 12 December 2013. <https://www.gov.uk/government/world-location-news/the-uk-supports-a-free-access-to-information-in-tunisia>.

⁹⁰⁶ The UK supports a free access to information in Tunisia, British Embassy Tunis (Tunis) 12 October 2013. Date of access: 12 December 2013. <https://www.gov.uk/government/world-location-news/the-uk-supports-a-free-access-to-information-in-tunisia>.

⁹⁰⁷ Libyan Arab Republic summary, Department for International Development (London). Date of access: 15 December 2013. <http://devtracker.dfid.gov.uk/countries/LY/>.

⁹⁰⁸ Libyan Arab Republic summary, Department for International Development (London). Date of access: 15 December 2013. <http://devtracker.dfid.gov.uk/countries/LY/>.

range from providing technical and training expertise to Libyan government institutions to developing a national dialogue to create security strategies.⁹⁰⁹

On 4 September 2013, the United Kingdom implemented the Yemen Humanitarian Resilience Programme to “improve food security and increase community resilience to shocks.”⁹¹⁰ 52.88 per cent of the budget will be allocated for Emergency food aid. Material relief assistance and service will receive 44.50 per cent, and relief coordination will receive 2.62 per cent.⁹¹¹ The project budget for this programme is GBP 38 million. Thus far, 14.12 per cent of this budget has been spent.⁹¹² Non-governmental organizations such as Oxfam, Care International and Save the Children foundation had received a total fund of GBP 4 million from the Department for International Development (DFID) to aid implementation.⁹¹³

In addition, on 12 July 2013, the Arab Partnership Economic Facility (APEF) initiated the “Natural Resource Management in the MENA region” policy. It aims to support the governments of Libya and Tunisia through technical assistance, training and funding to “improve the management and transparency of natural resources.”⁹¹⁴ These functions are aimed at energy policy, government administration, media and free flow of information and democratic participation.

Between 8 and 10 December 2013, the UK co-chaired the Broader Middle East and North Africa (BMENA) initiative with the Egyptian government. It aims to improve the quality of engagement between civil society and government through hosting debates, discussions and workshops on economic development; women’s empowerment and freedom of expression.⁹¹⁵

In response to the Arab spring, the United Kingdom created the GBP 110 million four-year Arab Partnership Fund to support political and economic reform in the region. It is separated into the Arab Partnership Economic Facility and the Arab Partnership Participation Fund.⁹¹⁶ For the financial year 2013-2014, the Arab Partnership Participation Fund is funding 62 projects in 15 countries, profiled at over GBP 13 million.⁹¹⁷ These projects focus on the themes anti-corruption,

⁹⁰⁹ Libyan Arab Republic all projects, Department for International Development (London). Date of access: 15 December 2013. <http://devtracker.dfid.gov.uk/countries/LY/projects/>.

⁹¹⁰ Yemen Humanitarian Resilience Programme, Department for International Development (London) 14 November 2013. Date of access: 14 December 2013. <http://devtracker.dfid.gov.uk/projects/GB-1-203847/>.

⁹¹¹ Yemen Humanitarian Resilience Programme, Department for International Development (London) 14 November 2013. Date of access: 14 December 2013. <http://devtracker.dfid.gov.uk/projects/GB-1-203847/>.

⁹¹² Yemen Humanitarian Resilience Programme, Department for International Development (London) 14 November 2013. Date of access: 14 December 2013. <http://devtracker.dfid.gov.uk/projects/GB-1-203847/>.

⁹¹³ Yemen Humanitarian Resilience Programme, Department for International Development (London) 14 November 2013. Date of access: 14 December 2013. <http://devtracker.dfid.gov.uk/projects/GB-1-203847/>.

⁹¹⁴ Arab Partnership Economic Facility (APEF)- Natural Resource Management in the Middle East and North Africa (MENA) Region, Department for International Development (London) 22 November 2013. Date of access: 14 December 2013. <http://devtracker.dfid.gov.uk/projects/GB-1-203966/>.

⁹¹⁵ Broader Middle East and North Africa Initiative (BMENA)- Civil Society/ Government Workshops, Foreign and Commonwealth Office (London) 3 December 2013. Date of access: 11 December 2013. <https://www.gov.uk/government/policies/working-for-peace-and-long-term-stability-in-the-middle-east-and-north-africa/supporting-pages/broader-middle-east-and-north-africa-initiative-bmena>.

⁹¹⁶ Arab Partnership Participation Fund, Foreign and Commonwealth Office (London). Date of access: 11 December 2013. <https://www.gov.uk/arab-partnership-participation-fund>.

⁹¹⁷ Arab Partnership Programme Fund: Project list FY 13/14, Foreign and Commonwealth Office (London). Date of access: 15 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/230941/Project_list_2013-14.pdf.

public voice, political participation, inclusive and sustainable economic growth and the BMENA initiative.⁹¹⁸

Moreover, on 13 December 2013, the DFID published a fact sheet on “The United Kingdom’s humanitarian aid response to the Syrian crisis.” The factsheet claims that the UK provided a total of GBP 198.7 million to help people affected by the Syrian conflict.⁹¹⁹ It allocated GBP 224.4 million to help Syrian refugees and host communities in Jordan, Lebanon, Turkey, Iraq and Egypt. This included providing food, drinking water and sanitation services, medical care, livelihoods, shelter, cash assistance and financial support.⁹²⁰

The UK also coordinates with the United Nations International Children’s Emergency Fund (UNICEF), World Health Organization (WHO), United Nations High Commissioner for Refugees, Food and Agriculture Organization (FAO), the Danish Refugee Council, the Save the Children Foundation, the Norwegian Refugee Council and various other humanitarian groups to support these provisions.⁹²¹

Thus, the United Kingdom is awarded a score of +1 for its commitment to support development through implementing funds, establishing organisations and supported various initiatives in the MENA region.

Analyst: Arnold Yung

United States: +1

The United States has fully complied with its commitment to support country-led reforms through creating projects that enhance trade, investment and job creation through bilateral trade and investment agreements. It has launched several programs that will increase employment opportunities and support economic development in countries of transition and will form healthy investment and trade relationships with these countries.

On 17 November 2013, the U.S. government launched the Jordan Competitiveness Program that will commit USD45 million over five years to, “strengthen Jordan’s competitiveness in select sectors, promote sustainable economic growth, and increase employment for Jordanians.”⁹²² The

⁹¹⁸ Syria Humanitarian Programme Summary, Department of Foreign International Development (London) 17 December 2013. Date of access: 19 December 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/268578/DFID_Syria_Humanitarian_Programme_Summary_17.12.13.pdf.

⁹¹⁹ Syria Humanitarian Programme Summary, Department of Foreign International Development (London) 17 December 2013. Date of access: 19 December 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/268578/DFID_Syria_Humanitarian_Programme_Summary_17.12.13.pdf.

⁹²⁰ Syria Humanitarian Programme Summary, Department of Foreign International Development (London) 17 December 2013. Date of access: 19 December 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/268578/DFID_Syria_Humanitarian_Programme_Summary_17.12.13.pdf.

⁹²¹ Syria Humanitarian Programme Summary, Department of Foreign International Development (London) 17 December 2013. Date of access: 19 December 2013

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/268578/DFID_Syria_Humanitarian_Programme_Summary_17.12.13.pdf.

⁹²² Doing Business with the U.S. Government, Embassy of the United States (Jordan) 28 August 2013. Date of Access: 16 December 2013.

http://jordan.usembassy.gov/pr_jordan_competitiveness_program_111813.html.

program supports Jordanian businesses in areas of: “information and communication technology, clean technology, and medical services and life sciences.”⁹²³ It supports economic development and job creation in Jordan.

Moreover, on October 2013, a Middle East Partnership Initiative (MEPI) project was launched to mentor prospective entrepreneurs in Sfax, Tunisia. The project aims to not only coach and inspire potential entrepreneurs in Sfax but also connect them with investors and clients. The volunteer experts involved in the project guide Sfax Business Center staff on how to assist entrepreneurs to from business ideas.⁹²⁴

On 28 August 2013, the United States government hosted the event “U.S. Government Vendors’ Day in Amman” whereby, “officials explained the steps involved in contracting with the U.S. government.”⁹²⁵ The purpose of the event was to encourage Jordanian businesses to take advantage of the contracting opportunities provided by the U.S. government. The cooperation between the U.S. government and Jordanian companies would generate social and economic benefits including improved health indicators, water networks and increased job opportunities in local communities in Jordan. This event illustrates the U.S. government’s effort to foster a healthy investment relationship with Jordan.

Thus, U.S. has been awarded a score of +1 for its support for the economic integration of and maintenance of healthy investment relationship with countries in transition to democracy.

Analyst: Kai-Yuan Chen

European Union: 0

The European Union has partially complied with its commitment to support country-led reforms through the Transition Fund for the Middle USD and North Africa (MENA). Though individual member states within the EU have contributed to the Transition Fund, the European Union has neither donated, nor pledged towards the objective.⁹²⁶

The EU remains committed to greater trade, investment, and economic integration in the region through bilateral trade and investment agreements.⁹²⁷ Negotiating directives between the EU and various countries in the Middle Eastern and North African region started on 14 December 2011.⁹²⁸ Two rounds of negotiations on a Deep and Comprehensive Free Trade Agreement

⁹²³ Doing Business with the U.S. Government, Embassy of the United States (Jordan) 28 August 2013. Date of Access: 16 December 2013.

http://jordan.usembassy.gov/pr_jordan_competitiveness_program_111813.html.

⁹²⁴ MEPI Project Supports Tunisian Entrepreneurs, The U.S.-Middle East Partnership Initiative (MEPI) Date of Access: 28 December 2013. <http://mepi.state.gov/mh111913a.html>.

⁹²⁵ U.S. Launches \$45 Million Program to Increase Jordan’s Competitiveness and Create Jobs, Embassy of the United States (Jordan) 17 November 2013.

Date of Access: 16 December 2013 http://jordan.usembassy.gov/pr_venders_day_082813.html.

⁹²⁶ Donors and Partners, Middle East and North Africa Transition Fund (Washington D.C) 2013. Date of Access: 17 December 2013. <http://www.menatransitionfund.org/content/donors-and-partners>.

⁹²⁷ European Neighbourhood Policy, working towards a stronger partnership: EP’s position on the 2012 progress reports, European Parliament (Brussels) 23 October 2013. Date of Access: 17 December 2013. <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2013-0446+0+DOC+XML+V0//EN>.

⁹²⁸ EU Agrees to Start Trade Negotiations with Egypt, Jordan, Morocco and Tunisia, European Commission (Brussels) 14 December 2011. Date of Access 17 December 2013 http://europa.eu/rapid/press-release_IP-11-1545_en.htm.

(DCFTA) between the EU and Morocco, a dialogue with Egypt on a similar DCFTA, and preparatory scoping processes with Jordan and Tunisia occurred as of 29 November 2013.⁹²⁹

Investment in the region also increased after the 2013 Lough Erne G8 Summit. On 24 May 2013, the European Investment Bank (EIB) announced a USD50 million investment to fund small and medium private enterprises in MENA, which Philippe de Fontaine Vive, Vice President of the EIB said remains, “the cornerstone of any equitable strategy and job creation in the region.”⁹³⁰ On 21 November 2013, the European Commission announced an assistance package of EUR 476 million for development in the Southern Neighbourhood, and highlights the EU’s “commitment to support partner countries’ efforts to stimulate sustainable economic development.”⁹³¹

Moreover, the European Bank of Reconstruction and Development continued its efforts to bolster economic growth by opening up offices in Tunisia and Jordan in October 2013, committed EUR 20 million to a Moroccan-based Capital North Africa Venture Fund, and “aims to invest up to EUR 800 million next year in key Arab countries.”⁹³²

The EU is awarded a score of 0 for supporting greater trade, investment, and investment integration in MENA through bilateral trade and investment agreements, but has not done so through the MENA Transition Fund.

Analyst: Anthony Marchese

⁹²⁹ Overview of FTA and Other Trade Negotiations, European Commission (Brussels) 29 November 2013. Date of Access: 17 December 2013

http://trade.ec.europa.eu/doclib/docs/2006/december/tradoc_118238.pdf.

⁹³⁰ IFC, EIB, and AFD Support Small Businesses and Mobilize Investment in MENA, European Investment Bank (Amman) 24 May 2013. Date of Access: 17 December 2013. http://europa.eu/rapid/press-release_BEI-13-71_en.htm.

⁹³¹ EU Boosts Support to Democratic Reforms and Development in the Southern Neighbourhood, European Commission (Brussels) 21 November 2013. Date of Access: 17 December 2013 http://europa.eu/rapid/press-release_IP-13-1136_en.htm.

⁹³² ERBD Steps Up Lending to Arab States Hit by Unrest, Reuters (Amman) 21 November 2013. Date of Access: 17 December 2013. <http://www.reuters.com/article/2013/11/21/ebd-arab-lending-idUSL4N0J62CY20131121>.

15. Finance: Asset Recovery [162]

Commitment:

“We reiterate our high level of commitment to return stolen assets to countries in transition, including through participation in the Arab Forum on Asset Recovery.”

2013 G8 Lough Erne Leaders Communiqué

Assessment:

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France		0	
Germany		0	
Italy		0	
Japan			+1
Russia		0	
United Kingdom		0	
United States		0	
European Union		0	
Average Score	+0.11		

Background

The Deauville Partnership with Arab Countries in Transition is an international partnership launched by the G8 leaders during the Deauville Summit in 2011.⁹³³ It was set up to support Middle East and North African (MENA) countries in transition towards stabilization, job creation, participation/governance, and integration.⁹³⁴

This partnership includes G8 leaders, the European Union, the International Monetary Fund, MENA countries, and financial organizations contributing to supporting reform in MENA countries.⁹³⁵ The partnership was founded on the two pillars of governance and economic growth. Based on these pillars, initiatives to support democratic transition and an economic framework for sustainable and inclusive growth have been established.

During the 2012 Camp David Summit, the G8 countries approved an asset recovery action plan to promote the return of stolen assets by former regimes.⁹³⁶ They committed to support the launch of the Arab Forum on Asset Recovery (AFAR) which was established by Arab countries. The first meeting of the Arab Forum was held in Doha, Qatar, in 2012.⁹³⁷ At the meeting, the AFAR

⁹³³Declaration of the G8 on the Arab Springs, G8 Research Group (Toronto) 27 May 2011. Date of Access: 4 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

⁹³⁴Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition, The White House (Washington) 19 May 2012, Date of Access: 4 December 2013. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-deauville-partnership-arab-countries-transition>

⁹³⁵Declaration of the G8 on the Arab Springs, G8 Research Group (Toronto) 27 May 2011. Date of Access: 4 December 2013. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

⁹³⁶Deauville Partnership with Arab Countries in Transition — Governance Pillar: Action Plan on Asset Recovery, U.S. Department of State (Washington) 21 May 2012. Date of Access: 24 December 2013. <http://www.state.gov/j/inl/rls/190483.htm>

⁹³⁷Arab Forum on Asset Recovery, Stolen Asset Recovery Initiative (Washington), 2012. Date of Access 4 December 2013. <http://star.worldbank.org/star/ArabForum/About>

emphasized the need to seek the return of stolen assets and provide MENA countries with training in those practices.⁹³⁸

During the 2013 Lough Erne Summit, the G8 members identified the “high level of [their] commitment to return stolen assets to countries in transition,” especially by participating in the AFAR. In order for the countries to continue to reinforce the asset recovery action plan, each G8 members plan to present a road-map for asset recovery.⁹³⁹

Commitment Features

At the 2013 Lough Erne Summit, the G8 committed to continue supporting the Arab Forum on Asset Recovery (AFAR), including by participating in the second meeting of the Forum (AFAR II) in Marrakesh in October 2013.⁹⁴⁰ To fulfill this commitment, each member must participate in the AFAR II and present a road-map that sets out necessary steps to implement the 2012 Asset Recovery Action Plan.

Scoring Guidelines:

-1	Member does not participate in the second Arab Forum on Asset Recovery NOR prepares a road-map to implement the 2012 Asset Recovery Action Plan.
0	Member participates in the second Arab Forum on Asset Recovery BUT does not prepare road-map to implement the 2012 Asset Recovery Action Plan.
+1	Member participates in the second Arab Forum on Asset Recovery AND prepares a road-map to implement the 2012 Asset Recovery Action Plan.

Lead Analyst: Eric Na

Canada: 0

Canada has partially complied with its commitment to participate in the second Arab Forum on Asset Recovery.

According to Canada’s Asset Recovery Action Plan Roadmap for 2013, Canada attended and moderated a session at the second Arab Forum on Asset Recovery.⁹⁴¹ Canada has yet to implement further steps in its roadmap.

Thus, Canada has partially complied with its commitment towards asset recovery in Arab countries.

Analyst: Volodymyr Sukhodolskiy

⁹³⁸ Arab Forum on Asset Recovery, Stolen Asset Recovery Initiative (Washington), 2012. Date of Access 4 December 2013. <http://star.worldbank.org/star/ArabForum/About>

⁹³⁹ G8 Lough Erne Leaders Communiqué, G8 Research Group (Toronto) 18 June 2013. Date of Access: 4 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>

⁹⁴⁰ Joint Press Release: Opening of the Second Arab Forum on Asset Recovery in Marrakesh, Morocco, Stolen Asset Recovery Initiative (Washington), 25 October 2013. Date of Access 4 December 2013. <https://star.worldbank.org/star/news/joint-press-release-opening-second-arab-forum-asset-recovery-marrakesh-morocco>

⁹⁴¹ Arab Forum 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 31 December 2013. <http://star.worldbank.org/star/ArabForum/arab-forum-2013>.

France: 0

France has partially complied with its commitment to help return stolen assets to countries in transition. In October 2013, it participated in the Second Arab Forum on Asset Recovery in Marrakech, Morocco.⁹⁴²

On 26 October 2013, the United Kingdom released a news report which indicated that France had attended the Second Arab Forum on Asset Recovery.⁹⁴³

Overall, because France attended the Asset Recovery forum from October 2013 but not produced a relevant guide of asset recovery for countries in transition, it has partially complied with the G8 commitment, earning a score of 0.

Analyst: Vipasha Shaikh

Germany: 0

Germany has partially complied with its commitment to assist Arab countries recover the assets of individuals associated with deposed regimes.

Representatives from the German government did not attend the Second Arab Forum on Asset Recovery (AFAR II), although there is apparent interest from Germany to be more intimately involved with the process.

German legal practitioners held bilateral meetings with officials from Tunisia and Egypt to discuss assistance requests and best practices regarding asset recovery. Non-treaty bilateral cooperation between Germany and Arab countries has also been approved under German law.⁹⁴⁴

The Government of Germany complied with EU and UN sanctions to freeze assets belonging to persons associated with deposed regimes that have fled from Egypt, Libya, and Tunisia. It has not ratified the U.N. Convention against corruption but will do so once modification for German criminal code have been made. German law allows for confiscation of assets for the purpose of recovery without conviction in the case of flight or absence of the accused.⁹⁴⁵

While Germany did not attend AFAR II, they did release a road map on their implementation of the Asset Recovery Action Plan.⁹⁴⁶

⁹⁴² Second Arab Forum on Asset Recovery, Marrakesh (Chair's Statement), Foreign and Commonwealth Office, Prime Minister's Office (London) 26 October 2013. Date of Access: 15 December 2013. <https://www.gov.uk/government/news/second-arab-forum-on-asset-recovery-marrakesh-26-28-october>.

⁹⁴³ Second Arab Forum on Asset Recovery, Marrakesh (Chair's Statement), Foreign and Commonwealth Office, Prime Minister's Office (London) 26 October 2013. Date of Access: 15 December 2013. <https://www.gov.uk/government/news/second-arab-forum-on-asset-recovery-marrakesh-26-28-october>.

⁹⁴⁴ Germany Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/germany_asset_recovery_action_plan_road_map-final_0.pdf.

⁹⁴⁵ Germany Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/germany_asset_recovery_action_plan_road_map-final_0.pdf.

⁹⁴⁶ Germany USD Recovery Action Plan Implementation Road Map 2013, Stolen USD Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/germany_USD_recovery_action_plan_road_map-final_0.pdf

Thus, Germany has received a score of 0 for partial compliance.

Analyst: Reid Dobell

Italy: 0

Italy has partially complied with its commitment to assist Arab countries recover the assets of individuals associated with deposed regimes.

The Italian government participated in the second Arab Forum on Asset Recovery (AFAR II) from 26 October 2013 to 29 October 2013 as part of the Deauville Partnership with Arab Countries in Transition during which methods for the continued recovery of stolen assets were discussed.⁹⁴⁷ It sent a high-level delegation to the event supported by legal practitioners and senior officials.⁹⁴⁸

The Government of Italy participated in the three Asset Recovery sectoral seminars organized by the UK from 2 April 2013 to 4 April 2014, 11 June 2013 to 13 June 2013, and 3 September 2013 to 4 September 2013 respectively.⁹⁴⁹

Between 25 September 2013 and 27 September 2013, the Banca d'Italia provided a training course on financial asset recovery to Central Banks and Financial Intelligence Units from Egypt, Libya, Tunisia, Yemen, Morocco, and Jordan. The Banca d'Italia also organized regular technical seminars on the subject of asset recovery.⁹⁵⁰

Italy receives a score of 0 for only participating in the second Arab Forum on Asset Recovery.

Analyst: Reid Dobell

Japan: +1

Japan has complied with its commitment to participate in the second Arab Forum on Asset Recovery to present a guide describing asset recovery steps and relevant cases.

In accordance to its commitment during the 2013 Lough Erne Summit, Japan submitted a road map for asset recovery for 2013 and presented it at the Arab Summit on Asset Recovery. Japan submitted a detailed plan stating objectives that were successfully or partially completed and expressing commitments that require further support and completion and its delegation included law enforcement practitioners.⁹⁵¹

⁹⁴⁷ Arab Forum 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access 21 December 2013. <http://star.worldbank.org/star/ArabForum/arab-forum-2013>.

⁹⁴⁸ Italy Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/italy_-_asset_recovery_action_plan_road_map_2013_final.pdf.

⁹⁴⁹ Special Sessions, Stolen Asset Recovery Initiative (Washington) Date of Access: 21 December 2013. <http://star.worldbank.org/star/ArabForum/special-sessions>.

⁹⁵⁰ Italy Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/italy_-_asset_recovery_action_plan_road_map_2013_final.pdf.

⁹⁵¹ Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013. http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

Japan has also designating an office responsible for supporting asset recovery cases, employing the Ministry of Justice, Ministry of Foreign Affairs and National Police Agency to the task.⁹⁵²

Furthermore, Japan has actively participated in preparatory meetings held in Seoul focused on helping launch a broad asset recovery network in the Asia Pacific region.⁹⁵³

Moreover, Japan has committed to ensuring mutual legal assistance regarding asset recovery to be granted in the absence of a bilateral assistance agreement.⁹⁵⁴ For ensuring proper mechanisms are in place for the enforcement of foreign orders of confiscation and the establishment of systems that allow for recovery through non-conviction-based confiscation, Japan can provide assistance under the Law for Punishment of Organized Crimes, Control of Proceeds and Other Matters.⁹⁵⁵

In the plan presented at the Arab Forum, Japan promised to work with the United Nations Office on Drugs and Crime (UNODC) to provide specialized training for prosecutors, judges and financial analysts in Tunisia and to support domestic coordination by providing training for members of the Asset Recovery Committee from Libya.⁹⁵⁶ Japan will also explore the possibility of delivering further assistance to promote legal and institutional reforms and strengthen frameworks to manage recovered funds.⁹⁵⁷

Japan's report at the Arab Forum on Asset Recovery complied with its commitment to asset recovery at the previous summit. Thus, Japan receives a score of +1.

Analyst: Rehaan Khan

Russia: 0

Russia has partially complied with the commitment on asset recovery.

Russia participated in the second Arab Forum on Asset Recovery on 26 – 28 October 2013 in Marrakesh.⁹⁵⁸

⁹⁵² Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013.

http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

⁹⁵³ Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013.

http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

⁹⁵⁴ Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013.

http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

⁹⁵⁵ Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013.

http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

⁹⁵⁶ Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013.

http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

⁹⁵⁷ Japan Asset Recovery Action Plan Implementation Road Map 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 21 December 2013.

http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

⁹⁵⁸ The Second Meeting of the Arab Forum on Asset Recovery. Agenda, Ministry of General Affairs and Governance of Morocco. http://www.affaires-generales.gov.ma/jdownloads/Fonds%20Documentaire/Ministre%20%20travers%20la%20presse/Forums%20et%20colloques/forum%20asest%20recovry/afar_ii_agenda-english_v22_final_for_printing.pdf.

Russia has not published its country guide on asset recovery.⁹⁵⁹ No information that Russia presumed its road-map on implementation of 2012 Asset Recovery Action Plan has been found.

Russia has participated in the second Arab Forum on Asset Recovery but has not published its country guide on asset recovery nor prepared road-map to implement the 2012 USD Recovery Action Plan. Thus, it has been awarded a score of 0.

Analyst: Mark Rakhmangulov

United Kingdom: 0

The United Kingdom has partially complied with its commitment to return stolen assets to countries in transition. It co-hosted the second Arab Forum on Asset Recovery on 26-28 October 2013 in Marrakesh, Morocco.⁹⁶⁰

On 22 October 2013, the United Kingdom government released a statement and video stating it was committed to returning stolen assets to Arab countries in transition.⁹⁶¹

On 3 October 2013, the Government of the United Kingdom released a public statement stating that it was attending the second Arab Forum on Asset Recovery in Marrakesh, Morocco and listed the actions it was taking to enhance asset recovery in the Arab and North African region.⁹⁶²

Thus, the United Kingdom has only partially complied with the G8 commitment by attending the second Arab Forum on Asset Recovery but not provided an accessible, detailed report on asset recovery.

Analyst:

United States: 0

The U.S. has partially complied with its asset recovery commitment towards Arab countries.

On 28 October 2013, Attorney General Eric Holder delivered a speech at the second Arab Forum on Asset Recovery in Morocco.⁹⁶³

On 9 December 2013, Secretary of State John Kerry called on government and non-government agencies like the Arab Forum on Asset Recovery to continue their anti-corruption efforts. Kerry

⁹⁵⁹ Country Guides for USD Recovery, StAR. <http://star.worldbank.org/star/ArabForum/country-guides-asset-recovery-0>.

⁹⁶⁰ Second Arab Forum on Asset Recovery, Marrakesh (Chair's Statement), Foreign and Commonwealth Office, Prime Minister's Office (London) 26 October 2013. Date of Access: 15 December 2013. <https://www.gov.uk/government/news/second-arab-forum-on-asset-recovery-marrakesh-26-28-october>.

⁹⁶¹ Second Arab Forum on Asset Recovery, Marrakesh (Chair's Statement), Foreign and Commonwealth Office, Prime Minister's Office (London) 26 October 2013. Date of Access: 15 December 2013. <https://www.gov.uk/government/news/second-arab-forum-on-asset-recovery-marrakesh-26-28-october>.

⁹⁶² Asset Recovery and the G8 Deauville Partnership with Arab Countries in Transition, Foreign and Commonwealth Office, Prime Minister's Office (London) 3 October 2013. Date of Access: 15 December 2013. <https://www.gov.uk/government/news/asset-recovery-and-the-g8-deauville-partnership-with-arab-countries-in-transition>.

⁹⁶³ Attorney General Holder at Arab Forum on Asset Recovery, State Department's Bureau of International Information Programs (Washington) 28 October 2013. Date of Access: 31 December 2013. <http://iipdigital.usembassy.gov/st/english/texttrans/2013/10/20131028285308.html>.

also noted that U.S. efforts aimed at limiting corruption and money laundering helped return over USD 70 million to transitioning Middle East countries.⁹⁶⁴

Thus, for only attending the second Arab Forum on Asset Recovery without preparing a road map for implementing the 2012 Asset Recovery Action Plan, the U.S. has received a score of 0.

Analyst: Volodymyr Sukhodolskiy

European Union: 0

The European Union has partially complied with its commitment to assist Arab states in asset recovery.

The European Union did not attend the second Arab Forum on Asset Recovery, and was not involved in preparing related guidelines for asset recovery.⁹⁶⁵

However, on 3 November 2013 the EU put confiscation as its main priority for fighting organized crime, which is executed through national Asset Recovery Offices (AROs). This office deprives offenders of criminal profits.⁹⁶⁶ As a result, the EU earns a score of 0 for partial compliance.

Analyst: Volodymyr Sukhodolskiy

⁹⁶⁴ International Anticorruption Day, US Department of State (Washington) 9 December 2013. Date of Access: 26 December 2013. <http://www.state.gov/secretary/remarks/2013/12/218523.htm?goMobile=0>.

⁹⁶⁵ Arab Forum 2013, Stolen Asset Recovery Initiative (Washington) October 2013. Date of Access: 31 December 2013. <http://star.worldbank.org/star/ArabForum/arab-forum-2013>.

⁹⁶⁶ Confiscation & asset recovery, European Union Home Affairs (Brussels) 3 November 2013. Date of Access: 26 December 2013 http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/organized-crime-and-human-trafficking/confiscation-and-asset-recovery/index_en.htm

16. Terrorism [183]

“We are also dedicated to enhancing cooperation to tackle the escalating risks of recruitment and radicalisation, including through providing support to vulnerable communities, and building capacity to counter violent extremism.”

2013 Lough Erne Declaration

Assessment:

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

Background

In 2011 the G8 decided to suspend the activities of its Counterterrorism Action Group (CTAG). The CTAG was established in 2003 to “prioritise and speed the delivery of counterterrorism training and assistance to countries with the will, but not the skill, to combat terror.”⁹⁶⁷ However the CTAG failed to meet its own expectations and the decision to suspend the CTAG came once leaders decided that the G8 was not able to provide counterterrorism capacity-building assistance without help from donors and partners who have more to offer.⁹⁶⁸ The Global Counterterrorism Forum (GCTF) was founded by the United States and Turkey and included all G8 members, twenty one additional countries and the European Union.⁹⁶⁹

The GCTF was launched on 22 September 2011 with the mission “to reduce the vulnerability of people everywhere to terrorism by effectively preventing, combating, and prosecuting terrorist acts and countering incitement and recruitment to terrorism.”⁹⁷⁰ The GCTF is founded on principles that condemn all acts of terrorism. The GCTF recognises that terrorism cannot and should not be associated with any political, ethnic or religious group and recognises the importance of achieving peaceful solutions. The GCTF also acknowledges that all counterterrorism measures must be consistent with international law, including the United Nations Charter, international human rights and humanitarian law. With these principles in mind,

⁹⁶⁷ The G8’s Counterterrorism Action Group: leaving takes leadership, The UK Summit: Lough Erne, Newsdesk June 2013. Date of Access 03 December 2013.
http://www.gwumc.edu/hspi/policy/G8_Millar.pdf.

⁹⁶⁸ The G8’s Counterterrorism Action Group: leaving takes leadership, The UK Summit: Lough Erne, Newsdesk June 2013. Date of Access 03 December 2013.
http://www.gwumc.edu/hspi/policy/G8_Millar.pdf.

⁹⁶⁹ The G8’s Counterterrorism Action Group: leaving takes leadership, The UK Summit: Lough Erne, Newsdesk June 2013. Date of Access 03 December 2013.
http://www.gwumc.edu/hspi/policy/G8_Millar.pdf.

⁹⁷⁰ Political Declaration, Global Counterterrorism Forum (New York) 22 September 2011. Date of Access: 02 December 2013. <http://www.thegctf.org/documents/10162/13878/Political+Declaration.pdf>.

the GCTF aims to be a civilian operated multilateral counterterrorism platform where policy makers and representatives from different regions may meet to compare notes and experiences as well as develop solutions to counter-terrorist challenges within the wider UN strategy and framework.⁹⁷¹

The Hedayah Centre was established on 14 December 2012 and is the first ever International Centre of Excellence for Countering Violent Extremism (CVE). Although it was launched by and works closely with the GCFT, the Hedayah Centre operates independently. The mission of the Hedayah Centre is “to be the premier global institution for expertise and experience in training, dialogue, and research to counter violent extremism in all its forms.”⁹⁷²

Commitment Features:

This commitment’s primary emphasis is to provide support to counter recruitment and radicalisation. It pledges a commitment of support for both the GCTF and the Hedayah Centre. The GCTF aims to work with other multilateral bodies to support and implement the UN Global Counterterrorism Strategy. The GCTF also aims to establish an international institution of justice and rule of law in North Africa to create regional stability.⁹⁷³

The Hedayah Centre aims to counter violent extremism through their priorities of: (1) education, (2) de-radicalising prisoners, (3) preventing prisons from becoming recruiting grounds, (4) rehabilitating former prisoners and terrorists, (5) engaging with communities and law enforcement, and (6) cultural diplomacy.⁹⁷⁴

Compliance is therefore based on a combination of these factors.

Scoring Guidelines:

-1	Member provides no support to either the GCTF or the Hedayah Centre AND does not take other actions to address the issues of radicalisation and recruitment.
0	Member provides support for either the GCTF or Hedayah Centre OR takes other actions to address the issues of radicalisation and recruitment.
+1	Member provides support to the GCTF or Hedayah Centre AND takes other actions to address the issues of radicalisation and recruitment.

Lead Analyst: Elizabeth Yando

Canada: +1

Canada has fully complied with its commitment to reducing radicalization and terrorist recruitment. Canada also continues to be a significant advocate of the Hedayah Centre.

During an address to the GCTF in New York on 27 September 2013, Deepak Obhrai, Parliamentary Secretary to the Foreign Affairs Minister John Baird, restated Canada’s

⁹⁷¹ Political Declaration, Global Counterterrorism Forum (New York) 22 September 2011. Date of Access: 02 December 2013. <http://www.thegctf.org/documents/10162/13878/Political+Declaration.pdf>.

⁹⁷² Hedayah Fact Sheet, Hedayeh Centre (Abu Dhabi) Date of Access: 02 December 2013. <http://www.hedayah.ae/pdf/hedayah-factsheet.pdf>.

⁹⁷³ The G8’s Counterterrorism Action Group: leaving takes leadership, The UK Summit: Lough Erne, Newsdesk June 2013. Date of Access 03 December 2013. http://www.gwumc.edu/hspi/policy/G8_Millar.pdf.

⁹⁷⁴ Hedayah Fact Sheet, Hedayeh Centre (Abu Dhabi) Date of Access: 02 December 2013. <http://www.hedayah.ae/pdf/hedayah-factsheet.pdf>.

condemnation of recent terrorist attacks in Kenya.⁹⁷⁵ Furthermore, Obhrai also expressed Canada's role as the co-chair of the Sahel Region Capacity Building working group on Counterterrorism Capacity Building for another two years.⁹⁷⁶ Obhrai also disclosed that Canada will fund a United Nations Office on Drugs and Crime (UNODC) project in an effort to implement counterterrorism legal frameworks in the Sahel region.⁹⁷⁷ Obhrai also asserted the importance of global cooperation in efforts of successful global terrorism.⁹⁷⁸

In addition to financial support, Canada has also provided much moral support towards counterterrorist initiatives. During a high-level meeting regarding the role of education in countering violent extremism hosted by the Hedayah Centre on 25 September 2013, Canadian Minister of State Lynne Yelich stated that "Empowering young people—the members of society who are the most susceptible to violent extremist ideology—and finding ways of nurturing resilience to violent extremist propaganda, is a critical issue for the Government of Canada."⁹⁷⁹ Canada continues to show strong support to certain Hedayah Centre priorities, such as deradicalisation and education.⁹⁸⁰ However, as of this G8 term, Canada has not financially supported the Hedayah Centre.

Thus, Canada has been awarded a +1 for its continued investment in the development of counterterrorist initiatives in vulnerable areas in Africa. It has also showed a strong presence in both the GCTF, of which it continues to be a strong co-founder of the Sahel Region working group, and the Hedayah Centre.

Analyst: Nikhil Pandey

France: +1

France has complied with its counter-terrorism commitment to take action to address the issues of radicalization and terrorist recruitment in North Africa. On top of publicly declaring its continued support for the GCTF and Hedayah Centre, France has devised a new national strategy to prevent radicalization.⁹⁸¹

⁹⁷⁵ Address by Parliamentary Secretary Obhrai at the Global Counterterrorism Forum, Department of Foreign Affairs, Trade and Development (Ottawa) 27 September 2013. Date of Access: 10 December 2013. <http://www.international.gc.ca/media/aff/speeches-discours/2013/09/27d.aspx?lang=eng>.

⁹⁷⁶ Address by Parliamentary Secretary Obhrai at the Global Counterterrorism Forum, Department of Foreign Affairs, Trade and Development (Ottawa) 27 September 2013. Date of Access: 10 December 2013. <http://www.international.gc.ca/media/aff/speeches-discours/2013/09/27d.aspx?lang=eng>.

⁹⁷⁷ Address by Parliamentary Secretary Obhrai at the Global Counterterrorism Forum, Department of Foreign Affairs, Trade and Development (Ottawa) 27 September 2013. Date of Access: 10 December 2013. <http://www.international.gc.ca/media/aff/speeches-discours/2013/09/27d.aspx?lang=eng>.

⁹⁷⁸ Minister Baird to Visit Algeria, Government of Canada's Department of Foreign Affairs, Trade and Development (Ottawa) 14 September 2013. Date of Access: 10 December 2013. <http://www.international.gc.ca/media/aff/news-communiques/2013/09/14b.aspx?lang=eng>.

⁹⁷⁹ Minister of State Yelich Delivers Remarks on the Role of Education in Countering Violent Extremism, Government of Canada's Department of Foreign Affairs, Trade and Development (New York City) 25 September 2013. Date of Access: 11 December 2013. <http://www.international.gc.ca/media/state-etat/photos/2013/09/27b.aspx?lang=eng>

⁹⁸⁰ Hedayah Fact Sheet, Hedayah Centre (Abu Dhabi) Date of Access: 02 December 2013. <http://www.hedayah.ae/pdf/hedayah-factsheet.pdf>.

⁹⁸¹ Countering Violent Extremism Working Group Plenary Meeting (London) 28 June 2013. Date of access: 18 December 2013. <http://www.thegctf.org/documents/10295/57638/Co-Chairs+Summary+CVE+Working+Group+Plenary+London>.

On 28 June 2013 in the CGTF Plenary Meeting, France detailed its emerging national strategy for preventing radicalization through “a multi-sectoral approach involving various governments, institutions and societies.”⁹⁸² At the CGTF Fourth Ministerial Plenary Meeting on 27 September 2013 in New York, France reiterated its continued support for the organization. In October 2013, France agreed to become part of the Denmark-sponsored action agenda for community engagement on counterterrorism and collaborating with other multilateral bodies such as the Counter-Terrorism Implementation Task Force.⁹⁸³

Therefore, France has been awarded a score of +1 for its continued collaboration with other governments and institutions in radicalization prevention and active efforts to counter terrorism.

Analyst: Maria Layarda

Germany: 0

Germany has partially complied with its commitment to enhance co-operation to counter violent extremism and provide support to vulnerable communities.

From 18 to the 19 April 2013, Germany participated in a GCTF workshop on countering violent extremism in West Africa and the Sahel. The workshop highlighted the importance of strengthening local law enforcement and improving citizens’ experience with the state in order to promote stability.⁹⁸⁴ The importance of active participation in civil society and strengthening of local civil groups was also emphasised as part of maintaining stability, and education and opportunities for youth were identified as two areas that must be strengthened in order to prevent increasing numbers of violent extremists.⁹⁸⁵

Thus, Germany has been awarded a score of 0 for its participation in international workshops and its support of addressing and countering the issues of violent extremism.

Analyst: Elizabeth Yando

Italy: +1

Italy has fully complied with its counterterrorism commitment to address the issues of terrorism in North Africa. Italy actively plays a role in countering violent extremism through research and education and the provision of financial assistance to Libya to improve the country’s security and stability.

At the CGTF Fourth Ministerial Plenary Meeting on 27 September 2013, Deputy Minister of Foreign Affairs Lapo Pistelli said that Italy would continue to support the counter-terrorism

⁹⁸²Countering Violent Extremism Working Group Plenary Meeting (London) 28 June 2013. Date of access: 18 December 2013. <http://www.thegctf.org/documents/10295/57638/Co-Chairs+Summary+CVE+Working+Group+Plenary+London>.

⁹⁸³Fourth Ministerial Plenary Meeting, Global Counterterrorism Forum (New York) 27 September 2013. Date of access: 19 December 2013. http://www.thegctf.org/documents/10162/62315/13Oct31_Co-Chairs+Summary_Fourth+Ministerial+Plenary.pdf.

⁹⁸⁴ Co-Chair Summary, Global Counterterrorism Forum workshop on countering violent extremism in West Africa and the Sahel, Global Counterterrorism Forum (Ouagadougou) 18-19 April 2013. Date of Access: 27 December 2013 <http://www.thegctf.org/documents/10299/44331/Co-Chairs+Summary-English>.

⁹⁸⁵ Co-Chair Summary, Global Counterterrorism Forum workshop on countering violent extremism in West Africa and the Sahel (Ouagadougou) 18-19 April 2013. Date of Access: 27 December 2013 <http://www.thegctf.org/documents/10299/44331/Co-Chairs+Summary-English>.

efforts of the CGTF and the Hedayah Centre.⁹⁸⁶ Lapo Pistelli also mentioned that the International Institute of Higher Studies in Criminal Sciences (ISISC), an Italian not-for-profit foundation sponsored by the Italian Government, wished to partner with the Institute for Justice and the Rule of Law. The ISISC has been a major contributor to the development of more effective criminal justice systems worldwide. The institution is currently hosting various educational seminars on Shari'a Laws for NATO military and civilian officers who are to be deployed in various post-conflict Islamic countries in North Africa. Another program that it is conducting includes the Technical Assistance Program in Support for Bahrain which aims to train Bahraini judges and public prosecutors.⁹⁸⁷

According to EU Border Assistance Mission, Italy has spent at least EUR 250 million to sponsor various security projects in Libya which are organized by Italy's defense and interior ministers. Italy is responsible in the training of 60 Libyan border guard officers and 65 infantrymen in Italy, 280 Libya military police in Tripoli and 150 more civilian police. Italy and Great Britain jointly trained the Libya Army.⁹⁸⁸ Finally, in its effort to help Libya to strengthen its borders to halt the flow of Islamist militants into the country, Italy has agreed to provide technical assistance to build a satellite surveillance system.⁹⁸⁹

Therefore, Italy has been awarded a score of 1 for actively engaging in counter-terrorism support through research and education, and in promoting security and stability in Libya.

Analyst: Maria Layarda

Japan: -1

Japan has not complied with its commitment to combat radicalization and terrorist recruitment.

In its National Security Strategy released on 17 December 2013 Japan announced that it would promote international counterterrorism efforts within the international community.⁹⁹⁰ The strategy also stated that Japan would aim to provide assistance to developing countries under threat of terrorism but do not have sufficient capacity for their own counterterrorism initiatives.⁹⁹¹

On 1-3 June 2013 Japan hosted the Fifth Tokyo International Conference on African Development (TICAD) in Yokohama, Japan. In the Yokohama Statement released at the end of the conference, Japan acknowledged that peace and stability are essential for growth and

⁹⁸⁶Fourth Ministerial Plenary Meeting, Global Counterterrorism Forum (New York) 27 September 2013. Date of access: 19 December 2013. http://www.thegctf.org/documents/10162/62315/13Oct31_Co-Chairs+Summary_Fourth+Ministerial+Plenary.pdf

⁹⁸⁷International Institute of Higher Studies in Criminal Sciences. Date of access: 20 December 2013 <http://www.isisc.org>

⁹⁸⁸Insight: Libya's training honeypot, Defence Web 17 December 2013. Date of Access: 20 December 2013. http://www.defenceweb.co.za/index.php?option=com_content&view=article&id=33068:insight-libyas-training-honeypot&catid=49:National%20Security&Itemid=115

⁹⁸⁹Libya seeks Italian help for satellite system for borders, Reuters (Tripoli) 26 November 2013. Date of Access: 20 December 2013. <http://www.reuters.com/article/2013/11/26/us-libya-security-idUSBRE9AP0U920131126>

⁹⁹⁰National Security Strategy, Office of the Prime Minister (Tokyo) 17 December 2013. Date of Access: 27 December 2013.

http://www.kantei.go.jp/foreign/96_abe/documents/2013/_icsFiles/afiedfile/2013/12/17/NSS.pdf

⁹⁹¹National Security Strategy, Office of the Prime Minister (Tokyo) 17 December 2013. Date of Access: 27 December 2013.

http://www.kantei.go.jp/foreign/96_abe/documents/2013/_icsFiles/afiedfile/2013/12/17/NSS.pdf

development.⁹⁹² To this end Japan committed to strengthening Africa's capacity to protect its people by supporting African initiatives.⁹⁹³ Additionally, they committed to breaking the cycles of conflict by addressing the root causes of instability in the region, as well as working with international bodies to promote peacekeeping and reformation necessary to achieve these goals.⁹⁹⁴

However, Japan has not contributed to the GCTF or the Hedayah Centre and as a result receives a compliance score of -1.

Analyst: Elizabeth Yando

Russia: 0

Russia has partially complied with the commitment on terrorism.

Russia is one of 30 founding members of the Global Counterterrorism Forum (GCTF).⁹⁹⁵

Special Representative of the President Alexander Zmeevsky participated in the GCTF Fourth Ministerial Plenary Meeting on 27 September 2013. Mr. Zmeevsky emphasized "Russia's desire to continue cooperating with partners within the framework of this Forum to find effective solutions."⁹⁹⁶

At the meeting Russia, among other countries, supported an implementation plan for the Madrid Memorandum on Good Practices for Assistance to Victims of Terrorism Immediately after the Attack and in Criminal Proceedings focused on implementation. GCTF participants discussed plans to establish a Global Fund for Community Engagement and Resilience to "support local, grassroots efforts to counter violent extremism in all of its forms and manifestations,"⁹⁹⁷ which will be independent of but associated with the GCTF. Mr. Zmeevsky indicated Russia's interest in the Fund, while noting that "the initiative will need more discussion at the expert level."⁹⁹⁸ He also noted that GCTF recommendations and other materials should not be automatically recognized by the United Nations as universal norms without implementation of required

⁹⁹²Yokohama Declaration 2013 Hand in Hand with a more dynamic Africa, Tokyo International Conference on African Development (Yokohama) 1-3 June 2013. Date of Access: 27 December 2013. http://www.mofa.go.jp/region/page3e_000053.html

⁹⁹³Yokohama Declaration 2013 Hand in Hand with a more dynamic Africa, Tokyo International Conference on African Development (Yokohama) 1-3 June 2013. Date of Access: 27 December 2013. http://www.mofa.go.jp/region/page3e_000053.html

⁹⁹⁴Yokohama Declaration 2013 Hand in Hand with a more dynamic Africa, Tokyo International Conference on African Development (Yokohama) 1-3 June 2013. Date of Access: 27 December 2013. http://www.mofa.go.jp/region/page3e_000053.html

⁹⁹⁵GCTF Members and Key Partners, Global Counterterrorism Forum. <http://www.thegctf.org/web/guest/members-and-partners>.

⁹⁹⁶Fourth Ministerial Plenary Meeting Co-Chairs' Summary, Global Counterterrorism Forum 27 September 2013. http://www.thegctf.org/documents/10162/62315/13Oct31_Co-Chairs+Summary_Fourth+Ministerial+Plenary.pdf.

⁹⁹⁷Co-chairs' Fact Sheet: Creating a Global Fund For Community Engagement and Resilience, Global Counterterrorism Forum 27 September 2013. http://www.thegctf.org/documents/10162/72297/13Sep19_Co-Chairs+Fact+Sheet+on+Global+Fund+for+Community+Engagement+and+Resilience.pdf.

⁹⁹⁸Fourth Meeting of the Coordinating Committee Co-Chairs' Summary, 26 September 2013. Global Counterterrorism Forum. http://www.thegctf.org/documents/10162/72405/13Oct31_Co-Chairs+Summary_Fourth+Coord+Committee.pdf.

procedures and broad discussion. However they should be used for further development in different international formats, including the UN.⁹⁹⁹

Russia has taken actions to support the GCTF but no facts about actions to address the issues of radicalisation and recruitment has been registered during the compliance period. Thus, it has been awarded a score of 0.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has partially complied with its commitment to take action to address the issues of terrorism, violent extremism and instability in regions of North Africa and Somalia..

The UK supports regional leadership from Economic Community of West African States and the African Union and EU training to help rebuild the Malian army.¹⁰⁰⁰ More specifically, the UK offered up to 40 personnel for the EU training mission to Mali and up to 200 personnel in support of the African-led support mission.¹⁰⁰¹

On 27 and 28 June 2013, the United Kingdom co-chaired the Countering Violent Extremism working group plenary meeting,¹⁰⁰² which was attended by extremism-focused working groups such as the Hedayah Centre and the GCTF.¹⁰⁰³ Besides helping with organization between working groups, the meeting also discussed topics such as the sources of radicalization and the importance of youth education as a means of combatting the early development of extremism.¹⁰⁰⁴ The UK also noted its support for the expansion of the Hedayah Centre.¹⁰⁰⁵

Thus, the United Kingdom has been awarded a score of +1 for its support for law enforcement capacity building in African countries as well as its support for deradicalization projects.

Analyst: Navmeet Jassal

⁹⁹⁹ Speech of Special Representative of the President A. Zmeevsky at the GCTF Fourth Ministerial Plenary Meeting, Ministry of Foreign Affairs of Russia 27 September 2013. <http://www.mid.ru/bdomp/ns-rkonfl.nsf/8850205d7c032570432569e000362cb1/44257b100055db8444257bf30066dd07>.

¹⁰⁰⁰ British aircraft supports African mission to Mali, Ministry of Defence (Mali) 14 February 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/news/british-aircraft-supports-african-mission-to-mali>.

¹⁰⁰¹ British aircraft supports African mission to Mali, Ministry of Defence (Mali) 14 February 2013. Date of Access: 20 December 2013. <https://www.gov.uk/government/news/british-aircraft-supports-african-mission-to-mali>.

¹⁰⁰² Working Groups, Global Counterterrorism Forum (New York) 2013. Date of Access: 2 January 2013. <http://www.thegctf.org/web/guest/countering-violent-extremism>.

¹⁰⁰³ Countering Violent Extremism (CVE) Working group Plenary Meeting, Global Counterterrorism Forum (New York) 28 June 2013. Date of Access: 2 January 2013. <http://www.thegctf.org/documents/10295/57638/>

Co-Chairs+Summary+CVE+Working+Group+Plenary+London.

¹⁰⁰⁴ Countering Violent Extremism (CVE) Working group Plenary Meeting, Global Counterterrorism Forum (New York) 28 June 2013. Date of Access: 2 January 2013. <http://www.thegctf.org/documents/10295/57638/>

Co-Chairs+Summary+CVE+Working+Group+Plenary+London.

¹⁰⁰⁵ Countering Violent Extremism (CVE) Working group Plenary Meeting, Global Counterterrorism Forum (New York) 28 June 2013. Date of Access: 2 January 2013. <http://www.thegctf.org/documents/10295/57638/>

Co-Chairs+Summary+CVE+Working+Group+Plenary+London.

United States: +1

The United States has fully complied with its commitment towards counterterrorism. It continues to maintain a strong presence as co-chair of the Coordinating Committee of the GCTF, both financially and executively supporting many of their new initiatives. Additionally, the United States provided contributions to the counterterrorism discourse such as the notion of local-level capacity building. The United States also continues to execute their counterterrorism strategies in certain regions of Africa.

On 27 September 2013, during the fourth Plenary GCTF meeting, U.S. Secretary of State John Kerry reassured the U.S.'s strong continued commitment to counterterrorism, discussing matters such as providing counterterrorist narratives, targeting risk factors in vulnerable areas such as Mali and Yemen by "providing more economic opportunities for marginalized youth at risk of recruitment,"¹⁰⁰⁶ and continued global cooperation. In his speech, Kerry also announced that the U.S. will be donating an additional USD30 million towards such efforts. Lastly, Kerry mentioned that the GCTF will be starting a global fund for grassroots counterterrorism organizations.¹⁰⁰⁷ The U.S. asserted that successful counterterrorism efforts need to "address local drivers of radicalization to violence and recruitment. To be effective, CVE efforts need to be driven by local needs, informed by local knowledge, responsive to the immediate concerns of local communities."¹⁰⁰⁸

The U.S. has acknowledged the idea that "the war of narratives has become more even important than the war of navies, napalm, and knives."¹⁰⁰⁹ As a result, the United States continues to support organizations such as the Hedayah Centre as they provide counterterrorist narratives and de-radicalised education at local levels. Although the United States has shown interest and moral support towards the Hedayah Centre and its respective goals and capacities, it has not provided any financial support.

Therefore, the United States have been awarded a +1 for their contributions to counterterrorism as they continue to combat radicalization and terrorist recruitment in certain areas of Africa.

Analyst: Nikhil Pandey

European Union: +1

The European Union has partially complied to provide support and taken action to address the issues of terrorism, violent extremism and deradicalization. Much of the European Union's

¹⁰⁰⁶ Remarks at the Global Counterterrorism Forum Ministerial, US Department of State (New York City) 27 September 2013. Date of Access: 12 December 2013.

<http://www.state.gov/secretary/remarks/2013/09/214877.htm>

¹⁰⁰⁷ Remarks at the Global Counterterrorism Forum Ministerial, US Department of State (New York City) 27 September 2013. Date of Access: 12 December 2013.

<http://www.state.gov/secretary/remarks/2013/09/214877.htm>

¹⁰⁰⁸ Fourth Ministerial Plenary 27 September 2013, New York Co-Chairs' Fact Sheet: Creating a Global Fund for Community Engagement and Resilience, US Department of State (Washington) 27 September 2013. Date of Access: 12 December 2013. <http://www.state.gov/r/pa/prs/ps/2013/09/214853.htm>

¹⁰⁰⁹ Terrorist, Regime, and Western Media: The War of Ideas in the Disinformation Age, US Department of State (Washington) 11 December 2013. Date of Access: 13 December 2013. <http://www.state.gov/r/csc/releases/218606.htm>

activity towards combatting terrorist radicalization and recruitment comes in the form of the EU-wide Radicalization Awareness Network (RAN) set up by the European Commission in 2011.¹⁰¹⁰

On 25 June 2013, the Steering Committee of the RAN met in Brussels to discuss the preparation of the EU Programme to Prevent Radicalization into Violent Extremism and Terrorism.¹⁰¹¹ The meeting also produced a call for methods to prevent EU citizens from becoming fighters in Syria.¹⁰¹²

On the 23 and 24 September 2013, the RAN co-chaired a Belgian conference on the prevention of radicalization. RAN France also held its first meeting on 10 October 2013.¹⁰¹³

In October 2013, the RAN continued development on the RAN Collection of Promising Practices meant to identify methods to combat radicalization. The RAN has identified youth education, dialogue and counter-narratives as being particularly important, among other tactics.¹⁰¹⁴

The European Union has taken action towards addressing the issues of terrorism and radicalization. Thus, it has been awarded a score of +1 for full compliance.

Analyst: Navmeet Jassal

¹⁰¹⁰ Radicalization Awareness Network, European Commission (Brussels) 10 October 2013. Date of access: 6 January 2013. http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/radicalisation_awareness_network/index_en.htm.

¹⁰¹¹ RAN Update 8, European Commission (Brussels) 19 July 2013. Date of access: 6 January 2013. http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/radicalisation_awareness_network/ran-news/index_en.htm#update0010.

¹⁰¹² RAN Update 8, European Commission (Brussels) 19 July 2013. Date of access: 6 January 2013. http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/radicalisation_awareness_network/ran-news/index_en.htm#update0010.

¹⁰¹³ RAN Update 9, European Commission (Brussels) 26 September 2013. Date of access: 6 January 2013. http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/radicalisation_awareness_network/ran-news/index_en.htm#update0010.

¹⁰¹⁴ RAN Update 9, European Commission (Brussels) 26 September 2013. Date of access: 6 January 2013. http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/radicalisation_awareness_network/ran-news/index_en.htm#update0010.

17. Regional Security: Deauville Partnership [186]

Commitment:

“And we will support the transition of Arab Spring countries across North Africa through the Deauville Partnership working for open economies and inclusive growth.”

2013 G8 Lough Erne Declaration

Assessment:

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

Background:

The Deauville Partnership for Arab Countries in Transition was established at the 2011 G8 Deauville Summit, in response to the events of the Arab Spring across the Middle East and North Africa.

The Partnership was designed to assist reform in Egypt, Jordan, Tunisia, Libya and Morocco.¹⁰¹⁵

The Partnership is comprised of the G8 members, Qatar, Kuwait, the United Arab Emirates, Saudi Arabia, Turkey, Tunisia, Morocco, Libya, Jordan, and Egypt as well as international financial institutions and organizations that have pledged to provide support to the five countries in transition.¹⁰¹⁶

Countries and International Institutions which participate in the Deauville Partnership:

¹⁰¹⁵ Deauville Partnership With Arab Countries in Transition, U.S. Department of State (Washington DC) 18-19 May 2012. Date of Access: 4 December 2012. <http://www.state.gov/e/eb/ecosum/2012g8/deauville/>.

¹⁰¹⁶ Deauville Partnership With Arab Countries in Transition, U.S. Department of State (Washington DC) 18-19 May 2012. Date of Access: 4 December 2012. <http://www.state.gov/e/eb/ecosum/2012g8/deauville/>.

States	International Financial Institutions and Organizations	Other International Organizations
<i>Countries funded/supported:</i> Egypt, Jordan, Libya, Morocco, Tunisia, Yemen <i>G8 members:</i> Canada, France, Germany, Italy, Japan, Russia, United Kingdom, United States, European Union Regional partners: Kuwait, Qatar, Saudi Arabia, Turkey, United Arab Emirates	African Development Bank, Arab Fund for Economic and Social Development, Arab Monetary Fund, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Islamic Development Bank, OPEC Fund for International Development, World Bank	Arab League, Organisation for Economic Co-operation and Development, and various United Nations organizations

The Partnership focuses on two pillars: the first is a political element aimed at supporting democratic transition and reform. The second is an economic framework for fostering stability and growth in the transitioning countries.

At the Camp David Summit, the G8 released a fact-sheet declaring their maintained commitment to the Deauville Partnership and articulating four priority areas in which efforts would be focused: stabilization, job creation, participation/governance, and integration.¹⁰¹⁷

At the Lough Erne Summit of June 2013, the summit communiqué expressed renewed commitment to the economic element of the Partnership.

Commitment Features:

This commitment has two elements: working for “open economies” and “inclusive growth.”

The Camp David Fact Sheet on G8 Action on the Deauville Partnership outlines specific measures which members should undertake in order to achieve the Partnership’s goals. Two of the priorities it lists — job creation and integration — correspond to the open-economies and inclusive-growth elements of the commitment reaffirmed at Lough Erne.

The integration priority outlines strategies to open up transition countries’ economies to trade and investment. This includes encouraging or coordinating initiatives with international or regional financial institutions to promote increased trade, coordinating bilateral and regional trade initiatives, facilitating commercial ties with crucial industries in transition countries, and providing technical assistance.¹⁰¹⁸

The job creation priority outlines strategies to allow transition economies to benefit all citizens through job creation and investment. Members can facilitate the creation of a new Transition

¹⁰¹⁷ Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto), 19 May 2012. Date of Access: 4 December 2013.

<http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

¹⁰¹⁸ Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre 19 May 2012. Date of Access: 4 December 2013.

<http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

Fund and a special fund of the European Bank for Reconstruction and Development for investment in the transition countries, with a focus on improving worker's skills.¹⁰¹⁹

To achieve full compliance, members must directly facilitate or coordinate either an initiative to promote increased trade or commercial ties, provide technical assistance, or facilitate the creation of new special funds for investment in transition countries.

A member can achieve partial compliance by encouraging or endorsing such initiatives, rather than directly coordinating them. A score of non-compliance indicates that a member has neither encouraged nor coordinated.

Scoring Guidelines:

-1	Member does not encourage new initiatives to promote trade, investment, NOR provides technical assistance to transition countries.
0	Member encourages new initiatives to promote trade or investment in transition countries, OR provides technical assistance to transition countries.
+1	Member encourages initiatives to promote trade or investment in transition countries, AND provides technical assistance to transition countries.

Lead Analyst: Emily Johnson

Canada: +1

Canada has fully complied with its commitment to 'open economies' and 'inclusive growth' for the Deauville Partnership for countries in transition.

On 10 October 2013, Canada's Minister of Finance Jim Flaherty attended the Deauville Partnership Finance Minister's Meeting in Washington DC.¹⁰²⁰ The meeting included affirmations of commitment to the Partnership, and allocated fund from the MENA transition fund to projects in the transition countries.¹⁰²¹

On 18 December 2013, Canada launched a CAD 5 million program to support small and medium-sized enterprises (SMEs), job creation, and exports in Morocco.¹⁰²² The Export Development for Employment Creation program aims to boost the competitiveness of small businesses, readying them to take advantage of trade openness.¹⁰²³

¹⁰¹⁹ Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 4 December 2013.

<http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

¹⁰²⁰ Chair's Statement, Deauville Partnership Finance Minister's Meeting (Washington DC) 10 October 2013. Date of Access: 5 January 2014.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰²¹ Chair's Statement, Deauville Partnership Finance Minister's Meeting (Washington DC) 10 October 2013. Date of Access: 5 January 2014.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰²² Boosting SME Competitiveness and Job Creation in Morocco, International Trade Center (Rabat) 18 December 2013. Date of Access: 5 January 2014. <http://www.intracen.org/news/Boosting-SME-competitiveness-and-job-creation-in-Morocco/>.

¹⁰²³ Boosting SME Competitiveness and Job Creation in Morocco, International Trade Center (Rabat) 18 December 2013. Date of Access: 5 January 2014. <http://www.intracen.org/news/Boosting-SME-competitiveness-and-job-creation-in-Morocco/>.

For its support of SMEs in Morocco and its participation in Deauville meetings, Canada is awarded a score of +1 for full compliance.

Analyst: Emily Johnson

France: +1

On 5 July 2013, French President François Hollande announced that France will provide EUR 500 million in loans and grants to Tunisia.¹⁰²⁴ Additionally, France will convert EUR 60 million of Tunisian debt into investments, in agricultural development, vocational training, and other projects.¹⁰²⁵

On 10 October 2013, French Finance Minister Pierre Moscovici attended the Deauville Partnership Finance Ministers Meeting in Washington DC.¹⁰²⁶ The meeting affirmed commitment to the Partnership, and reviewed progress made in 2013.¹⁰²⁷

From 26-28 October 2013, France's representatives attended the second Arab Forum on Asset Recovery (AFAR II) in Marrakech, Morocco — the initiative to support asset recovery efforts by Arab Countries in Transition.¹⁰²⁸ The French Asset Recovery Action Plan outlines the French Government's actions in returning stolen assets and a plan to provide specialized training for transition countries in financial investigation techniques and asset recovery.¹⁰²⁹

Due to France's actions to provide Tunisia with loans and grants necessary to stimulate job creation, France is awarded a +1 for full compliance.

Analyst:

Germany: 0

Germany has partially complied with its commitment to facilitate or coordinate initiatives to promote trade or investment in transition countries in accordance with the Deauville Partnership.

¹⁰²⁴ Tunisie: François Holland annonce 500 millions d'euros de prêts et dons, Le Parisien (Paris) 5 July 2013. Date of Access: 4 January 2014. <http://www.leparisien.fr/international/tunisie-francois-hollande-annonce-500-millions-d-euros-de-prets-et-dons-05-07-2013-2957457.php>.

¹⁰²⁵ Tunisie: François Holland annonce 500 millions d'euros de prêts et dons, Le Parisien (Paris) 5 July 2013. Date of Access: 4 January 2014. <http://www.leparisien.fr/international/tunisie-francois-hollande-annonce-500-millions-d-euros-de-prets-et-dons-05-07-2013-2957457.php>.

¹⁰²⁶ Chair's Statement, Deauville Partnership Finance Minister's Meeting (Washington DC) 10 October 2013. Date of Access: 1 January 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰²⁷ Chair's Statement, Deauville Partnership Finance Minister's Meeting (Washington DC) 10 October 2013. Date of Access: 1 January 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰²⁸ Arab Forum on Asset Recovery 2013, World Bank (Washington DC) 28 October 2013. Date of Access: 31 December 2013. <http://star.worldbank.org/star/ArabForum/arab-forum-2013>.

¹⁰²⁹ France USD Recovery Action Plan Implementation Road Map, Stolen USD Recovery Initiative, World Bank(Washington D.C) Date of Access: 3 January 2014. http://star.worldbank.org/star/sites/star/files/french_USD_recovery_action_plan_road_map-final.pdf.

On 16 September 2013, Germany, along with other parties involved in the Deauville Partnership, sent a delegation to the G8 Deauville Partnership Investment in London.¹⁰³⁰

On 25 September 2013, the Minister of Foreign Affairs attended the G8 Deauville Partnership Foreign Minister's Meeting in New York.^{1031,1032}

On 10 October 2013, Germany's Finance Minister attended the Deauville Partnership Finance Ministers Meeting in Washington.¹⁰³³ The meeting affirmed commitment to the Partnership, and reviewed progress made in 2013.¹⁰³⁴

On 26-28 October 2013, Germany's representatives attended the second Arab Forum on Asset Recovery (AFAR II) in Marrakech, Morocco — the initiative to support asset recovery efforts by Arab Countries in Transition.¹⁰³⁵ The German Asset Recovery Action Plan outlines the German Government's actions in returning stolen assets and providing specialized training for transition countries in financial investigation techniques and asset recovery.¹⁰³⁶

¹⁰³⁰ G8 Deauville Partnership Investment Conference, Foreign & Commonwealth Office (London) 13 September 2013. Date of Access: 30 December 2013. <https://www.gov.uk/government/news/g8-deauville-partnership-investment-conference>.

¹⁰³¹ G8 Deauville Partnership Foreign Minister Meeting, Ministry of Foreign Affairs (Tokyo) 25 September 2013. Date of Access: 31 December 2013. http://www.mofa.go.jp/policy/page18e_000023.html.¹⁰³¹
Deauville Partnership for Arab Countries in Transition, Working for peace and long-term stability in the Middle East in North Africa, United Kingdom Government (London) 12 October 2013. Date of Access: 1 January 2013. <https://www.gov.uk/government/policies/working-for-peace-and-long-term-stability-in-the-middle-east-and-north-africa/supporting-pages/deauville-partnership>.

¹⁰³¹ Chair's Statement, Deauville Partnership Finance Minister's Meeting, United Kingdom Government (London) 10 October 2013. Date of Access: 1 January 2013.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰³¹ Chair's Statement, Deauville Partnership Finance Minister's Meeting, United Kingdom Government (London) 10 October 2013. Date of Access: 1 January 2013.
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰³¹ Arab Forum on Asset Recovery 2013, World Bank (Washington DC) 28 October 2013. Date of Access: 31 December 2013. <http://star.worldbank.org/star/ArabForum/arab-forum-2013>.

¹⁰³² Guide for German Asset Recovery, Stolen Asset Recovery Initiative, World Bank/UNODC (Washington DC) Date of Access: 30 December 2013. <http://star.worldbank.org/star/sites/star/files/asset-recovery-in-german-law-english.pdf>.

¹⁰³³ Deauville Partnership for Arab Countries in Transition, Working for peace and long-term stability in the Middle East in North Africa, (London) 12 October 2013. Date of Access: 1 January 2013.
<https://www.gov.uk/government/policies/working-for-peace-and-long-term-stability-in-the-middle-east-and-north-africa/supporting-pages/deauville-partnership>

¹⁰³⁴ Donors and Partners, Middle East and North Africa Transition Fund. Date of Access: 30 December 2013. <http://www.menatransitionfund.org/content/donors-and-partners>

¹⁰³⁴ Donors and Partners, Middle East and North Africa Transition Fund. Date of Access: 30 December 2013. <http://www.menatransitionfund.org/content/donors-and-partners>

¹⁰³⁵ The Deauville Partnership Progress Report 2013 (London) 8 October 2013. Date of Access: 1 January 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf

¹⁰³⁶ Guide for German Asset Recovery, Stolen Asset Recovery Initiative, World Bank/UNODC (Washington DC) Date of Access: 30 December 2013. <http://star.worldbank.org/star/sites/star/files/asset-recovery-in-german-law-english.pdf>.

Germany delivered several pledges of funding and other supportive measures to foster job creation and offer access to finances for transition countries during 2011. It has not pledged further funds, debt swaps, or loan agreements since the Lough Erne Summit.

For attending Deauville Partnership meetings and encouraging the Partnership's work, Germany has been awarded a score of 0 for partial compliance.

Analyst: Liam Moloney

Italy: 0

Italy has not yet implemented measures to fully comply with the economic goals of the Deauville Partnership.

Italian representatives attended the G8 Deauville Partnership Investment Conference on 16 September 2013 in London to discuss both barriers to investment and the role of transition countries.¹⁰³⁷

On 10 October 2013, Italy's Finance Minister attended the Deauville Partnership Finance Ministers Meeting in Washington DC.¹⁰³⁸ The meeting affirmed commitment to the Partnership, and reviewed progress made in 2013.¹⁰³⁹

Italy attended the second Arab Forum on Asset Recovery in Morocco from 26-28 October 2013.¹⁰⁴⁰ Italy's Asset Recovery Action Plan Implementation Road Map was published at this event in which Italy highlighted its goals to promote legal and institutional reforms as well as strengthen frameworks to manage recovered funds.¹⁰⁴¹

Though Italy has acknowledged the importance of the Deauville Partnership, Italy has encouraged these initiatives rather than directly contributed, and is thus awarded a compliance score of 0.

Analyst: Ifath Fatima

¹⁰³⁷ G8 Deauville Partnership Investment Conference, United Kingdom Government (London) 16 September 2013. Date of Access: 31 December 2013. <https://www.gov.uk/government/news/g8-deauville-partnership-investment-conference>.

¹⁰³⁸ Chair's Statement, Deauville Partnership Finance Minister's Meeting, United Kingdom Government (London) 10 October 2013. Date of Access: 1 January 2013. [https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Fin_Arab_Forum_on_Asset_Recovery_2013_World_Bank_\(Washington_DC\)_26-28_October_2013.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Fin_Arab_Forum_on_Asset_Recovery_2013_World_Bank_(Washington_DC)_26-28_October_2013.pdf).
¹⁰³⁹ Chair's Statement, Deauville Partnership Finance Minister's Meeting, United Kingdom Government (London) 10 October 2013. Date of Access: 1 January 2013. [https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Fin_Arab_Forum_on_Asset_Recovery_2013_World_Bank_\(Washington_DC\)_26-28_October_2013.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Fin_Arab_Forum_on_Asset_Recovery_2013_World_Bank_(Washington_DC)_26-28_October_2013.pdf).
¹⁰⁴⁰ Italy Asset Recovery Action Plan Implementation Road Map 2013, World Bank (Washington DC) 27 October 2013. Date of Access: 31 December 2013. http://star.worldbank.org/star/sites/star/files/italy_-_asset_recovery_action_plan_road_map_2013_final.pdf.

¹⁰⁴¹ Italy Asset Recovery Action Plan Implementation Road Map 2013, World Bank (Washington DC) 27 October 2013. Date of Access: 31 December 2013. http://star.worldbank.org/star/sites/star/files/italy_-_asset_recovery_action_plan_road_map_2013_final.pdf.

Japan: 0

Japan has partially complied with its commitment, through the Deauville Partnership, to support the transition of Arab Spring countries. Japan has encouraged initiatives to promote investment and inclusive growth, but has not provided direct assistance or coordinated initiatives.

On 25 September 2013, the Minister of Foreign Affairs Funio Kishida attended the G8 Deauville Partnership Foreign Minister Meeting in New York.¹⁰⁴² At this meeting, Japan, along with other participants, noted the importance of promoting greater investment in the region, providing support to SMEs, and encouraging women's participation in economies. Japan, as well as other participants confirmed their participation in maintaining the Deauville Partnership.¹⁰⁴³

On 10 October 2013, Japan's Finance Minister attended the Deauville Partnership Finance Ministers Meeting in Washington DC.¹⁰⁴⁴ The meeting affirmed commitment to the Partnership, and reviewed progress made in 2013.¹⁰⁴⁵

From 26-28 October 2013, Japan attended the second Arab Forum on Asset Recovery (AFAR II) in Marrakech, Morocco — an initiative to support asset recovery efforts by Arab Countries in Transition.¹⁰⁴⁶

On its Asset Recovery Action Plan Implementation Road Map 2013 published at the AFAR, Japan noted its plan to work with the UNODC, through Stolen Asset Recovery (StAR) Initiative, to provide training to prosecutors, judges and financial analysts to Tunisia.¹⁰⁴⁷

Since the Lough Erne Summit, Japan has not provided direct loans or grants to any Partnership countries.¹⁰⁴⁸

For its role in encouraging initiatives to promote growth and stability, Japan has received a score of 0 for partial compliance.

Analyst: Julianna Yang

¹⁰⁴² G8 Deauville Partnership Foreign Minister Meeting, Ministry of Foreign Affairs (Tokyo) 25 September 2013. Date of Access: 31 December 2013. http://www.mofa.go.jp/policy/page18e_000023.html.

¹⁰⁴³ G8 Deauville Partnership Foreign Minister Meeting, Ministry of Foreign Affairs (Tokyo) 25 September 2013. Date of Access: 31 December 2013. http://www.mofa.go.jp/policy/page18e_000023.html.

¹⁰⁴⁴ Chair's Statement, Deauville Partnership Finance Minister's Meeting, United Kingdom Government (London) 10 October 2013. Date of Access: 1 January 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰⁴⁵ Chair's Statement, Deauville Partnership Finance Minister's Meeting, United Kingdom Government (London) 10 October 2013. Date of Access: 1 January 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/249797/Deauville_Partnership_Finance_Ministers_Meeting_Chair_s_Statement_10_Oct_2013.pdf.

¹⁰⁴⁶ Arab Forum on Asset Recovery 2013, World Bank (Washington DC) 28 October 2013. Date of Access: 31 December 2013. <http://star.worldbank.org/star/ArabForum/arab-forum-2013>.

¹⁰⁴⁷ Japan Asset Recovery Action Plan Implementation Road Map 2013, World Bank (Washington DC) 27 October 2013. Date of Access: 31 December 2013.

http://star.worldbank.org/star/sites/star/files/japans_asset_recovery_roadmap_2013-final.pdf.

¹⁰⁴⁸ The Deauville Partnership Progress Report 2013, United Kingdom Government (London) 8 October 2013. Date of Access: 1 January 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf

Russia: 0

Russia has partially complied with the commitment on the Deauville Partnership.

According to the Russian Government decision of 22 November 2012, Russia allocated USD 3 million to the creation of sustainable school meals systems in the Deauville Partnership countries in 2013.¹⁰⁴⁹ The project provides for supplies of up to 7764 tonnes of Russian food and development of a program for national school meals system modernization in 2012-2014. It will be implemented on the basis of the World Food Programme's regional bureau for Commonwealth of Independent States members, Eastern Europe, Asia, Middle East and North Africa and country offices in Jordan, Tunisia and Morocco.¹⁰⁵⁰

Russia has provided technical assistance to transition countries, but no facts of encouraging new initiatives to promote trade or investment in transition countries has been registered during the compliance period. Thus, it has been awarded a score of 0.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has fully complied with the goals of the Deauville Partnership.

The UK held the presidency of the G8 for 2013, and therefore acted as chair of the Deauville Partnership.¹⁰⁵¹

In June 2013, the UK began a mentoring initiative called FORSA to assist the development of small and medium-sized enterprises (SMEs) within the Arab Countries in Transition.¹⁰⁵² Through the EUR 70 million Arab Partnership Economic Facility (APEF), the UK is providing direct support for job creation in transition countries.¹⁰⁵³

At the Arab Women's Conference hosted by the UK in London on 25-26 June 2013, International Development Secretary Justine Greening announced an initial UK fund of EUR 4 billion towards building women's economic participation.¹⁰⁵⁴

¹⁰⁴⁹ Government Resolution № 2153-p of 22 November 2012, Government of Russia 22 November 2012. <http://government.ru/docs/5911>.

¹⁰⁵⁰ Materials for the Russian Government Meeting, Government of Russia 14 November 2012. <http://government.ru/announcements/6111>.

¹⁰⁵¹ Deauville Partnership for Arab Countries in Transition, Working for peace and long-term stability in the Middle East in North Africa, United Kingdom Government (London) 12 October 2013. Date of Access: 1 January 2013. <https://www.gov.uk/government/policies/working-for-peace-and-long-term-stability-in-the-middle-east-and-north-africa/supporting-pages/deauville-partnership>.

¹⁰⁵² G8 Deauville Partnership: SME Mentoring Scheme, United Kingdom Government (London) 3 September 2013. Date of Access: 1 January 2013. <https://www.gov.uk/government/news/g8-deauville-partnership-sme-mentoring-scheme>.

¹⁰⁵³ Progress Report 2013: The Deauville Partnership with Arab Countries in Transition, United Kingdom Government (London) 2013. Date of Access: 1 January 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf

¹⁰⁵⁴ G8 Deauville Partnership: Women's Economic Participation, United Kingdom Government (London) 2 September 2013. Date of Access: 1 January 2013. <https://www.gov.uk/government/news/g8-deauville-partnership-womens-economic-participation>.

On 16 September 2013, as part of the UK's Presidency, Britain hosted the Deauville Partnership Investment Conference to discuss barriers that exist in investment. The event provided networking opportunities between potential investors and members of the Partnership. Through the European Bank for Reconstruction and Development, the UK will contribute EUR 5 million to technical assistance to enterprises.¹⁰⁵⁵

The UK organized three sessions of the Arab Forum on Asset Recovery in Qatar, Egypt, London, and co-organized one with Morocco in Marrakech on 26-28 October 2013. The UK's Asset Recovery Action Plan Implementation Road Map was published at this event in which the UK stated its intent to provide assistance on legal and institutional reform to any countries in the Middle East and North Africa (MENA) region that requests it.¹⁰⁵⁶

The MENA Transition Fund's objective is to improve lives within transition countries by providing grants for technical cooperation to which the UK contributed USD50 million.¹⁰⁵⁷

The United Kingdom directly facilitated initiatives to provide access to finance for SMEs, facilitated funds for investment in transition countries, and provided technical support. Thus, the UK is awarded +1 for full compliance.

Analyst: Ifath Fatima

United States: +1

The United States has fully complied with its commitment to working towards open economies and inclusive growth of Arab Spring countries in transition by providing technical assistance and finances.

The United States has continued to play an active role in the Arab Forum on Asset Recovery (AFAR), an initiative to support asset recovery efforts by Arab Countries in Transition.¹⁰⁵⁸

The U.S. sent a ministerial-level delegation to the Second Meeting of AFAR from 26-28 October 2013 in Marrakech, Morocco.¹⁰⁵⁹ The delegation took an active role in planning and delivering

¹⁰⁵⁵ G8 Deauville Partnership Investment Conference, United Kingdom Government (London) 13 September 2013. Date of Access: 1 January 2013. <https://www.gov.uk/government/news/g8-deauville-partnership-investment-conference>.

¹⁰⁵⁶ Asset Recovery and the G8 Deauville Partnership with Arab Countries in Transition, United Kingdom Government (London) 8 October 2013. Date of Access: 1 January 2013. <https://www.gov.uk/government/news/asset-recovery-and-the-g8-deauville-partnership-with-arab-countries-in-transition>.

¹⁰⁵⁷ United Kingdom Asset Recovery Action Plan Implementation Road Map 2013, World Bank (Washington DC) 27 October 2013. Date of Access: 1 January 2013. http://star.worldbank.org/star/sites/star/files/uk_asset_recovery_action_plan_road_map-final.pdf.

¹⁰⁵⁸ Deauville Partnership with Arab Countries in Transition—Governance Pillar: Action Plan on Asset Recovery, U.S. Department of State (Washington DC) 21 May 2012. Date of Access: 1 Jan 2013. <http://www.state.gov/j/inl/rls/190483.htm>.

¹⁰⁵⁹ Address by Attorney General Eric Holder at the Arab Forum on Asset Recovery, U.S. Department of Justice (Washington DC) 28 October 2013. Date of Access: 30 December 2013. <http://www.justice.gov/iso/opa/ag/speeches/2013/ag-speech-131028.html>.

special sessions and providing expert trainers at the forum. Furthermore, the United States provided funding to the Stolen Asset Recovery Initiative (StAR) in its support of the AFAR.¹⁰⁶⁰

At the same Forum, the U.S. stated in its AFAR Action Plan Implementation Road Map that it has already delivered courses on asset recovery to the Deauville Partnership Countries of Egypt and Yemen in 2013 and plan to deliver more courses to Libya and Tunisia in early 2014.¹⁰⁶¹

On 28 October 2013 at the AFAR, Attorney General Eric Holder of the United States Department of Justice stated that he has instructed the Justice Department to appoint attorneys to work exclusively with Deauville transition countries and their regional partners to provide technical legal assistance on asset recovery.¹⁰⁶²

On 31 October 2013, the U.S. Department of State announced that the United States guaranteed a USD1.25 billion sovereign bond issuance by the Kingdom of Jordan.¹⁰⁶³ The guarantee provides access to finance that improves Jordan's macroeconomic stability, and facilitates job training and job creations for Jordanians.¹⁰⁶⁴

Asset recovery measures and the institutional reforms that surround it contributes to a strong economic environment free from corruption and conducive to growth.

Therefore the United States has been given a score of +1 for providing direct technical assistance to the Deauville Countries and continuing promotion of inclusive growth and open economies.

Analyst: Julianna Yang

European Union: +1

The European Union has fully complied with its commitment to promote open economies and inclusive growth in Deauville Partnership transition countries.

On 24 June 2013, the European Union and the European Bank for Reconstruction and Development (EBRD) announced the official launch of support for small and medium-sized enterprises (SMEs) in Egypt.¹⁰⁶⁵ The EU provided EUR 2.4 million to the EBRD's Small

¹⁰⁶⁰ U.S. AFAR Action Plan Implementation Road Map, World Bank (Washington DC) 27 October 2013. Date of Access: 30 December 2013.

http://star.worldbank.org/star/sites/star/files/us_asset_recovery_action_plan_road_map-final.pdf.

¹⁰⁶¹ U.S. AFAR Action Plan Implementation Road, World Bank (Washington DC) Map 27 October 2013. Date of Access: 30 December 2013.

http://star.worldbank.org/star/sites/star/files/us_asset_recovery_action_plan_road_map-final.pdf.

¹⁰⁶² Address by Attorney General Eric Holder at the Arab Forum on Asset Recovery, U.S. Department of Justice (Washington DC) 28 October 2013. Date of Access: 30 December 2013.

<http://www.justice.gov/iso/opa/ag/speeches/2013/ag-speech-131028.html>.

¹⁰⁶³ Government of Jordan Issues \$1.25 Billion Bond with U.S. Guarantee, U.S. Department of State (Washington DC) 31 October 2013. Date of Access: 1 January 2014.

<http://www.state.gov/r/pa/prs/ps/2013/10/216115.htm>.

¹⁰⁶⁴ Government of Jordan Issues \$1.25 Billion Bond with U.S. Guarantee, U.S. Department of State (Washington DC) 31 October 2013. Date of Access: 1 January 2014.

<http://www.state.gov/r/pa/prs/ps/2013/10/216115.htm>.

¹⁰⁶⁵ European Union and EBRD Officially Launch a Facility for Advisory Support to SMEs in Egypt, European Bank for Reconstruction and Development (London) 24 June 2013. Date of Access: 1 January 2013. <http://www.ebrd.com/pages/news/press/2013/130624a.shtml>.

Business Support initiative, which supports provides business advice to Egyptian enterprises. This effort is aimed at bolstering the private sector and job creation.¹⁰⁶⁶

Other measures in which the E.U. has participated, such as grants to financial infrastructure and SMEs through the European Neighborhood Partnership Instrument, were initiated in years previous to the Lough Erne Summit.¹⁰⁶⁷

For its direct support of SMEs in transition countries, the EU is awarded a score of +1 for full compliance.

Analyst: Emily Johnson

¹⁰⁶⁶ European Union and EBRD Officially Launch a Facility for Advisory Support to SMEs in Egypt, European Bank for Reconstruction and Development (London) 24 June 2013. Date of Access: 1 January 2013. <http://www.ebrd.com/pages/news/press/2013/130624a.shtml>.

¹⁰⁶⁷ The Deauville Partnership Progress Report 2013, United Kingdom Government (London) 8 October 2013. Date of Access: 1 January 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/248907/130925_DP_progress_rpt.pdf.

18. Regional Security: Syria [198]

Commitment:

“[We are determined to work together to] support the Syrian people to establish peace and stability through political means.”

2013 Lough Erne Declaration

Assessment:

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

Background:

At the time of the 2013 G8 Summit in Lough Erne the crisis in Syria had reached critical levels. Over 93,000 people had died, with another 4.2 million internally displaced and 1.6 million refugees.¹⁰⁶⁸ The G8 acknowledged the significant humanitarian role neighboring countries undertook by bearing the brunt of Syrian refugees. The G8 noted in particular the significant economic and security pressures Lebanon and Jordan were facing as a result of the conflict. The G8 reaffirmed their determination to “work together to stop the bloodshed and loss of life in Syria and to support the Syrian people to establish peace and stability through political means.”¹⁰⁶⁹

In 2013 the UN requested USD5.2 billion to address the consequences of the conflict in Syria. In response, the G8 stated their resolve to make “exceptional contributions commensurate with the scale of the problem.”¹⁰⁷⁰ The G8 leaders confirmed additional contributions of approximately USD1.5 billion towards the humanitarian efforts in Syria and its regional neighbors, while calling upon other countries to make similar commitments.

The G8 leaders expressed their deep concern at the growing threats of terrorism, extremism, and the increasingly sectarian nature of the conflict in Syria. They stated the importance of Syria belonging to “all Syrians, including its minorities and all religious groups.”¹⁰⁷¹ They called on the Syrian authorities and opposition at the Geneva Conference to commit to expelling from Syria all organizations and individuals affiliated with al Qaeda. The G8 leaders pledged their support

¹⁰⁶⁸ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁶⁹ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷⁰ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷¹ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

towards “UN planning for Syria’s transition, recovery, and reconstruction needs, in particular by maintaining continuity of state institutions during transition and helping to ensure that the security forces are effective, accountable and able to deal with the threat of terrorism and extremism.”¹⁰⁷²

The G8 condemned any use of chemical weapons in Syria and called on all parties to the conflict to allow access to the UN investigating team, in order to conduct an objective investigation into reports of the use of chemical weapons.¹⁰⁷³ They entreated the UN team to make their report and deliver it to the UN Security Council for assessment. The G8 leaders pledged their determination to hold accountable those found responsible for the use of chemical weapons. Furthermore, they emphasized the need for the secure and safe storage of all chemical weapons in Syria, pending their destruction under international verification.¹⁰⁷⁴ The G8 strongly condemned all human rights violations and abuses in Syria, committed by any party. They called on all sides to respect international humanitarian and human rights laws, noting the particular responsibility of the Syrian authorities in this regard.¹⁰⁷⁵

Commitment Features:

The G8 reasserted their commitment to achieve a political solution to the crisis based on “a vision for a united, inclusive and democratic Syria.”¹⁰⁷⁶ They strongly endorsed the decision to hold the Geneva Conference on Syria as soon as possible in order to implement the Geneva Communiqué of 30 June 2012. This communiqué underlines the first steps that must occur to achieve peace politically, beginning with agreement on a transitional governing body with full executive powers.¹⁰⁷⁷

The Geneva Communiqué states that public services must be preserved or restored and governmental institutions must perform according to professional and human rights standards.¹⁰⁷⁸ As of 25 November 2013, the date of the Geneva Conference has been set for 22 January 2014. The goal of the conference is to “achieve a political solution to the conflict through a comprehensive agreement between the Government and the opposition for the full implementation of the Geneva communiqué.”¹⁰⁷⁹

The G8 highlighted the need for both sides at the Conference to engage seriously and constructively, while being fully representative of the Syrian people and committed to the

¹⁰⁷² G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷³ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷⁴ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷⁵ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷⁶ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷⁷ Action Group for Syria Final Communiqué, United Nations (New York) 30 June 2012. Date of Access: 23 December 2013. <http://www.un.org/News/dh/infocus/Syria/FinalCommuniqueActionGroupforSyria.pdf>.

¹⁰⁷⁸ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁷⁹ Geneva conference on Syria set for January, UN chief announces, UN News Centre (New York) 25 November 2013. Date of Access: 3 December 2013. <http://www.un.org/apps/news/story.asp?NewsID=46575>.

achievement of stability and reconciliation. The G8 pledged to engage actively with the parties in order to achieve successful outcomes.¹⁰⁸⁰

Scoring Guidelines:

-1	G8 member does not make any additional individual commitments to contribute towards the humanitarian efforts in Syria.
0	G8 member commits to additional efforts to improve the humanitarian situation in Syria but does not take concrete action.
+1	G8 member takes concrete action towards the peaceful resolution of the conflict in Syria, either through political actions or financial disbursement.

Lead Analyst: Derakhshan Qurban-Ali

Canada: +1

Canada has fully complied with its commitment to support the Syrian people to establish peace and stability through political means.

On 16 September 2013, Canadian Foreign Affairs Minister John Baird issued the following statement: “The Assad regime will now be held to account by the international community through the U.S.-led framework and the Organisation for the Prohibition of Chemical Weapons. Anything less than full compliance by Assad is completely unacceptable and should be dealt with in a serious and firm manner.”¹⁰⁸¹

On 19 December 2013, the Honourable Christian Paradis, Canadian Minister of International Development and Minister for La Francophonie, outlined the details of the CAD 45 million in Canadian humanitarian assistance announced by Prime Minister Harper on 6 September 2013. He noted, “Canada remains committed to saving lives and addressing the most critical needs of those affected by this crisis. We continue to call for a political solution to this crisis, and while it is ongoing, it is imperative that all sides allow for safe and unhindered access to humanitarian workers.”¹⁰⁸²

On 24 December 2013, Canadian Foreign Affairs Minister John Baird issued the following statement: “Canada’s position has been clear: the only way to end the crisis in Syria is through a Syrian-led political transition. The Syrian people must believe that they have a place in a new, free, democratic and pluralistic Syria. This deplorable violence and use of force by Assad will do nothing to bring that political solution closer to fruition.”¹⁰⁸³ Baird continued to call on all parties

¹⁰⁸⁰ G8 Lough Erne Leaders Communiqué, G8 Information Centre (Toronto) 18 June 2013. Date of Access: 2 December 2013. <http://www.g8.utoronto.ca/summit/2013lougherne/lough-erne-communique.html>.

¹⁰⁸¹ Baird Comments on UN Chemical Weapons Report. Foreign Affairs, Trade and Development Canada (Ottawa, ON) 16 September 2013. Date of Access: 8 January 2014.

¹⁰⁸² Minister Paradis Outlines Disbursement of Canada’s Humanitarian Assistance to Syria, Foreign Affairs, Trade and Development Canada (Ottawa, ON) 19 December 2013. Date of Access: 8 January 2014. <http://www.international.gc.ca/media/dev/newscommuniques/2013/12/18a.aspx?lang=eng>

¹⁰⁸³ Baird Condemns Air Strikes on Syrian Civilians. Foreign Affairs, Trade and Development Canada (Ottawa, ON) 24 December 2013. Date of Access: 8 January 2014. <http://www.international.gc.ca/media/aff/news-communiques/2013/12/24b.aspx?lang=eng>

to adhere to international human rights obligations and to provide full and unhindered humanitarian access and emergency relief to those in need.¹⁰⁸⁴

Thus, Canada is awarded a score of +1 for full compliance.

Analyst: Derakhshan Qurban-Ali

France: +1

France has fully complied with its commitment in providing humanitarian aid, as well as striving towards a political solution to end the Syrian conflict.

France has made humanitarian aid a key priority. In response to the conflict, France has thus far provided EUR 100 million in total aid.¹⁰⁸⁵ In addition, France has financially contributed to the United Nations Refugee Agency to provide clothes, blankets, food, and other essentials to Syrian children in Alexandria.¹⁰⁸⁶ It has extended its hospitality to Syrian refugees by providing 3000 visas since the start of the conflict.¹⁰⁸⁷

France has also made notable contributions towards the process in achieving a political solution to the crisis. On 5 August 2013, France encouraged the finalization of the second Geneva Conference and urged the creation of a transitional authority to improve security and stability in the region.¹⁰⁸⁸

On 5 November 2013, Minister of Foreign Affairs Laurent Fabius welcomed Tomeh, Prime Minister of the interim government of the Syrian National Coalition to France.¹⁰⁸⁹ The discussion

¹⁰⁸⁴ Baird Condemns Air Strikes on Syrian Civilians. Foreign Affairs, Trade and Development Canada (Ottawa, ON) 24 December 2013. Date of Access: 8 January 2014.

<http://www.international.gc.ca/media/aff/news-communiques/2013/12/24b.aspx?lang=eng>

¹⁰⁸⁵ Distribution by the French Embassy of School Equipment to Syrian Refugee Children in Alexandria (December 19, 2013), The French Ministry of Foreign Affairs 19 December 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/distribution-by-the-french-embassy>

¹⁰⁸⁶ Distribution by the French Embassy of School Equipment to Syrian Refugee Children in Alexandria (December 19, 2013), The French Ministry of Foreign Affairs 19 December 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/distribution-by-the-french-embassy>

¹⁰⁸⁷ Syria — Refugees (Q&A — Excerpt from the Daily Press Briefing — October 17, 2013) The French Ministry of Foreign Affairs 17 October 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/syria-refugees-q-a-excerpt-from>

¹⁰⁸⁸ Syria — Bashar al-Assad's speech (Q&A — Excerpt from the daily press briefing — August 5, 2013) The French Ministry of Foreign Affairs 5 August 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/syria-bashar-al-assad-s-speech-q-a>

¹⁰⁸⁹ Meeting between Laurent Fabius and Ahmed Tomeh, Prime Minister of the Interim Government of the Syrian National Coalition (December 5, 2013), The French Ministry of Foreign Affairs 5 December 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/meeting-between-laurent-fabius-and-18793>

focused on increasing donor funding and setting up basic services to reconstruct liberated zones, highlighting France's commitment to provide a political platform in the peace process.¹⁰⁹⁰

On 12 November 2013, Minister of Foreign Affairs Laurent Fabius further echoed France's support when he welcomed the participation of the Syrian National Coalition at the upcoming Geneva Peace Conference.¹⁰⁹¹ He reiterated France's support in delivering aid through "non-lethal material" such as technical and communications assistance.¹⁰⁹² In response to the latest bombardments of Aleppo in Syria on 20 December 2013, France has once again called for humanitarian access as outlined by the United Nations Security Council Declaration of 2 October 2013.¹⁰⁹³ It stressed that "only a political solution will allow the conflict to come to an end" and that the second Geneva Conference should pave the way for such a result.¹⁰⁹⁴

France has been awarded a score of +1 for full compliance to its commitment, given its consistent role in advocating for a political solution to the crisis as well as providing increasing amounts of humanitarian aid.

Analyst: Araf Khaled

Germany: +1

Germany has complied with its commitment to support the Syrian people to establish peace and stability through political means.

At the Lough Erne Summit, Chancellor Merkel announced a EUR200 million increase in its aid for displaced Syrians.¹⁰⁹⁵

On 2 September 2013, the Federal Ministry of Foreign Affairs along with the United Arab Emirates, the Syrian National Coalition and the KfW (Reconstruction Loan Corporation) signed a Framework for Agreement for the Syria Recovery Trust Fund. Both Germany and the United Arab Emirates made initial contributions of EUR 10 million to the fund. The money is to be used towards alleviating the immediate suffering of the population affected by the civil war. The money will also be used to ensure resources for reconstruction at the end of the conflict. Along

¹⁰⁹⁰ Meeting between Laurent Fabius and Ahmed Tomeh, Prime Minister of the Interim Government of the Syrian National Coalition (December 5, 2013), The French Ministry of Foreign Affairs 5 December 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/meeting-between-laurent-fabius-and-18793>

¹⁰⁹¹ Syria (Q&A — Excerpt from the daily press briefing — July 23, 2013), The French Ministry of Foreign Affairs 23 July 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/syria-q-a-excerpt-from-the-daily-18491>

¹⁰⁹² Syria (Q&A — Excerpt from the daily press briefing — July 23, 2013), The French Ministry of Foreign Affairs 23 July 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/en/country-files/syria-295/events-5888/article/syria-q-a-excerpt-from-the-daily-18491>

¹⁰⁹³ Syrie — Bombardements d'Alep (20 Décembre 2013), Le Ministère des Affaires Étrangères 20 December 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/fr/dossiers-pays/syrie/la-france-et-la-syrie/evenements-4439/article/syrie-bombardements-d-alep-20-12>

¹⁰⁹⁴ Syrie — Bombardements d'Alep (20 Décembre 2013), Le Ministère des Affaires Étrangères 20 December 2013. Date of Access: 21 December 2013. <http://www.diplomatie.gouv.fr/fr/dossiers-pays/syrie/la-france-et-la-syrie/evenements-4439/article/syrie-bombardements-d-alep-20-12>

¹⁰⁹⁵ Germany: spectator or player on Syria crisis. Deutsche Welle, 11 September 2013. Date of Access: 16 April 2013. <http://www.dw.de/germany-spectator-or-player-on-syria-crisis/a-17081589>

with the United Arab Emirates, Germany is co-chairing the Working Group on Economic Recovery and Development of the Group of Friends of Syria.¹⁰⁹⁶

Germany also contributed significant funds towards the Geneva Peace Conference. On 26 November 2013, Former Minister of Foreign Affairs Guido Westerwelle issued a statement pledging EUR 2 million to the United Nations to support the Geneva peace process and the work of the UN Special Representative for Syria, Lakhdar Brahimi.¹⁰⁹⁷

On 6 December 2013, the German Government announced its intention to offer shelter to an additional 5000 Syrian refugees. This brings the total number of refugees entering the country through the program to 10,000.¹⁰⁹⁸

The German government also made clear that it expects a political solution to the conflict and it will not tolerate the use of chemical weapons by any party.^{1099,1100}

Therefore, Germany has complied with its commitment and received a score of +1 for support of the Syrian people in search of a political solution to the conflict.

Analyst: Kevin Parra Duque

Italy: 0

Italy has partially complied with its commitment to support the Syrian people in establishing peace and stability through political means. Italy has reaffirmed the G8's consensus on finding a political solution to the Syrian Crisis through a second Geneva Conference, provided technical support in dismantling the Syrian chemical weapons arsenal, and has provided some humanitarian aid to Syrian refugees and war victims.

On 25 September 2013, Italian Prime Minister Enrico Letta, in a meeting at the United Nations with Secretary General Ban Ki Moon and Minister of Foreign Affairs Emma Bonino, reconfirmed the accord that Syria requires a political solution arrived at through the second Geneva Conference. Letta also stated, "We are convinced of the necessity for the UN to implement the rules banning chemical weapons."¹¹⁰¹ To this end, Minister of Foreign Affairs Emma Bonino expressed Italy's willingness to provide technical support with international inspectors in

¹⁰⁹⁶ Federal Foreign Minister Westerwelle: concrete assistance to support the Syrian opposition, Federal Foreign Office (Berlin) 2 September 2013. Date of access: December 20, 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130902-BM_SYR.html.

¹⁰⁹⁷ Germany to make available 2 million euros for the Geneva peace process on Syria, Federal Foreign Office (Berlin) 26 November 2013. Date of access: December 20, 2013. <http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/131126-Genf-SYR.html>.

¹⁰⁹⁸ Germany to take in 5,000 further refugees from Syria, Deutsche Welle, 6 December 2013. Date of Access: 17 April 2014. <http://www.dw.de/germany-to-take-in-5000-further-refugees-from-syria/a-17276224>

¹⁰⁹⁹ Foreign Minister Westerwelle calls Russian Foreign Minister to discuss Syria, Federal Foreign Office (Berlin) 24 August 2013. Date of Access: December 20, 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130824-BM-AM_RUS.html.

¹¹⁰⁰ Syria: Westerwelle has telephone conversation with China's Foreign Minister, Federal Foreign Office (Berlin) 29 August 2013. Date of Access: December 20, 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130829-Telefonat_CHN_AM.html.

¹¹⁰¹ Syria — Bonino sees Brahimi, goal a political solution, Ministry of Foreign Affairs (Rome) 25 September 2013. Date of Access: 29 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/09/20130925_Binino_Brahimi.htm

dismantling the Syrian chemical weapons arsenal, following the Security Council's draft UN resolution on Syrian chemical weapons.¹¹⁰²

On 16 December 2013, at the EU Foreign Affairs Council, the Foreign Minister announced the decision by the Organisation for the Prohibition of Chemical Weapons (OPWC) to transfer the Syrian weapons stock to an Italian port in late January 2014, for later disposal.¹¹⁰³

On 24 September 2013, in an interview for an Italian newspaper Foreign Minister Emma Bonino cited Italy's role in the Syrian crisis as an initial proponent for a UN inspection for Syrian chemical weapons, a Security Council resolution based on this inspection, and application of the Geneva Protocol on chemical weapons.¹¹⁰⁴ On 12 November 2013, in an interview, the Minister of Foreign Affairs also cites her personal discussions with her Iranian counterpart, who in turn exerted pressure on Syria in allowing UN chemical weapons inspectors into Syria.¹¹⁰⁵

The Italian government, through various initiatives, has contributed approximately EUR 33.93 million in humanitarian aid.¹¹⁰⁶ EUR 20.7 million have been spent directly in humanitarian interventions in Syria and to Syrian refugees in Jordan, Lebanon, Turkey and Iraq.¹¹⁰⁷ Among such interventions are the construction of refugee camps, emergency aid in water and sanitation, and the co-ordination of humanitarian protection and psycho-social assistance.¹¹⁰⁸ A further

¹¹⁰² Syria: Bonino, Italy willing to work with inspectors, Ministry of Foreign Affairs (Rome) 27 September 2013. Date of Access: 29 December 2013.

http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/09/20130927_sirbonispett.htm.

¹¹⁰³ EU: Foreign Affairs Council — Syrian chemical weapons to pass through Italian port, Ministry of Foreign Affairs (Rome) 16 December 2013. Date of Access: 29 December 2013.

http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/12/20131216_Consiglio_Affari_Esteri_ransito_armi_chimiche_Siria.htm.

¹¹⁰⁴ Bonino: "There's a new feeling in the air at the UN. We need to explore the signals from Iran" (Corriere della Sera), Ministry of Foreign Affairs (New York) 24 September 2013. Date of Access: 29 December 2013.

http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Interviste/2013/09/20130924_Bonino_Onu_at_mosfera_nuova.htm

¹¹⁰⁵ Bonino: «Those phone calls to Iran to halt a raid on Syria» (Corriere della Sera), Ministry of Foreign Affairs (Rome) 12 November 2013. Date of Access: 29 December 2013.

http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Interviste/2013/11/20131112_BoninoIranSiria.htm

¹¹⁰⁶ Syria and Italian Cooperation, Ministry of Foreign Affairs (Rome) 11 December 2013. Date of Access: 29 December 2013.

http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/12/20131211_Siria_coop.htm.

¹¹⁰⁷ Syria and Italian Cooperation, Ministry of Foreign Affairs (Rome) 11 December 2013. Date of Access: 29 December 2013.

http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/12/20131211_Siria_coop.htm.

¹¹⁰⁸ Syria: humanitarian emergency, help from Italy, Ministry of Foreign Affairs (Rome) 4 September 2013. Date of Access: 29 December 2013.

http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/09/20130904_Siria_emergenza_umanitaria_Italia_in_soccorso.htm

EUR 13.23 million have been granted to the Jordanian, Turkish and Lebanese governments for the provision of food, healthcare, education and psycho-social assistance to Syrian refugees.¹¹⁰⁹

Thus, for its official support of a Geneva II conference and for UN and Security Council initiatives regarding the Syrian crises, its special participation and assistance addressing the chemical weapons aspect of the crisis, as well as its humanitarian efforts in restoring wellbeing and stability for Syrian refugees and war victims, Italy has been awarded a score of 0 for partial compliance to its commitment.

Analyst: Gianluca Canaletti

Japan: 0

Japan has partially complied with its commitment to support the Syrian people to establish peace and stability through political means.

On 14 September 2013, U.S. Secretary of State John F. Kerry and Russian Foreign Minister Sergey Lavrov announced that they agreed on a framework toward complete destruction of chemical weapons in Syria, which included calling for the Syrian government to submit within one week a listing of its chemical weapons stockpiles and to allow access to international inspectors.¹¹¹⁰ Minister of Foreign Affairs Fumio Kishida states that Japan welcomes this agreement.¹¹¹¹ Japan calls for sincere response by the Syrian government based on the agreement and will watch its real action. Japan also continues to support and will make necessary contributions to efforts by relevant countries and organizations so that chemical weapons are never used again.¹¹¹²

On 26 September 2013, Minister for Foreign Affairs Fumio Kishida attended the Ministerial Meeting of the Group of Friends of the Syrian People.¹¹¹³ Kishida stated that Japan would provide the greatest possible cooperation and contribution to the destruction of chemical weapons, would actively participate in and contribute to the international efforts toward the improvement and normalization of the situation in Syria, including dialogues with the opposition groups, and would continue humanitarian aid as Japan has committed to a total of approximately USD280 million dollars (which includes additional USD60 million announced today) including cross-border assistance.¹¹¹⁴

¹¹⁰⁹ Syria and Italian Cooperation, Ministry of Foreign Affairs (Rome) 11 December 2013. Date of Access: 29 December 2013. http://www.esteri.it/MAE/EN/Sala_stampa/ArchivioNotizie/Approfondimenti/2013/12/20131211_Siria_coop.htm.

¹¹¹⁰ Statement by the Minister for Foreign Affairs on the Agreement between the United States and Russia on the use of chemical weapons in Syria (Tokyo) 14 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000011.html.

¹¹¹¹ Statement by the Minister for Foreign Affairs on the Agreement between the United States and Russia on the use of chemical weapons in Syria (Tokyo) 14 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000011.html.

¹¹¹² Statement by the Minister for Foreign Affairs on the Agreement between the United States and Russia on the use of chemical weapons in Syria (Tokyo) 14 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000011.html.

¹¹¹³ Ministerial Meeting of the Group of Friends of the Syrian People (Tokyo) 26 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/policy/page18e_000017.html.

¹¹¹⁴ Ministerial Meeting of the Group of Friends of the Syrian People (Tokyo) 26 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/policy/page18e_000017.html.

On 28 September 2013, the United Nations Security Council adopted unanimously the resolution 2118 regarding the destruction of chemical weapons in Syria.¹¹¹⁵ The Government of Japan has called for the adoption of a strong resolution, which reinforces the decision of the Executive Council of the Organization for the Prohibition of Chemical Weapons (OPCW), and welcomes the adoption of the resolution today.¹¹¹⁶ Japan will proactively provide assistance to refugees and neighboring countries, as Prime Minister Shinzo Abe expressed new humanitarian assistance equivalent to USD 60 million in his general statement in the United Nations General Assembly.¹¹¹⁷

On 3 November 2013, Japan granted Jordan USD10.1 million to minimize the impact of hosting hundreds of thousands of refugees from the war in neighboring Syria.¹¹¹⁸ Planning Minister Ibrahim Saif said the grant seeks to ease the burdens that Jordan shoulders in hosting the Syrian refugees.¹¹¹⁹ The kingdom is home to at least 500,000 Syrian refugees, including more than 100,000 in the northern Zaatari camp near the border.¹¹²⁰

On 10 December 2013, in response to a request from the International Organization for Migration (IOM), the Government of Japan, concerned about the serious humanitarian situation facing Syrian refugees in the Republic of Iraq and the Republic of Turkey, made a cabinet decision on 10 December 2013 to provide 800 tents, 10,000 jerry cans, 10,000 blankets, and 10,000 sleeping mats as contribution in kind in accordance with the International Peace Cooperation Law.¹¹²¹ These goods will be used for the relief activities conducted by IOM in Iraq and Turkey.¹¹²²

On 13 December 2013, Japanese Ambassador to the United Nations Motohide Yoshikawa asked for cooperation from UN Secretary General Ban Ki Moon so that Japan could participate in an

¹¹¹⁵ Statement by the Minister for Foreign Affairs on the Adoption of a Resolution by the United Nations Security Council on Syria (Tokyo) 28 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000027.html.

¹¹¹⁶ Statement by the Minister for Foreign Affairs on the Adoption of a Resolution by the United Nations Security Council on Syria (Tokyo) 28 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000027.html.

¹¹¹⁷ Statement by the Minister for Foreign Affairs on the Adoption of a Resolution by the United Nations Security Council on Syria (Tokyo) 28 September 2013. Date of Access: 6 January 2014. http://www.mofa.go.jp/press/release/press4e_000027.html.

¹¹¹⁸ Japanese grant to help Jordan cope with Syria refugees, The Daily Star (Lebanon) 3 November 2013. Date of Access: 15 December 2013. <http://dailystar.com.lb/News/Middle-East/2013/Nov-03/236687-japanese-grant-to-help-jordan-cope-with-syria-refugees.ashx#axzz2nyvJkYw8>.

¹¹¹⁹ Japanese grant to help Jordan cope with Syria refugees, The Daily Star (Lebanon) 3 November 2013. Date of Access: 15 December 2013. <http://dailystar.com.lb/News/Middle-East/2013/Nov-03/236687-japanese-grant-to-help-jordan-cope-with-syria-refugees.ashx#axzz2nyvJkYw8>.

¹¹²⁰ Japanese grant to help Jordan cope with Syria refugees, The Daily Star (Lebanon) 3 November 2013. Date of Access: 15 December 2013. <http://dailystar.com.lb/News/Middle-East/2013/Nov-03/236687-japanese-grant-to-help-jordan-cope-with-syria-refugees.ashx#axzz2nyvJkYw8>.

¹¹²¹ Contribution in Kind for the Syrian Refugees (Tokyo) 10 December 2013. Date of Access: 6 January 2013. http://www.mofa.go.jp/press/release/press4e_000130.html.

¹¹²² Contribution in Kind for the Syrian Refugees (Tokyo) 10 December 2013. Date of Access: 6 January 2013. http://www.mofa.go.jp/press/release/press4e_000130.html.

upcoming international conference aimed at ending the civil war in Syria.¹¹²³ Ban expressed gratitude for the humanitarian aid Japan has extended to Syria.¹¹²⁴

Thus, Japan has been awarded a score of 0 for partial compliance to its commitment by beginning to support the Syrian people to establish peace and stability through political means.

Analyst: Jiwon Chun

Russia: +1

Russia has fully complied with the commitment on Syria.

During the compliance period Russia has played an important role in supporting the Syrian people to establish peace and stability through political means.

Russian efforts helped to avoid an external military interference into Syria. Russia as the G20 Chair in 2013 organized discussion of Syrian crisis at the St. Petersburg G20 Summit on 5 September 2013, where the members could exchange their opinions.¹¹²⁵

Cooperation between Russia and the United States allowed “to achieve breakthrough decisions to establish international control over Syrian chemical weapons for the purposes of its further elimination.” Russia supported and helped to convene the Geneva II international conference, “which is envisaged to launch interSyrian talks.”¹¹²⁶

On 19 November 2013, Russian Minister of Foreign Affairs said that Russia had allocated USD 10 million to Syrian refugees in Lebanon and Jordan.¹¹²⁷

On 30 December 2013, Russia delivered 37 tonnes of humanitarian aid to Syria. The shipment included food, tents, blankets and other emergency supplies.¹¹²⁸

Russia has taken actions to support the Syrian people to establish peace and stability through political means and contributed towards the humanitarian efforts in Syria and its regional neighbors. Thus, it has been awarded a score of +1.

Analyst: Mark Rakhmangulov

United Kingdom: 0

The UK has partially complied with its commitment to provide support for the Syrian people to the extent that it has provided many organizations with significant funding to aid civilians living in Syria, as well as funding for Syrian refugees living in neighbouring countries. However, the

¹¹²³ Japan asks for role in helping end Syria war, The Japan News (New York) 15 December 2013. Date of Access: 16 December 2013. <http://the-japan-news.com/news/article/0000872011>.

¹¹²⁴ Japan asks for role in helping end Syria war, The Japan News (New York) 15 December 2013. Date of Access: 16 December 2013. <http://the-japan-news.com/news/article/0000872011>.

¹¹²⁵ Vladimir Putin’s news conference following the G20 Summit, Russian G20 Presidency 6 September 2013 <http://en.g20russia.ru/news/20130906/782816253.html>.

¹¹²⁶ Main foreign policy events of 2013, Ministry of Foreign Affairs of Russia. 26 December 2013. http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcb3/2ac5d35e0b29e8b944257c5b001ee309.

¹¹²⁷ Russian Minister of Foreign Affairs S. Lavrov’s Interview, Ministry of Foreign Affairs of Russia 19 November 2013. http://www.mid.ru/BDOMP/Brp_4.nsf/arh/D821781F3B625C7844257C28002D3DB7.

¹¹²⁸ On Humanitarian Aid Supplies to Syria, Ministry of Foreign Affairs of Russia 31 December 2013. http://www.mid.ru/BDOMP/Brp_4.nsf/arh/8635DA51BE6A818E44257C52002D4268.

UK has not, to this date, made political negotiations with the Syrian government in an effort to achieve peace.

The UK has given GBP 198.7 million in funding to various agencies to assist the Syrian people¹¹²⁹ and is currently finalizing another promised GBP 76.9 million to partner organizations.¹¹³⁰ Among these organizations are UNICEF, to which the UK has given GBP 12.8 million¹¹³¹; the World Food Programme, to which the UK has given GBP 69.2 million¹¹³²; and the UN Refugee Agency, to which the UK has given GBP 10.7 million.¹¹³³ These are just a few of the organizations the UK has provided ample funding to in order to assist the people of Syria during this time of crisis.¹¹³⁴

Through these programs, the UK has been able to provide food for 188,000 people in Syria,¹¹³⁵ funding for over 240,000 medical centres to assist sick and injured civilians,¹¹³⁶ and assistance with water purification and water delivery for over 901,000 people in Syria.¹¹³⁷

Additionally, the UK has provided support to UNICEF's effort to provide psychosocial assistance programs and protection for 1500 Syrian children,¹¹³⁸ funding for the education of 1,000 refugee

¹¹²⁹ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³⁰ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³¹ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³² UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³³ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³⁴ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³⁵ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³⁶ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³⁷ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹³⁸ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

children in Syria,¹¹³⁹ as well as providing funding for 700 children to take language lessons to help them overcome language barriers that prevent them from attending school.¹¹⁴⁰

The UK has also provided financial assistance to 700 women and girls in Syria who are believed to be at risk for coerced marriage¹¹⁴¹ and clinical care for psychological harm for 12,000 Syrian men, women, and children currently living in Jordan.¹¹⁴²

Therefore the UK has taken significant steps in attempting to provide the people of Syria with stability through financial aid by allocating notable funding to various humanitarian organizations. However, the UK has so far made no attempts to achieve peaceful negotiations with the Syrian government, resulting in a score of 0 for partial compliance to its commitment to support the Syrian people to establish peace and stability through political means.

Analyst: Margot Whittington

United States: +1

The United States is in full compliance with its commitment to support the Syrian people to establish peace and stability through political means.

Since the 2013 G8 Summit in Lough Erne, the political and humanitarian crises in Syria has been a high priority in the United States' foreign policy. To commemorate Eid al-Fitr, United States President Barack Obama announced, on 7 August 2013, the contribution of more than USD195 million in additional humanitarian assistance to provide food, medical care, and relief supplies for civilians affected by the civil war in Syria.¹¹⁴³ Of this USD195 million, USD155 million is used "to increase food assistance, expand life-saving emergency medical capacity, and provide additional hygiene kits, clothing, and household supplies in Syria."¹¹⁴⁴ The other USD41 million provides "food vouchers, in-kind food distribution, and ready-to-eat meals for about 245,000 refugees in nearby host communities in Jordan, Lebanon, Turkey, Iraq, and Egypt."¹¹⁴⁵

¹¹³⁹ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹⁴⁰ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹⁴¹ UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹⁴² UK Aid Syria Response, Department for International Development (London) 13 December 2013. Date of Access: 16 December 2013.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/266045/DFID_Syria_Humanitarian_Programme_Summary_13.12.13.pdf.

¹¹⁴³ President Obama Increases Humanitarian Assistance for Syria Crisis, U.S. Department of State (Washington DC) 7 August 2013. Date of Access: 7 January 2014. <http://www.state.gov/r/pa/prs/ps/2013/08/212860.htm>.

¹¹⁴⁴ President Obama Increases Humanitarian Assistance for Syria Crisis, U.S. Department of State (Washington DC) 7 August 2013. Date of Access: 7 January 2014. <http://www.state.gov/r/pa/prs/ps/2013/08/212860.htm>.

¹¹⁴⁵ President Obama Increases Humanitarian Assistance for Syria Crisis, U.S. Department of State (Washington DC) 7 August 2013. Date of Access 7 January 2014. <http://www.state.gov/r/pa/prs/ps/2013/08/212860.htm>.

Following the allegation of chemical weapons usage in Syria on 21 August 2013, the Office of the Press Secretary immediately released a statement condemning the use of chemical weapons and “formally [requested] that the United Nations urgently investigate this new allegation.”¹¹⁴⁶

On 7 September 2013, the Office of the Spokesperson in Washington DC published a fact sheet “U.S. Government Assistance to Syria” noting its contributions of over USD1 billion in aid, international diplomatic support, humanitarian assistance, assistance in providing USD250 million for “non-lethal transition assistance for the Syrian opposition” (this includes funding for equipment and supplies to the Syrian opposition), and encouragement of additional support through the U.S. Department of Treasury’s Office of Foreign Assets Control inviting U.S. persons to apply for specific licenses to participate in certain economic activities in Syria.¹¹⁴⁷

On 14 September 2013, Russian President Vladimir Putin and United States President Barack Obama agreed to the Framework for Elimination of Syrian Chemical Weapons that led to the decision of the Syrian Arab Republic to accede to the Chemical Weapons Convention and the joint commitment by the Russian Federation and the United States to ensure the destruction of Syrian chemical weapons “in the soonest and safest manner.”¹¹⁴⁸

On 24 September 2013, United States President Barack Obama pledged another USD339 million to humanitarian aid for those affected in Syria, bringing the total of U.S. aid to Syria since the conflict began to nearly USD1.4 billion.¹¹⁴⁹

At the Third ministerial Meeting for the U.S.-GCC Strategic Cooperation Forum in New York, U.S. Secretary of State John Kerry and U.S Secretary of Defense Chuck Hagel condemned the chemical weapons attack of 21 August 2013, denounced the “alarming pattern of escalating violence and killing of civilians by the Syrian regime,” reaffirmed their support of the Syrian Opposition Coalition, and affirmed their commitment to continuing diplomatic and humanitarian efforts “to alleviate the suffering of the Syrian people.”¹¹⁵⁰

The United States has both provided funding and tangible diplomatic support (with the cooperation of the Russian Federation to remove chemical weapons in Syria) for the peaceful political transition in Syria. Thus, it is awarded a score of +1.

Analyst: Sarah Danruo Wang

¹¹⁴⁶ Statement by Principal Deputy Press Secretary Josh Earnest on Allegations of Chemical Weapons Use in Syria, U.S. Department of State (Washington DC) 21 August 2013. Date of Access: 7 January 2014. <http://www.whitehouse.gov/the-press-office/2013/08/21/statement-principal-deputy-press-secretary-josh-earnest-allegations-chem>.

¹¹⁴⁷ U.S. Government Assistance to Syria, U.S. Department of State (Washington DC) 7 September 2013. Date of Access: 7 January 2014. <http://www.state.gov/r/pa/prs/ps/2013/09/213927.htm>.

¹¹⁴⁸ Framework for Elimination of Syrian Chemical Weapons, U.S. Department of State (Washington DC) 14 September 2013. Date of Access: 8 September 2014. <http://www.state.gov/r/pa/prs/ps/2013/09/214247.htm>.

¹¹⁴⁹ U.S. Humanitarian Assistance in Response to the Syrian Crisis, U.S. Department of State (Washington DC) 24 September 2013. Date of Access: 8 September 2014. <http://www.state.gov/r/pa/prs/ps/2013/09/214593.htm>.

¹¹⁵⁰ Joint Communiqué from the Third Ministerial meeting for the U.S.-GCC Strategic Cooperation Forum, U.S. Department of State (Washington DC) 26 September 2013. Date of Access: 8 January 2014. <http://www.state.gov/r/pa/prs/ps/2013/09/214834.htm>.

European Union: 0

The European Union has partially complied with its commitment to support the Syrian people to establish peace and stability through political means. The EU has provided monetary backing to the Syrian crisis but has not fully committed to helping displaced peoples.

On 4 December 2013, the EU released the European Surveillance System plan¹¹⁵¹ to create safer Mediterranean passageways for refugees in response to the October shipwreck¹¹⁵² that resulted in 350 deaths. The United Nations High Commissioner for Refugees reported that EU member states contradicted their commitment by placing barriers to entry¹¹⁵³ for incoming refugees and returning migrants who had already entered.

On 24 September 2013, the EU signed an agreement with the United Nations Children's Fund, which dedicated EUR 34.2 million¹¹⁵⁴ to Syrian children affected by the crisis. On 10 September 2013, the EU foreign affairs chief Catherine Ashton announced European support behind Russia's proposal to diplomatically remove Syria of their chemical weapons.

The EU and their member states have provided EUR 2 billion¹¹⁵⁵ in financial aid since the start of the Syrian crisis. Ten out of 28 member states have accepted 12,000 migrants¹¹⁵⁶ altogether, with Sweden becoming the first member state to offer permanent resident status to Syrian refugees.

Thus, the European Union has been awarded a score of 0 for its partial commitment to politically support the Syrian people in establishing peace and stability. The EU has been provided significantly financially but has not fully complied in helping attain stability.

Analyst: Leah Bae

¹¹⁵¹ Lampedusa follow up: concrete actions to prevent loss of life in the Mediterranean and better address migratory and asylum flows, European Union (Brussels) 4 December 2013. Date of Access: 18 December 2013. http://europa.eu/rapid/press-release_IP-13-1199_en.htm

¹¹⁵² Lampedusa boat tragedy: Migrants 'raped and tortured', BBC News (London) 8 November 2013. Date of Access: 18 December 2013. <http://www.bbc.co.uk/news/world-europe-24866338>

¹¹⁵³ Denied entry and pushed back: Syrian refugees trying to reach the EU, UNHCR (Geneva) 15 November 2013. Date of Access: 18 December 2013. <http://www.unhcr.org/528618159.html>

¹¹⁵⁴ Additional US\$45 million contribution to Syria's children, as EU becomes largest donor to UNICEF appeal, UNICEF (New York). Date of Access: 18 December 2013. http://www.unicef.org/media/media_70472.html

¹¹⁵⁵ U.N. heads, EU call for humanitarian ceasefire in Syria, Reuters (Brussels) 18 December 2013. Date of Access: 18 December 2013. <http://www.reuters.com/article/2013/12/18/us-syria-crisis-aid-idUSBRE9BH0S620131218>

¹¹⁵⁶ EU failing Syria refugees, says Amnesty International report, BBC News (London) 12 December 2013. Date of Access: 18 December 2013. <http://www.bbc.co.uk/news/world-middle-east-25345923>