



G8 Youth Summit 2009

**G8 Youth Summit Milan
16th – 20th March 2009**

Communiqué



20th March 2009

Leaders of the G8:

We are representative of a generation which one day will be charged with stewardship of the human family and the world which sustains it. We have benefitted from unparalleled opportunities created for us. Global society also faces significant issues and we applaud our leaders for recognising these. But recognition is not enough. We are concerned about the legacy we will inherit.

Today's youth believes that there exist crucial issues which for too long have not been given the degree of attention they deserve: poverty reduction, human dignity, social justice, environmental sustainability. Even though individual national interests are vital to governance, these should always be subordinate to superior universal considerations of humankind and the world in which it exists.

There was your declaration of commitment. It was and remains a commitment our generation believes in. Much has been done to fulfil this pledge and the efforts of many organisations and institutions have made important and costly contributions.

However, the self-interest of governments too often compromises this promise. The long-term priorities of humanity must supersede short-term cost efficiency and political survival.

There is no enforceable obligation. There is however responsibility. A common responsibility that transcends generational boundaries. This is our contribution; now you must take the lead.

G8 YOUTH SUMMIT 2009



HEADS OF STATE

The G8: Its Role and Mission

The leaders of the Group of Eight nations wish to note the continued importance and relevance of the Group, and hope to see it developing its work in years to come. However, as the international community evolves, we recognise that we need to engage in a process of review.

As part of this review, we must address the question of the G8's definition. We see the G8 as an informal coalition of leading large democratic economies who have shared values and wish to work harmoniously in order to achieve a beneficial outcome for all. The Group is and should remain a small and exclusive group, bringing together only those states that are capable of achieving the goals that we wish to achieve. Furthermore, we believe that the G8 will only continue to be effective as long as we retain its unceremonious and consensual nature.

We also believe that the G8 continues to be a relevant institution in the modern sphere of international politics, despite the emergence of other groups, such as the G20. Our commitment to the discussion of humanitarian and environmental issues, and our work to find solutions to the challenges we face, we believe sets the G8 apart. We therefore accept as true the assertion that the G8 plays, as ever, a crucial role.

Finally, we reaffirm the values of our founding Declaration of Rambouillet. "We are each responsible for the government of an open, democratic, society dedicated to individual liberty and social advancement."

The Heiligendamm Process and the Future of the G8

We note the conclusion of the Heiligendamm Process at the G8 Summit 2009. As the world becomes increasingly globalised, and as strong economies continue to emerge, it will gradually become harder to achieve our goals without consulting and cooperating with other states. We therefore believe that the inclusion of Brazil, China, India, Mexico and South Africa (the Outreach 5 States) has been beneficial to the G8 process, and that their continued involvement is needed for the Group to be efficient. In the coming years the involvement of the O5 will be vital in order to achieve the kind of results that we are used to expecting.



However, we do not believe that the O5 are ready to join the G8 as full members yet. We therefore build upon the Heiligendamm Process with a stronger Milan Process, and commit to the extension and expansion of the dialogue between ourselves and the O5. We are committed to more frequent meetings with the O5 states and a greater level of consultation. For this reason we believe that the language of this partnership should be changed to reflect the increased responsibility levelled on these states. The terms ‘observers’ and ‘outreach’ are therefore no longer appropriate, and should be replaced with Associated 5 (A5). Furthermore, we wish to extend these discussions to all topics discussed by the G8, and hope to be able to include their input in all matters. We will not require their consensus when deciding the course of action that we wish to take, but the O5 should be viewed as part of the Group.

This Milan Process should be reviewed and evaluated after a period of two years with a view to the possibility of expansion of the G8 on a state-by-state basis in the long-term. We wish to stress the importance we attach to the shared values expressed above, and believe that states will only qualify for full membership once they have demonstrated their commitment to those values and basic human rights. We also believe that it is necessary for any prospective members to declare their commitment to bearing the burdens and responsibilities of being a member of the G8.

We recognise the importance of dialogue with the European Union (EU) and the United Nations (UN) in the context of our discussions, and we will work to ensure this is continued. Additionally, we believe that there is value in the attendance and participation of observers from various regional institutions, especially the African Union (AU). We feel that they have a role to play in providing a unique perspective on specific issues and can help to guide the G8 to reach better decisions that are both more relevant and more appropriate.

Reform of the United Nations

We appreciate that after a decade and a half of debate, in March 2009, a breakthrough took place with the start of open intergovernmental negotiations on the substance of the United Nations Security Council’s (UNSC) reform. Against this backdrop, we urge all UN Member States to seize the current opportunity and cooperate in these important negotiations so that we can come to swift and thoughtful results.



We believe that many of the solutions to complex challenges which the G8 have made their priority can only be implemented with a well-functioning United Nations Security Council (UNSC). Hence, we are strongly committed to making the UN, and particularly the UNSC, an even more efficient tool to work towards international peace and security. As the UNSC does not reflect the current geopolitical reality anymore, we are fully convinced that reforming the UNSC is fundamental in order to enhance its legitimacy and authority.

Security Council Membership

We suggest that four of the ten non-permanent members change their nature of membership: they shall become semi-permanent members who are elected by their region every four years and can be re-elected indefinitely. In order to allow for a geographically equitable representation, these semi-permanent members would include one from African States, one from Latin America and the Caribbean, one from Asia and one from Western European, Canada and Iceland based on the exhaustive five categories defined by the UN. The Asia-Africa group will be broken-up and a new seat will be added. There will be three Asian seats, one semi-permanent and two non-permanent. There will be two African seats, one semi-permanent and one non-permanent, elected from Sub-Saharan Africa. Lastly, there will be one new Arab seat with non-permanent membership. Africa, Asia and the Arab regions are mutually exclusive and states cannot be a member of more than one region.

The Issue of Genocide

In some cases the UNSC has failed to react to acts of genocide in a timely and effective manner. We firmly believe that part of the problem stems from the power of veto retained by the Permanent 5 (P5) states. We therefore believe that in cases of genocide it is imperative to act and states must be prepared to surrender their veto. We therefore propose the establishment of an external and independent legal panel or institution to rule whether an event constitutes genocide based on the legal definition outlined in the Convention on the Prevention and Punishment of the Crime of Genocide. Such a ruling could not be vetoed by the UNSC, and resolutions concerning action on genocide could similarly not be vetoed. When action is needed, we must be prepared to act. The failures of our history, must be the guide to our future.



Veto Override

We propose that, under certain circumstances, the veto be overridden. In the event of a fifteen-to-one vote, the remaining country's veto will be overridden. In a fourteen-to-two vote, the veto can be overridden only if one of the dissenting countries is not a permanent member; if both are permanent members, the veto stands. In the case of a thirteen-to-three vote, where only one of the three dissenters is a permanent member, the veto stands. With respect to the challenge of abstentions, we suggest that the UN decide how to include this option in a way that contributes to the effective implementation of the veto override. Lastly, when states use the veto, they must issue a publically available written explanation and justification of their position.

Human Rights Council

The Human Rights Council is not adequately fulfilling its mission of promoting and protecting human rights around the world. Therefore, we propose a politically independent, technically competent institution. Its mission will be to certify the human rights records of UN members, and only certified members will be eligible for membership on the Council. None of the P5 countries may be barred from the Human Rights Council.

P5 Consensus

Along with the other permanent members, China agrees with these reforms as long as they are carried out under the auspices of the UN.

Energy Security

We express our concern with the issue of energy security. We agree to increase energy security through alternative and conventional sources of energy. We support efforts to ensure the secure supply of energy and wish to collaborate with energy suppliers to achieve this.



MINISTERS OF FOREIGN AFFAIRS

Counterterrorism

The G8 and India stand resolute in our determination to fight terrorism, in all its forms and manifestations, committed by whomever, wherever and for whatever purposes.

We invite all members of the United Nations to reaffirm their commitment to fighting terror, both globally and within their own borders.

In our effort to coordinate our common mission to combat this global threat, the G8 and India propose the creation of an international counter-terrorism centre, under the auspices of the United Nations. This institution should include the sharing of intelligence, a compensation fund for victims of terrorism and, where appropriate, the deployment of emergency units to assist governments unable to manage the aftermath of terrorist attacks.

The G8 and India believe that the courage and resolve essential in the fight against terrorism must be matched by an unwavering commitment to the ideals we seek to uphold. It is in this spirit that we welcome the closure of Guantánamo Bay and, wherever security considerations allow, support the repatriation of former detainees. Where security concerns prevent repatriation, the G8 and India support the creation of a process by which former detainees may be reintroduced to civil society.

The People's Republic of China, the Republic of India, the Russian Federation and the United States of America in recognition of the need for international justice and in an effort to demonstrate their allegiance to the global community, jointly and publicly declare their commitment to future participation in the International Criminal Court (ICC).

Regional Conflicts

Afghanistan

Declaration: We recognise that our main goal should be to rebuild the sovereign state of Afghanistan on the levels of security, politics and economy to make it a safe place for Afghans to live in and prevent Afghanistan being a haven for terrorist groups.



True democracies commit to constantly reassessing and refining themselves in an effort to achieve greater transparency, accountability, and legitimacy.

Establishing Security in the Country and the Region: It is essential to train and equip the ethnically balanced Afghan police and army. We guarantee police officers salary for two years in order to reinstall confidence in the government and its means. We believe it vital to develop a new control of payrolls in order to outsource corruption.

We appeal to the Government of Pakistan to strengthen its commitment in fighting insurgent military camps and offer our long-term commitment and support in the battle, as in the strategy of the border control.

State-Building: Designing a democratic government that respects human rights and is representative of all Afghan people in respect to their culture and religion is our main objective. Afghanistan's institutions could be strengthened through civil service reform, the Parliament, judiciary, Governors, a stronger civil society and provincial bodies, as well as elected councils. Most importantly we need to strengthen the local governments at the provincial level to prevent the rising lawlessness. We extend our support in reconstructing the infrastructure, raising the accessibility for security and fighting economic dislocation.

Social and Economic Development: We urge the international community to strongly contribute to aid in Afghanistan to reconstruct the social structure, in terms of building schools, medical and psychological institutions, and demonstrate the advantages of supporting the central government.

Counternarcotics Strategy: We extend our expertise and financial support in providing subsidies for the cultivation of alternative crops, legitimising the agricultural industry in Afghanistan and moving it away from the illegal drug trade which serves as a major source of funding for terrorist activities.

Negotiating with the Taliban: We wish to bring moderate Taliban and the Government to the negotiation table as equal interlocutors. Within the framework of an arbitral tribunal both parties and other relevant actors could be put into consideration in designing a program for a peaceful retreat,



whilst assuring a reduction of terrorist threats. In order to nourish a civilian approach, the three parties should be represented by medium range, yet experienced, diplomats.

Middle East

G8 countries and India believe that attaining a peaceful resolution to the Israeli-Palestinian conflict is crucial to bringing peace and stability to the Middle East. We believe the only path to sustainable peace is founded on a 'two-state' solution. Indiscriminate acts of terrorism only serve to undermine progress. Equally, while we support Israel's right to defend the security of its citizens, such force should be exercised proportionately. Military action must be backed by a resolute and sincere commitment to minimise civilian casualties.

We support direct and transparent diplomacy in the resolution of this conflict. The opening of dialogue among all parties in the region, including Hamas, is a necessary means in achieving regional peace. The international community devotes a long-term commitment to the outcome of this process.

We lament the poor humanitarian situation in the Gaza Strip. We therefore urge for the opening of crossing points, allowing free access and movement of goods and people.

We also express full support for NGOs and humanitarian organisations working in this region and call for a new wave of social and economic aid to be donated by the international community.

Democratic Republic of the Congo

We welcome the recent trial of Thomas Lubanga by the International Criminal Court, the first trial in the history of the ICC, and see it as a great step in the fight against the impunity of those responsible for serious war crimes, such as the enlistment of child soldiers and violence against women.

We strive to keep and extend the mandate of Mission de l'Organisation des Nations Unies en République démocratique du Congo (MONUC) to bring peace to the region and call for members of the United Nations to pledge further forces in order to ensure it is a workable and effective security force, also bringing stability to the eastern provinces and border. We urge stricter monitoring of natural resources from the north eastern regions of the DRC.



We welcome President Kagame's appeal on the importance of coming to a ceasefire with the different paramilitary groupings.

Zimbabwe

We welcome the prime ministerial appointment of Morgan Tsvangirai and hope it will mark transition in Zimbabwe from an authoritarian to a democratic political system, ensuring freedom and human rights to all its people.

We therefore urge for the repeal of repressive legislation currently in place within the country and the release of political prisoners, re-establishing democratic principles and the rule of law.

In light of the unprecedented collapse of the economic and social system within Zimbabwe, including the recent cholera outbreak, we urge that full access be granted to medical non-governmental organisations (NGO) looking to distribute aid in the region and call for the international community to make contributions. Preventing this illness is also vitally important. This will require improvements in sanitation and infrastructure, which we hope to support.

We also hope for the appointment of a credible finance team by the Zimbabwean Government in order to re-establish the country's once flourishing but now devastated economy. Lastly we call for a clear roadmap to next national elections, which must be conducted freely and fairly, and pledge our support.

Iran

We look forward to the upcoming elections with the sincere hope that the elected administration will meet the requirements of the international community.

The peaceful resolution of international disputes is our guiding principle. On these grounds we continue to support efforts of direct diplomacy with Iran along lines of responsible partnership.

We believe it is crucial to re-evaluate our current policy in the region, creating a climate of mutual respect and open and peaceful dialogue. We see Iran as a key influence in resolving regional disputes, including bringing stability to both Afghanistan and the Middle East.



We call on Iran to answer the demands of the UNSC and the International Atomic Energy Agency or face the disadvantages of ignoring the will of the international community.

We also hope to see an improvement in the current human rights situation within Iran. Following the closure of the Centre for Human Rights Defenders in Tehran, urgent action is required to end the execution of children and the use of stoning as a means of conducting the death penalty.



MINISTERS OF FINANCE

We agree to take coordinated action to counteract the current financial crisis, develop risk management strategies for the financial industry, and reform the global financial architecture. Our overarching aims are to increase transparency, enhance flows of information, and reinforce market integrity.

Financial Crisis Countermeasures

We resolve to take all necessary steps to restore public confidence in the financial markets. We reaffirm our commitment to provide fiscal stimulus, if necessary, to our domestic economies while taking into consideration the effects these stimulus will have on the global scale.

Interest rates have been significantly lowered in most countries. We acknowledge that, while Central Banks of sovereign states should remain independent from political influence, the G8 governments should undertake to fully assess the risks of low interest rates and maintain price stability.

We believe that there are three main principles that nations should abide by while developing stimulus plans.

- Anti-Protectionism: National stimulus packages can have effects beyond borders; hence, it is necessary to take into consideration the effects of domestic policies on other nations. We strongly discourage economic protectionism in the forms of “buy national” policies and additional trade barriers. We remain committed towards free trade, free capital flows, and the lowering of tariffs in the long run. We call on other nations to take the actions required to maintain open markets
- Environmental and Social Issues: We agree to develop and implement environmentally and socially responsible measures wherever possible.
- International Development: Fiscal stimulus should not jeopardise humanitarian aid funding.

We propose for the effectiveness of each nation’s stimulus packages to be discussed at an Organisation for Economic Co-operation and Development (OECD) level. We also propose the OECD to assess on a regular basis the implementation of anti-crisis activities in both member and observer countries.

Reform of International Financial Architecture



International Monetary Fund (IMF)

We believe that the IMF's current image is a significant barrier to its future success as a trustworthy global institution. In order to restore the wider world's confidence in its ability to bring about worthwhile improvement to national, regional and global economies, we propose the following measures.

- Emerging Market Economies: the representation, resources and activities of the IMF must be truly international. We encourage emerging market economies to provide more funds to the IMF than they are currently doing in return for a significant increase in their representation in the organisation. This will reduce western countries' current dominance of IMF governance structures. Borrowers should be able to participate, with non-voting status, in board discussions on the conditions attached to funds they receive.
- Leadership: We agree that the current leadership selection process is out-dated. Leaders must be appointed in a democratic, merit-based way. The Managing Director of the IMF should be more representative of its constituents.
- Conditionality: Case-by-case, pragmatic analysis of each borrower's requirements is essential to the IMF's lending practices. We welcome recent efforts at providing short term liquidity facilities to countries in urgent need of assistance. Washington Consensus policies should no longer be the sole approach informing conditions imposed on IMF support.
- Regional Arrangements: We appreciate the introduction of regional liquidity pools such as the Chiang Mai Initiative and encourage the IMF to work with such regional institutions where relevant.

World Financial Organisation (WFO)

In order to prevent a detrimental 'race to the bottom', a World Financial Organisation should be created. This WFO would initially be comprised of the G20 and Financial Stability Forum (FSF) member countries and facilitate consensus on minimal regulation standards on a growing list of financial actors. These decisions, reached by consensus, would be legally binding. The inclusion of the FSF in the WFO framework is to provide a strengthened early warning system for impending crises.

The initial three standards set by the WFO are as follows:



- Rating Agencies: We believe the link between the issuer and the rating agent should be broken in order to avoid conflicts of interest within the rating system. We recommend the creation of an intermediary between the issuer and the rating agency. The issuer would access the rating agencies' rating services through a subscription with the intermediary. Rating agencies may continue to provide consulting services provided the two services are strictly separated. Competition between the rating agencies would remain in the market of financial planning and analysis.
- Hedge Funds: We propose to introduce minimum capital requirements and a maximum leverage ratio of 20:1 for all hedge funds.
- Tax Havens: We are convinced that tax havens are a detriment to the efficiency of fiscal policy of the G8 members. The G8 calls upon IMF-defined tax havens to disclose any and all financial information on persons suspected to be guilty of tax evasion or criminal activity. The increased transparency between nations would allow welfare states and fiscal policy to work more efficiently.

Risk Management in the Financial Industry

Basel II

We believe the Basel II agreement needs to be reformed. Capitalisation requirements for banks are insufficient; thus, the leverage ratio needs to be lowered. The Basel II must be moved away from pro-cyclicality in favour of counter-cyclicality; the capitalisation rate should increase in times of economic growth and decrease in times of contraction. Today, Basel II is designated towards developed economies. We believe that a modified Basel II should be implemented in a comprehensive way towards emerging economies.

We call for a reform of International Accounting Standards (IAS) which favour pro-cyclicality and contagion of investment behaviour. We urge countries to adopt a standard where firms will present two balance sheets: one where assets are evaluated at historical cost and one at market price. In addition, off-balance sheet positions should be disclosed in a separate statement attached to the balance sheet. We believe these measures would allow a more effective assessment of market conditions and potential bubbles.



Remuneration

The rewarding of short term risk taking must be recognised as a significant factor in the current crisis. Furthermore, it continues to be an important consideration for risk management in the financial industry. We believe that compensation methods for financial risk takers should be changed in the following ways at a national level:

- Timescales: Bonus payments should continue to be linked to performance but over longer timescales. Where investments go awry, this allows overall compensation to be decreased to more accurately reflect average performance.
- Loss Making: If a financial institution in which a risk-taker works makes a loss, he or she should not receive a bonus.
- Cash-Equity Balance: A proportion of risk-takers' bonuses should be paid in stock or stock options which have to be stored for a certain time before being sold in order to increase accountability and long-term approaches by companies.
- Loan Book Bonuses: Financial services staff responsible for distributing credit should only be rewarded once borrowers have been established as reliable; they should not be rewarded merely on the basis of the number of loans they make.



MINISTERS OF ECONOMICS

Member states of the G8 re-affirm their commitment to free market principles. History has taught us that where there are free markets, there is greater prosperity. It is in this spirit that we seek to avoid economic nationalism, notably the use of beggar-thy-neighbour policies, which would hinder our ability to recover from the economic crisis that faces us. Whilst this crisis requires creative short-term solutions, it is no excuse for negating our responsibility towards promoting long-term global development. We believe that trade is an invaluable vehicle for growth and seek to create opportunities for developing nations to enjoy the benefits that liberalised global markets can deliver. We believe that a transparent, multilateral, rules-based system is essential to both meet the challenges, and reap the benefits, of globalisation. Open trade and investment, the respect for private property, and competitive markets form the foundations for innovative enterprise. We believe that global problems demand global solutions, and urge the international community to work together in dealing with both the acutely precarious short-term crisis before us and the longer-term issues which need to be successfully addressed.

WTO Doha Development Round (DDR)

The G8 community remains committed to the World Trade Organisation (WTO) and the multilateral process. We stress the importance of the WTO rules-based multilateral trading system, and urge the recommencement of negotiations towards a prompt and successful conclusion as a means towards rebuilding confidence in the global economy, and demonstrating the ability of economic leaders to work together in addressing pressing global economic problems.

Agriculture

We acknowledge that agricultural issues are sensitive and significant for both developed and developing countries. Whilst we believe that reductions in trade distorting barriers need to be implemented for further development of world trade, we also recognise the need to support the efforts of the emerging economies, and to help them find additional resources for their development. Therefore, the G8 countries reaffirm our commitment to considerably decrease the amount of our agricultural tariffs and subsidies under the condition that developing countries also decrease theirs in a significant but gradual and incremental manner.



Non-Agriculture Market Access (NAMA)

In the spirit of reciprocity, that we hope will define the recommenced DDR talks, we believe that developing nations (not including the 49 LDCs), should increase their non-agriculture market access. This process will require sensitivity and gradualism but, in combination with the reduction of trade distorting barriers in the developed world, it promises to deliver significant steps towards freer and fairer trade.

Trade Transparency

We believe that the accessibility to information regarding trade distorting barriers could, and should, be improved. Perfect information is an essential prerequisite of free markets, and thus an increase in trade transparency is desirable. G8 member states call on the WTO to use communication resources, such as the internet, to compile such data in a simple accessible format.

“Everything but Arms” (EBA)

In the spirit of Doha being a development round, we acknowledge that EBA principles give the least developed countries (LDCs) an opportunity to improve their economic condition. As such, we will encourage current developed members of the WTO to be committed to eliminating all trade distorting barriers on the imports of goods and services, except arms, from the world’s poorest 49 states. These states will be determined in a biannual review by the existing United Nations Conference on Trade and Development (UNCTAD). We also agree these LDCs should have the right to protect their “infant industries” which they have a proven natural comparative advantage in. Such temporary measures are a means to the desirable end of freer trade. When such industries are sufficiently developed, their markets should be liberalised. We propose that judgments regarding the competitiveness of such industries be made in the realms of the WTO.

Accession of the Russian Federation to the WTO

The G7 countries support and encourage reinstatement of negotiations towards Russia’s accession into the WTO, and will make every effort to include Russia as soon as possible.

Automotive Industry



G8 member states recognise the difficulties currently faced by many automotive industries. We believe that, whilst within many such industries there exist systemic challenges, the situation has been significantly exacerbated by the global economic crisis. We believe that, given the significance of such an exogenous factor, governments are justified in supporting their automotive industries from collapse insofar as such measures do not resort to crude economic nationalism. We commit to ensuring that government support is provided on the guarantee that necessary industry restructurings take place. We encourage that such restructurings are oriented towards incorporating fuel efficiency technologies into business models, in accordance with the increasing consumer demand for such products. In order to avoid trade distorting governmental support, any such programme should take into account the actions of other states and be approached in a fair and consistent manner.

Aviation Industry

G8 member states recognise both the overt and hidden subsidy policies employed by states with regards to their aviation industries. Within the realm of civil aviation (i.e. commercial aircraft production and airline companies) we commit to not increasing subsidies, of any kind, with a view to reducing them in the long term.

Corporate Social Responsibility

We encourage and expect our companies, operating both domestically and internationally, to be both socially and environmentally responsible. We re-affirm our commitment to the principles espoused in the United Nations Global Compact (UNGC) and the OECD Guidelines for Multinational Enterprises (OECDGME). We are encouraged by the efforts taken by a significant number of businesses to implement CSR principles. We believe that CSR and capitalism are complementary and that corporations are increasingly realising this reality.

G8 member states are committed to allocating resources into the research of CSR and liaising with the private sector to encourage its incorporation into business models. Furthermore, governments should seek to raise the public awareness of CSR; corporations will be more inclined to adopt CSR principles if consumers are conscientious of the concept when making purchasing decisions. We commit to encouraging businesses to sign up to the UNGC and to comply with its expectations. Furthermore, G8 member states will strive to regularly reward corporations which demonstrably adhere to CSR principles.



G8 member states are committed to maintaining or creating a CSR contact point in our governments and seek to strengthen inter-governmental links. Additionally, we call upon all corporations to inform their employees of CSR principles and to establish a working dialogue within the business community. We commit to initiating the establishment of intellectual spaces involving all stakeholders. Within such intellectual spaces, we believe that it is desirable for a formula to be established which would enable corporations to be rated according to their adherence to CSR principles. We encourage existing rating agencies to work together, with the involvement of all stakeholders, towards establishing a consistent methodology in arriving at their judgements. We believe that the UNGC has a role in overseeing the development of such a rating criteria. We believe that corporations should continue to provide regular reports on themselves to the UNGC and that NGOs should be proactive in ensuring that such reports reflect reality. We seek to establish the UNGC as a benchmark of CSR which all corporations seek to involve themselves with.

Transparency is an important component of CSR as a means for providing an accurate assessment of companies' adherence to CSR principles and practices. Corporations should also be proactive in ensuring that they are aware of the supply chain of their products. This information should be accessible to the relevant agents and should be a significant criterion in the formula for evaluating CSR.



MINISTERS OF ENVIRONMENT

We the G8 acknowledge that the world is in a time of economic crisis. However, we believe that the environment should still be a major focus for the G8 as it is a serious global problem.

We welcome worldwide preparation for the COP 15 Conference in Copenhagen, Denmark in December 2009. We, the G8 countries, agree that all countries have to bear responsibility for climate change. Justly sharing the burden among them will be the major issue of the Copenhagen conference.

Climate Change

We the G8 believe that climate change is a severe global problem that needs to be dealt with. We further reject the supposition that man-made climate change does not exist.

Therefore, we the G8 commit ourselves to the reduction of our greenhouse gas emissions. As such, we agree to an extension of the Kyoto Protocol beyond the 20% reduction by 2020. We agree to reduce our greenhouse gas emissions by 50% of 1990 levels by 2050, with a phased reduction of 30% by 2030 and 40% by 2040. We propose that this agreement is then taken forward to the UNFCCC summit in Copenhagen in December 2009 and that all nations agree to this target.

The G8 countries would like to emphasise the possibility for national states to use top runner standards, incentives or regulation along with taxation measures that include environmental issues in order to achieve an overall progress in reducing the environmental impact of economic growth

We encourage all countries to implement specific energy efficiency targets with respect to their regional and national capability in order to reduce global energy consumption and to ensure a better employment of energy.

We call upon all nations (both annex I and non-annex I) to implement specific greenhouse gas emission targets in order to achieve a global reduction of emissions.



We recognise that developing countries must be supported in their efforts to cope with the impacts of climate change. To this end, adequate financial assistance and technology transfers are essential and could, for example, be enhanced through the Adaptation Fund.

With regard to the successful implementation of the European Emissions Trading Scheme, we affirm the necessity to strive for a global emission trading scheme on a long-term perspective with regional schemes implemented on a short-term basis.

We emphasise that the money earned through the Emission Trading Scheme should be channeled into projects that enhance development with a special focus on the implementation and research on green and truly innovative technology.

Energy Supply

All G8 countries should aim to reduce their greenhouse gas emissions through the use of efficient energy generation.

Renewable Energies

We recognise that renewable energies have a primary importance in the tackling of climate change and we support the implementation of those energies.

We urge all countries to join our efforts of implementing renewable energies in power generation and collaborate with "International Renewable Energy Agency" (IRENA).

We encourage all countries to consider national incentives for renewable energy techniques based on their reduction of CO₂ emissions per amount of electric power generated.

With regard to the upcoming Conference in Copenhagen 2009, we, as G8 Nations, commit ourselves to target a 20% increase of the use of renewable energies in our energy mix in the generation of domestic electricity by 2030 and we encourage other annex-I nations to agree upon similar targets.

We also encourage all nations to increase the generation of electricity through renewable energies as a part of their energy mix.



Nuclear Energy

We acknowledge that there is no scientific consensus on a safe way of disposing nuclear waste. We therefore encourage all countries that are using nuclear energy to research and instate a safe and responsible nuclear waste management system.

Bio-fuels

With regard to the potential negative side-effects of a large scale application of bio-fuels, we encourage all governments to ensure that its application is limited and refrain from subsidies for large-scale use of bio-fuels. However, especially with regard to the Jatropha crop, we see the benefits of the application of bio-fuels on the local level, in case a sustainable production is ensured.

We welcome further research on the environmental effects of genetically modified (GM) plants and organisms. However, with regard to the current limited knowledge about it, we discourage all nations, industrial and developing, from using GM plants and organisms in the production of bio-fuels.

Electricity Grid

We, the G8 countries, welcome the creation of energy centres and the enlarging of electricity long distance grids for optimising energy usage in countries interested in it.

Carbon Capturing and Storage (CCS)

We recognise that the concept of Carbon Capturing and Storage (CCS) is not viable on a large scale as of today and could create high environmental risks for future generation. Accordingly, it should not be pursued at the moment. However, we welcome further research on CCS.

Biodiversity

We, the G8 countries, believe that biodiversity and the protection of ecosystems have to be assured in all climate-related activities. We reaffirm our collective commitment to the United Nation's Convention on Biological Diversity.



To this end we are convinced to fulfil our goal of reducing the rate of biodiversity loss at the global level by 2010. In addition, we encourage all countries to join this effort and thus ensure that the problem is addressed globally.

We support the creation of the International Panel on Biodiversity and Ecosystemic Services (IPBES). In providing decision makers and the international community with scientific facts and recommendations, the IPBES shall help to safeguard the preservation of biodiversity.

With regard to the United Nation's Convention on the Biological Diversity, we suggest the creation of a protocol that addresses the issue with regard to the scientific consensus provided by the IPBES.

We, G8 countries, concur in opposing illicit activities such as clandestine fishing and black-market trading of endangered species. We encourage more stringent international protection laws and regulatory measures.

We favour the creation of efficient aquatic conservation strategies, restoration and mitigation, marine reserves, fresh water initiatives, bioregional management and increase public awareness of human biological impact.

We as G8 Countries recognise that deforestation is a crucial issue with multiple societal, economical and environmental problems.

Therefore we suggest new commitments to be taken at the Copenhagen summit and in addition ensure the provision of funding to preserve rainforest land. A strong enforcement of cyclical agriculture is suggested in order to allow the soils to rest and rejuvenate and to increase its fertility.

Moreover, we acknowledge that forests cannot be considered as carbon sinks and thus be used for capturing CO₂. Therefore, we ask all nations not to set forth the buildup of forest biomass as CO₂ countermeasure within a new international protocol to be decided upon in Copenhagen.

We welcome research being conducted to examine the behaviour of the marine ecosystem following an eutrophication experiment in the south Atlantic. Nevertheless, the G8 leaders are convinced that the



application of large-scale geo-engineering measures in both the atmosphere and the ocean, as well as on land, to fight climate change are an inappropriate reaction according to the present knowledge.

Therefore the G8 leaders propose to hold a conference within the next decade that shall decide upon an international agreement on the application of geo-engineering with respect to the results of the scientific research and knowledge available at that time.

The Sustainable Use of Resources

We ask all nations to ensure a sustainable extraction and use of resources and to reduce negative environmental impacts. We also suggest the internalisation of environmental costs originating from the use of resources.

We, the G8 Countries, emphasise the need to decouple our economic growth from the negative environmental impact of use of resources.

The G8 encourage all countries to enhance their environmental regulations in order to avoid eco-dumping.

The Statute of Environmental Issues in Institutional Arrangements

We call upon all nations for a global cooperation in the field of environmental protection.

We also propose the necessity of eco-reforms in almost every international organisation. We consider that environmental protection must have adequate space within their legal provisions and their implementation mechanisms.

We propose the enlargement of the United Nations Environment Programme's (UNEP) mandate in order to enable it to carry out its own projects. Moreover we emphasise the need to increase UNEP's budget in order to fulfil its tasks.



MINISTERS OF DEVELOPMENT

We, the G8 countries, believe that the current global financial crisis is no excuse to reduce foreign aid commitments to developing countries. To go further, foreign aid has to be increased to promote more effectively an environment that fosters long-term sustainability through cooperative global initiatives. We reaffirm our commitment to the achievement of the Millennium Development Goals by 2015. We urge nations to pursue with renewed vigour, conviction any future pledges of aid which we hope will be made in the years to come. However, we also believe that existing pledges must be honoured. Development must be founded upon a cornerstone of international and multilateral collaboration, assisted by open dialogue not only with those nations committing aid, but also in conjunction with those developing countries to which aid and other assistance is given. We, the G8 have outlined our common perspective, as well as our common solutions to these global issues which plague our world.

Agriculture

An integrated approach to sustainable agricultural development is one that understands the symbiotic relationship between ecosystems and the continuation of human life. Agricultural productivity is an essential tool in fostering autonomous economic growth and effectively breaking the cyclical pattern of poverty. We believe collaboration is necessary in order to achieve effective, harmonised objectives. This cooperation is required if there is to be a cohesive vision to establish future African self-sufficiency. We affirm our commitment to support the NEPAD initiatives through the CAADP by funding infrastructure and securing clean water and irrigation. This also includes emphasis on corporate support and addressing food shortages. We pledge our continued support of the 2005 Paris Declaration and the 2008 Accra Convention. We propose a participatory approach focusing on: increased soil fertility; integrated pest management; and improvement of eco-capacity and the resilience of the agricultural system. An effective implementation of these proposals should also be coupled with the dissemination of knowledge through an intricate system of networking.

Education

Education is a human right. Universal access to education must be achieved. Basic primary education, one of the goals of the MDGs, will assist in fostering democratic values in society, a society which is built upon knowledge, empowering individuals to contribute to the social and economic development of their nations. Such education would assist women in particular. The acquisition of skills and



knowledge through universal access to free education is one aspect of an integrated approach to development which will see improvements in other areas of development such as the fight against HIV/AIDS, the elimination of the gender gap, and sustainable agricultural development. Furthermore, we agree that respecting the cultural differences and the diversity of religious traditions is an important consideration when encouraging the development of universal education programs. We propose the following four initiatives:

1. Improvement through the funding of educational facilities and materials;
2. Funded workshops for technical specialisation in conjunction with regional corporations and industry, including the implementation of running HIV/AIDS education programmes;
3. A global exchange program enabling university graduates and professors to teach effective methods of education abroad. This would be implemented through the creation of a regional teaching incentive program, incentives which could include pension contributions, tax breaks, credit points, and a possible reduction of student loans for individuals; and
4. Support families with initiatives including food programmes for children at schools. Such programmes would be rooted in the purchase, by international organisations, of produce from local farms, having the effect of contributing to sustainable economic growth whilst supplying important aid.

Education investments are a key aspect of an integrated approach to development that will lead to sustained economic and social development, as well as long-term sustainability.

Microfinance

Sustained aid and investment by national governments in the developing world is of crucial importance. It is only with substantial sums of money that large infrastructural projects can be funded. However, aid and investment should also be available to local communities and individuals. It is for this reason we suggest that a microfinancial approach could achieve this. This envisages foreign investors directing capital to small, localised community projects, provided on loan terms to individuals and small entrepreneurships. Their obligations and repayments would be regulated by simple, local financial houses. In the past, similar approaches have proven to be of low risk due a combination of community-based responsibility and efficient monitoring efforts. Targeted loans of this sort would ensure the efficient use of capital by borrowers, providing comfort to foreign investors that they would see the



return of their investment. This will require greater cooperation between commercial banks, NGOs, and donors in implementing national capacity and ratifying successful practices. Increased presence on the ground and regulated small-scale projects to train future entrepreneurs would involve the sharing of technological innovation and expertise.

This strategy would also require the development of local and national banking systems. We propose that our governments, when seeking to enter large contracts with complex financial institutions should consider, as a matter of policy, the imposition of contractual obligations that would require the development of local, simple financial houses in Africa. The ability of individuals in local communities to use and save a financial currency stabilised by local financial houses will assist capital accumulation. This, extrapolated over time, will enable African communities to rely less upon foreign investment. It will also reduce their exposure to the long-term debilitating effects of capital flight and aid dependency.

Debt Cancellation

Debt cancellation remains another important tool in contributing to the progression of developing states. For those countries which do not qualify for 100% debt cancellation under both the HIPC and MDRI initiatives, we propose a bold strategy. We propose that for those countries which do over time fulfill their debt obligations, we will redirect a proportion of the capital repaid to a new international organisation. The operation of this organisation would be overseen both by expert representatives drawn from the G8 nations and from the African Union. Funds would then be allocated to those specific regional projects which are determined to be most suitable.

Public Private Partnerships

Public-private partnerships (“PPPs”) can be an effective tool in the long-term sustainable development of Africa. G8 can empathise with the concerns of foreign investors in relation both to risk management and legal certainty. The Members believe the establishment of an arbitration tribunal could effectively address these concerns. Importantly, the G8 believes that the determination of any such dispute resolution procedure should not be extracted from Africa itself. Consequently, arbitral rules devised exclusively by this tribunal comprised of both African and Western academics, would determine any dispute. This will ensure both that disputes are resolved in Africa, but also when sentence is given, both parties will have access to compensation.



In addition, the arrival of the foreign investors to build infrastructures in Africa can be used as an opportunity to enhance the dissemination of knowledge through partnership. Work experience programmes may be extremely useful not only to foreign investors who will benefit from a capable local work force, but also African students can have direct contact with western professionals.

HIV/AIDS

We proposed the adoption of a three-step approach to improve the health situation in developing countries. Firstly, the existing legal framework needs to be amended in order to address more effectively the concerns inherent in public health. Secondly, incentives for research such as tax cuts, grants and market exclusivity have to be motivated. This can be done by creating private-public sector partnerships in research. Thirdly, the growing inaccessibility by the mechanism of a patent pool was addressed. All the G8 countries were in agreement with the proposed recommendation.

We recognised that there are two sides to fighting the disease: prevention and cure.



MINISTERS OF DEFENCE

At a time when the sources of international conflicts are ever more various and daunting, it is vital that the G8 put forward progressive solutions. Our actions should be guided by the following unalterable principles:

- *Peace* is the ultimate goal, achieved through mutual respect and the acknowledgement of international responsibilities;
- *Confidence* in international agreements, restored by compliance and enforcement;
- *Transparency*, as the essential means of restoring trust;
- *Security* of the world's citizens from the oppressive conditions of violence and injustice.

Disarmament and Strategic Missile Control

We, the G8 Ministers of Defence, welcome the recent improvements concerning the international co-operation in the field of Strategic Missile Control and Disarmament. We acknowledge the necessity of broadening dialogue to promote mutual trust and co-operation. As an illustration of our dedication to furthering this trust, we are committed to removing the necessity of a Missile Defence System in Europe by ensuring that no threat arises from Iran.

We encourage all states to firmly commit to improved strategies of disarmament. It is imperative that the USA and the Russian Federation conclude the renegotiation of an ambitious nuclear disarmament treaty without delay.

Furthermore, we welcome the establishment of an open-ended working group at the UN to actively pursue the feasibility of a Conventional Arms Trade Treaty. We would also like to emphasise that the treaty should require that each state involved in the trading of conventional weapons be authorised for this trade, and such authorisation would be conditional on ensuring that such weapons were not reasonably at risk of being used for human rights violations. In order for the treaty to be fully effective, it is essential that the compliance by all members be verified. On a broader scale, we value the goal of a global disarmament treaty to consolidate all existing agreements and to enshrine the principle of lasting global security.



Moreover, we would like to reaffirm the importance of the Treaty on Conventional Armed Forces in Europe as the cornerstone of European security and call upon all parties to live up to their stated commitments. We suggest the Organisation for Security and Co-operation in Europe hold a summit by the end of the year to study all possible measures of strengthening the Vienna Document, in particular the Confidence and Security Building Measures. In addition, we promote reform of the organisation to better address the new challenges.

NATO in the 21st Century

On the occasion of the 60th Anniversary of NATO, we are committed to ensuring that the Alliance is able to effectively meet the challenges of the 21st century. We look forward to the adoption of a comprehensive and modern Strategic Concept, which should emphasise the combination of improved military efficiency and a greater dedication to post-conflict reconstruction.

We recognise that NATO relies on strong ties with its international partners. To this end, we reaffirm our commitment to the vital NATO-EU partnership based on the Berlin-Plus Mechanism, and recognise their complementary relationship. Equally, we welcome the reopening of meetings within the scope of the NATO-Russia Council and call upon NATO member states to further intensify the dialogue with the Russian Federation as an important partner. Finally, it is important to strengthen its relationship with third states in order to achieve genuine interaction.

Treaty on the Non-Proliferation of Nuclear Weapons (NPT)

We encourage all non-signatory states to ratify the NPT and to commit themselves to the UNSCR 1540, in order to maintain peace and international security. We also urge all nuclear states who have not disclosed their stockpiles to do so, to create the international transparency needed to dispel worldwide tension which fuels proliferation. The G8 also encourages universal ratification of the Comprehensive Test Ban Treaty. To this end, any remaining non-signatory members undertake to ratify the treaty without delay.

In the meantime, we remain deeply concerned about Iran developing nuclear capabilities, and seek to offer more effective incentives for the country to immediately meet the requirements of the international community. It is essential that Iran understand the benefits of compliance with the UNSCRs and the disadvantages of ignoring international appeals.



We support the on-going efforts made at the Six-Party Talks, and are committed to achieving a successful resolution of the situation by securing the abolition of all nuclear warheads in North Korea.

To improve the effectiveness of the non-proliferation regime, we suggest innovative strategies such as the establishment of a globally accessible and multilateral nuclear energy facility independently managed by the International Atomic Energy Agency (IAEA). Additionally, we are committed to providing all necessary resources to the IAEA so that it may operate as a fully effective monitoring body on which the world can rely.

Fight Against Piracy

The fight against piracy in the Gulf of Aden and elsewhere represents a common challenge for the G8 countries since it affects all nations without discernment. Therefore, piracy should be addressed through a collaborative approach. We realise the necessity of a comprehensive strategy focused both on immediate measures and durable solutions.

In order to address the current situation, a number of multilateral security measures should be considered. We suggest the establishment of a local Co-ordination Centre to ensure the harmonisation of all operations around the Horn of Africa. Additionally, we support the idea of a multinational convoy system to offer immediate security to all vessels. Moreover, we recognise the necessity of amending the United Nations Convention on the Law of the Sea to establish an international jurisdiction in order to bring pirates to justice while complying with international human rights law.

While these measures address the acts of piracy themselves, we understand that the root cause of the issue lies in socio-political problems of the failed states. Therefore, we urge the international community to strengthen its efforts in stabilising the political situation in Somalia. Simultaneously, we commit to redoubling our efforts to ensure sustainable development in the region.



Prime Minister Diego Senoner
The Italian Republic

Prime Minister Adam Guy
Canada

President Guillaume Vaille
The French Republic

President Paul Alois
The United States of America

Prime Minister Tim Goodwin
The United Kingdom of Great Britain and Northern Ireland

President Aleksey Fedorov
The Russian Federation

Chancellor Annette Idler
The Federal Republic of Germany

Prime Minister Mitsuru Mukaigawara
Japan



We appreciate that the Final Communiqué of the G8 is welcome by the O5; the signature of the O5 does not get any binding precedent on future G8 Summits

President Lucy Leiderman
The United Mexican States

Prime Minister of India Bhanu Joshi
Republic of India

President of People's Republic of China Tao Zeng
People's Republic of China