

ISE - SHIMA PROGRESS REPORT SUMMARY

G7 accountability on development and development-related commitments







Development and empowerment of all people have been a consistent priority for the G7. Accountability and transparency remain core principles for the G7 in order to maintain the credibility and effectiveness of the decisions of G7 Leaders. Following the L'Aquila Summit in 2009, we have agreed to publish a comprehensive accountability report every three years in order to review the progress made on our individual and collective development-related commitments. Comprehensive accountability reports were published in 2010 for the Muskoka G8 Summit and in 2013 for the Lough Erne G8 Summit. The Ise-Shima Progress Report is the third volume.

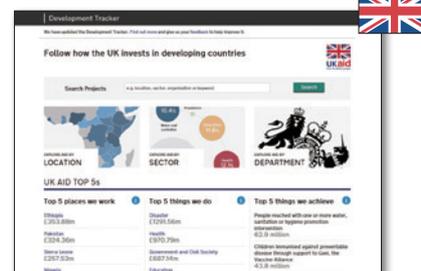
This report covers 51 commitments in 10 sectors: Aid and Aid Effectiveness, Economic Development, Health, Water and Sanitation, Food Security, Education, Equality, Governance, Peace and Security and Environment and Energy. Progress on each commitment is measured against agreed baselines, indicators and data sources. By making progress toward these commitments, we are contributing to progress toward the 2030 Agenda for Sustainable Development adopted at the United Nations in 2015.

1 Aid and Aid Effectiveness

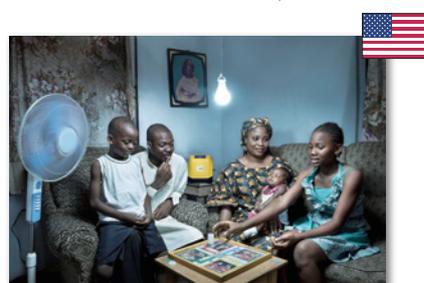


In 2014, G7 members collectively provided Official Development Assistance (ODA) of USD 97,103 million that accounted for 70.8% of all the donors of the OECD Development Assistance Committee (DAC). During the period from 2004 to 2014, ODA volume demonstrated an upward trend for the United States (US), the United Kingdom (UK) and Germany, while the figures varied for the other G7 members. G7 members set several ODA commitments at the Gleneagles Summit in 2005. Canada, the United States and most notably the UK have fulfilled this target. The ratio of the G7's ODA to Least Developed Countries (LDCs) has shown a slight upward trend since 2005; however, ODA from G7 members to Land-Locked Developing Countries (LLDCs), Small Island Developing States (SIDS) and fragile states have remained level. G7 members have also been seeking to improve the quality of their development assistance and

maximize the impact of development cooperation including through partnerships such as the Global Partnership for Effective Development Cooperation (GPEDC).



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Credit: Nova-Lumos

2 Economic Development



The G7 has supported economic development in developing countries through reduction of global remittance costs, implementation of the WTO Trade Facilitation Agreement (TFA), trade

and infrastructure in Africa and responsible global supply chains. The global average cost of transferring remittances dropped from 9.7% in 2009 to 7.4% in the fourth quarter of 2015, which was still above the 5% target agreed by the G7 in 2009. The G7's contributions for trade facilitation to LDCs rose from USD 50.7 million in 2012 to USD 89.2 million in 2014 in response to the needs of LDCs as identified by needs assessments and Diagnostic Trade Integration Studies (DTIS). G7 members contribute trade facilitation assistance to support the implementation of the TFA. In addition, G7 members have closely worked with partners to boost intra-Africa trade by facilitating One-Stop Border Posts (OSBPs) and regional infrastructure programs. G7 Leaders, moreover, have committed to ensuring economic development underpinned by the development of responsible global supply chains.



Credit: Agence Française de Développement

3 Health

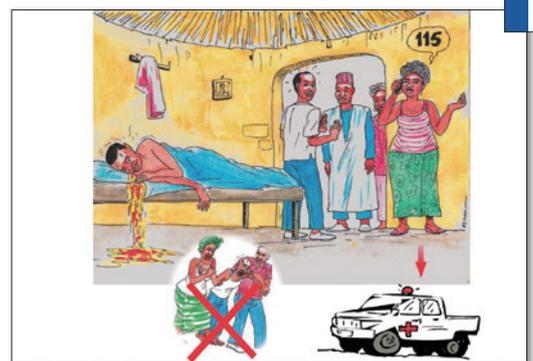


The G7 made significant progress on its contributions to global health through bilateral and multilateral channels. The bilateral disbursements from the G7 increased from USD 12,294 million in 2013 to USD 12,413 million in 2014. The multilateral contributions have nearly doubled from USD 3,236 million in 2008 to USD 5,830 million in 2014. The fight against AIDS, tuberculosis (TB), malaria and vaccine-preventable diseases has made significant progress due to the G7's strong and continuous financial support to the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund) and Gavi, the Vaccine Alliance. The G7 increased their total contribution to the Global Fund from USD 1,266 million in 2006 to USD 2,175 million in 2015 and nearly doubled their HIV/AIDS assistance from USD 3,932 million in 2007 to USD 7,698 million in 2014. Likewise, G7 countries contributed heavily to Gavi's successful 2015 replenishment, which secured USD 7.539 billion of financial resources for 2016-2020. All the G7 members fully

achieved bilateral financial commitments on maternal, newborn and under-five child health set at the Muskoka Summit in 2010. The G7 is now on the final track to support for the eradication of polio worldwide through the Global Polio Eradication Initiative, and efforts must be re-doubled in Afghanistan and Pakistan to achieve this historic goal. At the Elmau Summit in 2015, the G7 made three main commitments: (1) we committed to preventing future outbreaks from becoming epidemics by assisting countries to implement the World Health Organization (WHO) International Health Regulations (IHR), including through the Global Health Security Agenda and its common targets and other multilateral initiatives; (2) committed ourselves to the fight against neglected tropical diseases (NTDs); and (3) to support the WHO Global Action Plan on Antimicrobial Resistance to develop and effectively implement our national action plans and support other countries as they develop their own national action plans.



Credit: GAVI/EVA-LOTTA JANSSON



Credit: The French Embassy in Guinea



Credit: Kathleen Sweeney, U.S. Centers for Disease Control & Prevention

4 Water and Sanitation



With the successful achievement of the Millennium Development Goals (MDGs) target on improved access to drinking water, the G7 now proceeds to the Goal (6) of Sustainable Development Goals (SDGs): “Ensure availability and sustainable management of water and sanitation for all.” G7 engagement, confirmed in the 2003 G8 Evian Water Action Plan, has expanded during the past decade to the aggregate disbursement of USD 6.9 billion in 2014. The G7 is active in engaging in political initiatives in the context of broader multilateral

frameworks and monitoring mechanisms, such as Sanitation and Water for All and the Global Water Partnership. In addition to various global initiatives, G7 members have also focused on Africa by strengthening the Africa-G8 Partnership on Water and Sanitation. The G7 will remain active with the African Water Facility (AWF) of the African Development Bank (AfDB), the African Minister’s Council on Water (AMCOW), the Tokyo International Conference on African Development (TICAD) and the Africa-EU Partnership on water and sanitation.



Credit: JICA/Kenshiro Imamura



Credit: Water Aid/James Kiyimba

5 Food Security



G7 members have made substantial contributions to agriculture, food security and nutrition in order to tackle hunger, malnutrition and poverty in developing countries. Significant progress has been made on the L’Aquila Food Security Initiative (AFSI) since its launch in 2009 as a global endeavor in response to the 2007-2008 spikes in food prices. The G7 and other donors have collectively met a total pledge of USD 22.6 billion by 2015. G7 members and other partners have also made good progress on the New Alliance for Food Security and Nutrition launched in 2012 to accelerate the flows of private capital to African agriculture. The development partners disbursed USD 3.2 billion, or 75% of expected funding by mid-2015, of which 96% came from G7 members. The number of African countries participating in the New Alliance has increased from 3 to 10 countries, and the African governments advanced or completed 91% of their policy commitments which were scheduled for completion by mid-2015. Private companies signed 292 Letters of Intent, committing to investing a total of USD 10.2 billion in African

agriculture. Of the committed amount, USD 684.2 million was invested in 2014 resulting in the creation of 21,366 jobs. At the Elmau Summit in 2015, the G7, as part of a broad effort involving our partner countries, committed to aiming to lift 500 million people out of hunger and malnutrition by 2030 as a significant contribution to the 2030 Agenda for Sustainable Development, and adopted the Broad Food Security and Nutrition Development Approach.



Credit: GIZ/Guenay Ultuncok



Credit: Jérôme Sessini / Magnum Photos



6 Education



The aggregated contribution of the G7 for the education sector between 2007 and 2014 reached USD 57.6 billion, including USD 13.5 billion for basic education. Along with such positive financial movement, the G7's strong determination to support the education sector is also reflected in the collaboration such as through the Global Partnership for Education (GPE). GPE, which started in 2002 as the Education for All – Fast Track Initiative (EFA-FTI), increased its endorsed countries from 7 in 2002 to 61 in early 2016. The ODA from G7

members to GPE-endorsed countries for basic education rose steadily from USD 525 million in 2007 to USD 932 million in 2014; Canada and the United States stood out by directing more than 20% of their basic education aid disbursements to these countries. As core supporters among over 20 donors, G7 members anticipate a continuous growth in the support for GPE countries. The G7 will ensure “quality basic education” for every child, especially for the poorest and the most vulnerable population in fragile and conflict-affected areas.



Credit: European Union

7 Equality



G7 members have continued to promote sexual and reproductive health and reproductive rights, including increasing access to voluntary family planning, information and education as well as the elimination of all harmful practices such as child, early and forced marriage (CEFM) and female genital mutilation (FGM). A new target of ending harmful practices was successfully included in the SDGs through the G7's advocacy. All G7 members supported the UN resolutions on ending CEFM and eliminating FGM by

co-sponsoring. At the 2015 Elmau Summit, G7 Leaders committed to increasing the number of women and girls technically and vocationally educated and trained in developing countries by one third by 2030. G7 members are currently stepping up their activities to support women and girls in developing countries through technical and vocational education and training (TVET) while developing mechanisms to monitor the progress.



Credit: WAW! Secretariat

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Governance



As the sophistication of financial sectors increases worldwide, strengthening governance capacity is indispensable to meeting human needs and the requirement of economic transition while protecting the environment. In this regard, G7 members have supported the Extractive Industries Transparency Initiative (EITI) and its partnerships and launched the initiative on Strengthening Assistance for Complex Contract Negotiations (CONNEX) to improve governance in the extractive sector. G7 members have supported anti-corruption measures to institutionalize anti-bribery and have all introduced legislations to implement the OECD Anti-Bribery Convention. The G7 is also supporting greater

transparency in land transactions and increased capacity to develop good land governance systems through partnerships with developing countries. The G7 has also been successfully addressing the issue of tax avoidance through the Base Erosion and Profit Shifting (BEPS) initiative, which remains imperative to secure the equitable environment for economic activities such as transactions and innovations in all industries. For more effective public monitoring systems on economic activities, the G7 has also been promoting universal access to governmental data and information in order to improve quality of life, thus driving innovation, economic growth and sound job creation.



Credit: Land Registry and Surveys National Direction in Mali and CRC-Sogema



Credit: Agency for Digital Italy, <http://soldipubblici.gov.it/it/home/>

9

Peace and Security



The G7's focus in the field of peace and security has been on the enhancement of maritime security and capacity building for peace operations in Africa. G7 members have continued to engage in multi-layered efforts focusing on maritime security in the Western Indian Ocean and the Gulf of Aden as well as the Gulf of Guinea

through various channels. G7 members have also provided training and equipment for 49 Formed Police Units (FPUs) of 12 countries, and around 4,000 to 5,000 police officers from Sub-Saharan African countries have been deployed to peace operations as UN police peacekeepers each year.



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10 Environment and Energy



The G7 has defined global priorities in the sector of environment and energy: namely, climate adaptation, biodiversity, energy infrastructure in Africa, climate risk insurance, renewable energy and marine litter. Support from the G7 has amounted to USD 11.5 billion for developing countries to address climate adaptation between 2011 and 2014. Some G7 members have already doubled their stable contribution to decisions on resources mobilization under the Convention on Biological Diversity (CBD) and global initiatives such as the Economics of Ecosystem and Biodiversity (TEEB), the UN System of Environmental-Economic Accounting (SEEA), the Natural Capital Declaration (NCD) and the Wealth Accounting and the Valuation of Ecosystem Services Partnership (WAVES), seeking to establish a harmonized framework and an enabling environment including ecosystem service. The G7 collaborates with African leaders to promote public and private investment on renewable energy towards green

economy and for the equitable development of 620 million people who do not have access to the electricity. G7 members have contributed to sector financing for the promotion of clean energy through bilateral and multilateral channels in order to reduce energy poverty. The G7 continues to support promotion of renewable energy while enhancing energy efficiency as well as energy access. The G7 has also been combatting marine litter through various related projects.

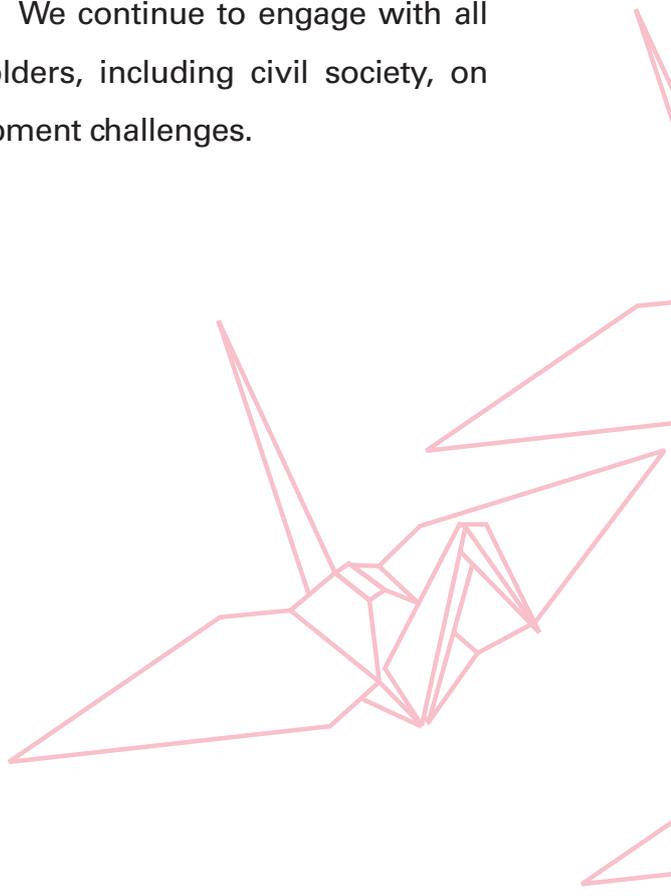


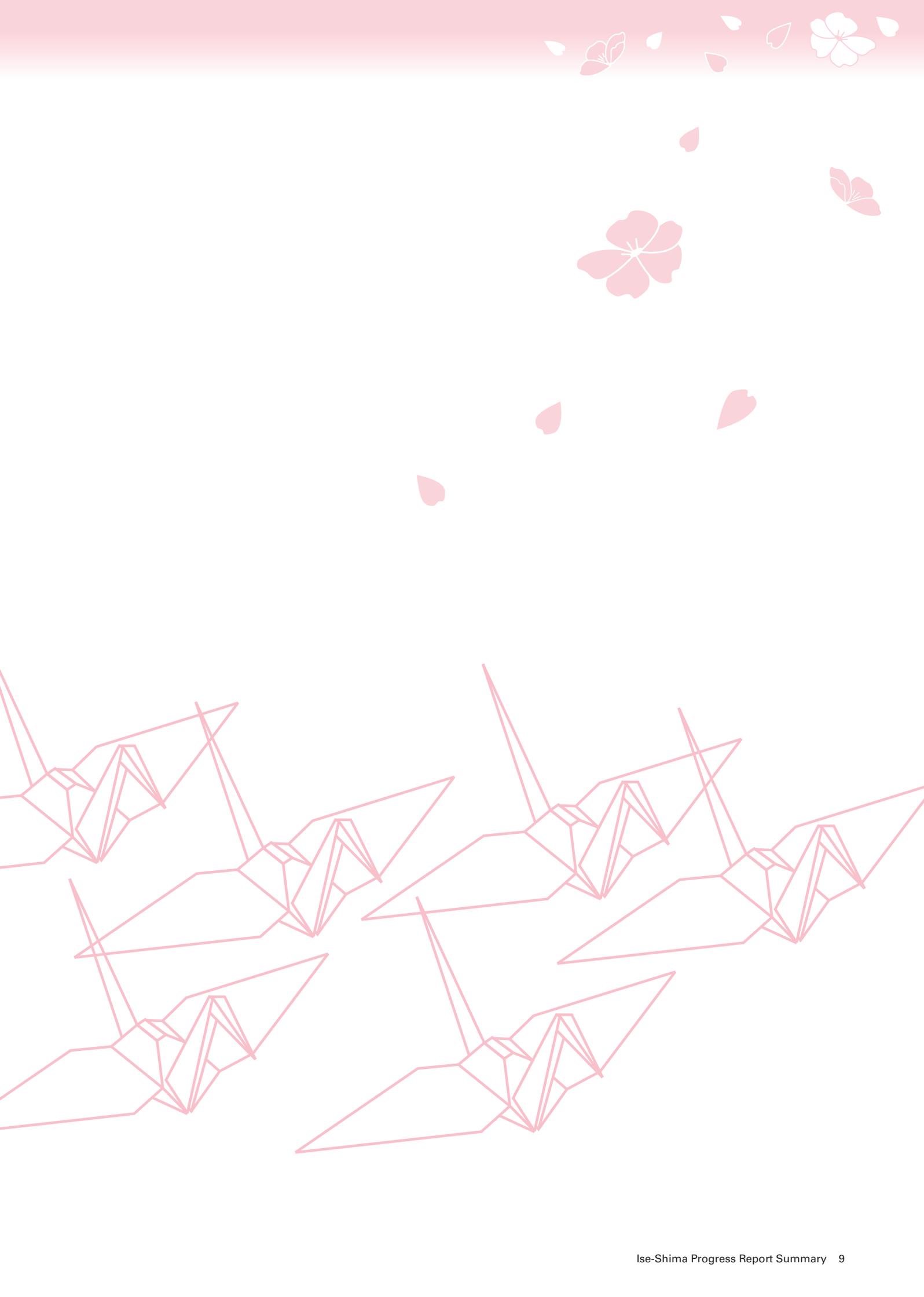
Credit: GIZ/ASEAN Sustainable Agrifood Systems



Although there are some commitments which have not met the quantitative targets within the indicated timescales, and some require further improvement of G7 actions, the overall assessments in this report range mostly between satisfactory and excellent. In addition to the 37 commitments assessed here, G7 members agreed to look at the other 14 commitments made at the Elmau Summit, continuing to work individually and collectively to track progress in future progress reports. Throughout the assessment period, the G7's engagement and actions have been consistent, influential and prominent in poverty reduction and sustainable development.

As the 2016 Chair of the G7, Japan initiated a dialogue with approximately 80 members of the international civil society on the occasion of the Civil G7 Dialogue in Kyoto with an aim to maintain accountability and transparency of the Accountability Working Group. The G7 appreciates constructive input from civil society. We continue to engage with all stakeholders, including civil society, on development challenges.





Summary of Commitment Scores

| Commitment | | Score | |
|------------|---|--------------------|---|
| 1 | Increasing Development Assistance (Gleneagles) | N/A ¹ | |
| 2 | Increasing Development Assistance (Elmau) | NEW ² | |
| 3 | Development Effectiveness | Satisfactory |  |
| 4 | Remittances | Satisfactory |  |
| 5 | Trade and Development | Good |  |
| 6 | Trade and Infrastructure in Africa | Good |  |
| 7 | Responsible Supply Chains | NEW | |
| 8 | Strengthening Health Systems | NEW | |
| 9 | Preventing Future Outbreaks | NEW | |
| 10 | Setting Up Mechanisms for Rapid Deployment | NEW | |
| 11 | Reforming and Strengthening WHO's Capacity | NEW | |
| 12 | Mobilizing Support for the Global Fund | Excellent |  |
| 13 | Toward 2.3 Health Workforce per 1000 People | Below Expectations |  |
| 14 | Antimicrobial Resistances | NEW | |
| 15 | Neglected Tropical Diseases | NEW | |
| 16 | Maternal, Newborn and Under-Five Child Health | Excellent |  |
| 17 | Ending Preventable Child Deaths and Improving Maternal Health | NEW | |
| 18 | Prevention and Treatment for HIV/AIDS | Good |  |
| 19 | HIV/AIDS: Stigma, Discrimination and Rights Violation | Satisfactory |  |
| 20 | Malaria | Excellent |  |
| 21 | Tuberculosis | Good |  |
| 22 | Polio | Excellent |  |
| 23 | Water Action Plan agreed at Evian | Good |  |
| 24 | Africa-G8 Partnership on Water and Sanitation | Good |  |

¹ The progress on the commitment 1, Increasing Development Assistance, is assessed not collectively but only individually by each G7 member and therefore is difficult to be classified like above. For reference, its scores are following: Excellent for Canada, Satisfactory for France, Satisfactory for Germany, Below Expectations for Italy, Good for Japan, Excellent for the UK, Excellent for the United States and Good for the EU.

² It is not possible to make a complete assessment in the absence of agreed baseline data for 2015. The following No 2, 7, 8, 9, 10, 11, 14, 15, 17, 27, 30, 49, 50 and 51 are categorized as the same.



| | | | |
|----|---|------------------|---|
| 25 | L'Aquila Food Security Initiative (AFSI) | Excellent |  |
| 26 | New Alliance for Food Security and Nutrition | Good |  |
| 27 | Broad Food Security and Nutrition Development | NEW | |
| 28 | Global Partnership for Education | Excellent |  |
| 29 | Sexual and Reproductive Health and Reproductive Rights | Good |  |
| 30 | Technical and Vocational Education and Training for Women and Girls | NEW | |
| 31 | Anti-Corruption (UNCAC) | Good |  |
| 32 | G8 Anti-Corruption Initiatives | Good |  |
| 33 | Extractive Industry Transparency Initiative | Excellent |  |
| 34 | G7 Partnerships on Extractives Transparency | Good |  |
| 35 | Conflict Resources | Excellent |  |
| 36 | CONNEX | N/A ³ | |
| 37 | Base Erosion and Profit Shifting (BEPS) | Excellent |  |
| 38 | Beneficial Ownership | Good |  |
| 39 | Anti-Bribery | Good |  |
| 40 | Asset Recovery | Good |  |
| 41 | Tax Capacity Building | Good |  |
| 42 | Land Transparency | Satisfactory |  |
| 43 | Open Data | Excellent |  |
| 44 | Maritime Security in Africa | Good |  |
| 45 | Formed Police Units | Good |  |
| 46 | Adaptation | Good |  |
| 47 | Biodiversity | Satisfactory |  |
| 48 | Energy Infrastructure in Africa | Satisfactory |  |
| 49 | Climate Risk Insurance | NEW | |
| 50 | Renewable Energy | NEW | |
| 51 | Marine Litter | NEW | |

³Monitoring methodology for CONNEX is under consideration and therefore no information was available for judgment.



Methodology for Assessment and Evaluation

1. Overview

Accountability and transparency are core principles for the G7 to maintain the credibility of the decisions of G7 Leaders. The Ise-Shima Progress Report, in principle, follows the assessment methodology applied in the Lough Erne Accountability Report published in 2013. There are 51 commitments to be assessed and evaluated in the Ise-Shima Progress Report. Progress on the G7's commitments is assessed with indicators, baseline and data sources that have been agreed by the G7 Accountability Working Group.

2. Objectives of Assessment and Evaluation

The objectives of assessment and evaluation are (i) to monitor progress on development and development-related commitments with the aim of clearly communicating progress and achieving a wide readership in both G7 and partner countries, (ii) to support the G7's ability to deliver on the commitments made at the Summits, and (iii) to promote mutual accountability. The G7 Progress Report assesses the implementation of development and development-related commitments made at G7 Summits, using a five-tier signal.

3. Methodology

The Ise-Shima Progress Report adopts the following methodology for making assessment and evaluation for each of the 51 commitments:

First, to identify and validate the indicators of progress for each commitment. Each indicator has been agreed upon by the Accountability Working Group and consists of quantitative and/or qualitative measures, which are weighted equally.

Second, to measure progress on the indicators set by the Accountability Working Group according to pre-determined data sources.

Third, to assess factual finding of progress, including factual changes, comparisons and cause-result relationships, and to make narrative assessments.

Fourth, to evaluate the progress of indicators. Evaluation is made on the basis of assessment of information and data collected from the baseline year to the latest year (when updated information is available).

Fifth, to determine scoring by a simple average of evaluation of equally weighted indicators.

The process also takes into consideration a set of five widely recognized criteria — relevance, effectiveness, efficiency, impact and sustainability — released in the OECD-DAC evaluation principles in 1991.



| Word | Definition |
|----------------------|---|
| Assessment | Analytical work for factual finding of progress on the G7 commitment. The facts include the following but are not limited to: (i) description of a factual change between before- and after-values/situations, (ii) comparison between a target- and a current- values/situations, and (iii) cause-result relationship. |
| Evaluation (Scoring) | Systematic determination of value (merit, worth or significance) of the G7 commitment. The evaluative conclusion is indicated by value-laden word: Excellent, Good, Satisfactory, Below Expectations and OffTrack. |

The proposed scorecard approach and a five-tier signal are to be applied with a set of narrative definitions for quantitative and qualitative assessment/evaluation.

| Scoring Mark | Verbal Scale | Narrative Definition |
|---|--------------------|--|
|  | Excellent | The commitment was fully achieved or almost achieved; the targeted situation was fully realized or almost realized; or the pace of improvement was excellent. The progress of achievement is equivalent to a numerical basis in the range between 81-100%.* |
|  | Good | The commitment was mostly achieved; the targeted situation was mostly realized; or the pace of improvement was good. The progress of achievement is equivalent to a numerical basis in the range between 61-80%.* |
|  | Satisfactory | The commitment was satisfactorily achieved; the targeted situation was satisfactorily realized; or the pace of improvement was satisfactory. The progress of achievement is equivalent to a numerical basis in the range between 41-60%.* |
|  | Below Expectations | The commitment was not satisfactorily achieved or below the expectation stated; the targeted situation was not satisfactorily realized or below the expectation stated; or the pace of improvement was below the expectation stated. The progress of achievement is equivalent to a numerical basis in the range between 21-40%.* |
|  | OffTrack | The commitment was not or barely achieved; the targeted situation was not or barely realized; or the pace of improvement was off track. The progress of achievement is equivalent to a numerical basis in the range between 0-20%.* |
| N/A | Unable to Judge | No information was available for judgment/determination. |

* In the case of quantitative assessment/evaluation, a respective numerical scale is used.

Verbal and weighting scales are based on the methodology applied in the Lough Erne Accountability Report, p.138.

Note: Under Germany's presidency in 2015, there were 14 new commitments that require monitoring. As the baseline year for their monitoring was 2015, the Ise-Shima Progress Report does not give the score for Elmau commitments.

