



UNIVERSITY OF
TORONTO

MUNK
SCHOOL
OF
GLOBAL
AFFAIRS

Join the Global Conversation

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

**2012 Camp David G8 Summit
Final Compliance Report**

19 May 2012 to 20 May 2013

Prepared by
Abdi Aidid, Brandon Bailey, Enko Koceku and Sarah Danruo Wang
with Caroline Bracht
G8 Research Group, Munk School of Global Affairs, University of Toronto,
and Mark Rakhmangulov, Andrey Shelepov, Andrei Sakharov
National Research University Higher School of Economics
International Organisations Research Institute (Moscow)
14 June 2012

www.g8.utoronto.ca • www.g8live.org
g8@utoronto.ca

Preface

Each year since 1996, the G8 Research Group has produced a compliance report on the progress made by the G8 member countries in meeting the commitments issued at each summit. Since 2002, the group has published a report issued just before the leaders' annual summit. These reports, which monitor each country'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.

The G8 Research Group is an independent organization based at the University of Toronto. Founded in 1987, it is an international network of scholars, professionals and students that has as its mission to serve as the leading independent source of analysis on the G8. The group oversees the G8 Information Centre, which publishes, free of charge, research on the G8 and also publishes official documents issued by the G8.

For the 2012 Final Compliance report, 17 priority commitments were selected from the commitments made at the Camp David Summit, hosted by the United States. This report assesses the results of compliance with those commitments as of 16 May 2012. As it has since 2006, the G8 Research Group in Toronto has 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 Abdi Aidid, chair of the student G8 Research Group, as well as the co-directors of the Compliance Unit: Brandon Bailey, Enko Koceku and Sarah Danruo Wang. It would also not be possible without the support of Dr. Ella Kokotsis, director of compliance, and Caroline Bracht, director of research. We are also indebted to the many people who provided feedback on our draft version, whose comments have been carefully considered in this revised report.

John Kirton
Director, G8 Research Group

Contents

Preface	2
Executive Summary	4
Table A: 2012 Camp David Final Compliance Scores	5
Research Team.....	6
1. Macroeconomics: Fiscal Consolidation [4]	7
2. Macroeconomics: Productivity [5]	26
3. Macroeconomics: Public-Private Partnerships [8]	46
4. Trade: Regulatory Coherence [12]	63
5. Food and Agriculture: L’Aquila Food Security Initiative [33]	78
6. Food and Agriculture: Food Security [36].....	82
7. Non-Proliferation: Non-Proliferation Treaty [75]	108
8. Non-Proliferation: Export Control Policies [86]	127
9. Energy: Facilitating Free Trade [110]	149
10. Energy: Enhancing Transparency [111]	166
11. Climate Change [29].....	181
12. Development: Capital Markets Access [90]	196
13. Labour and Employment [94].....	207
14. Crime and Corruption: Asset Recovery [123]	225
15. Health [14]	235
16. International Financial Institution Reform [93].....	249
17. Good Governance [102]	261

Executive Summary

The University of Toronto G8 Research Group's Compliance Report on the 2012 Camp David Summit is based on an analysis of compliance by G8 member states and the European Union with 17 priority commitments made at the Camp David Summit and covers the period from 19 May 2012 to 20 May 2013.

The Final Compliance Scores are contained in Table A. This report is intended to provide an assessment of G8 members' compliance with the commitments made at the 2012 Camp David Summit.

The Overall Final Compliance Score

The results of the G8 Research Group's assessments indicate that, for the period May 2012 to May 2013, the G8 member states and the European Union received an average final compliance score of +0.60. 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. The formula to convert a score into a percentage is $P=50 \times (S+1)$, where P is the percentage and S is the score. Thus the score of +0.60 is equivalent to 80% on a scale where -1 equals 0% and +1 equals 100%.

Compliance by Member

G8 members' rankings are considerably different than in previous years. The United States ranks first overall in this compliance cycle with a score of +0.88, after being tied for second with the United Kingdom and the European Union last year at +0.61. It is followed by Germany, which drastically improved to +0.76 from +0.44. Canada ranks third overall (+0.71), a modest improvement from +0.67 in 2011. Japan ranked fourth, and also experienced a significant increase to +0.66 from 2011's +0.56. Tied for fifth are France and the United Kingdom (+0.65). The European Union ranks sixth with a compliance score of +0.59, a slight drop from its 2011 score of +0.61. Italy follows with a score of +0.29, slightly lower than its 2011 total of +0.33 but considerably stronger than its 2009 and 2010 scores of +0.04 and +0.17, respectively. Russia ranks last with a score of 0.18, a dramatic drop from its 2011 score of +0.56.

The Compliance Gap Between Members

The compliance gap between members has widened considerably since the 2011 Camp David Final Report. This year, the difference between the highest and lowest G8 member compliance scores is +0.70, a considerable increase from last year's compliance gap of +0.33 and 2010's figure of +0.44. In 2009, the compliance gap was +0.71.

Compliance by Commitment

Overall compliance by commitment is almost uniformly distributed from 0 to +1, with the exception of Development: Capital Markets Access Initiative (-0.11). In 2010 and 2011, there were also two commitments that scored below zero. This is suggestive of an upward trend from 2009 and 2008, where the number of commitments below zero were four and five, respectively. Ten commitments scored above +0.50, down from eleven in 2011, but up from eight in 2010.

G8 members were awarded full compliance for four commitments: Macroeconomics: Public-Private Partnerships, Food and Agriculture: L'Aquila Nuclear Non-Proliferation: NPT, and Health. In the case of the L'Aquila Commitment, only three member states — France, the United States and the European Union — were scored, as they were the only three to have outstanding pledges in this compliance cycle.

The remaining two Macroeconomic commitments (Productivity and Fiscal Consolidation) received disparate scores. G8 member states were awarded an average score of +0.89 for Macroeconomics: Productivity, and a score of +0.33 for Macroeconomics: Fiscal Consolidation.

Member states also received a high score of +0.89 for the other nuclear-related commitments (Nuclear Non-Proliferation: Export Control). A similarly high score (+0.78) was awarded for Labour and Employment and for International Financial Institution Reform.

Compliance was relatively low in this year's environment-related commitment: Climate Change. G8 member states received a score of +0.11, despite receiving an average of +0.56 on 2011's environment-related commitments.

Trade: Regulatory Coherence received a score of +0.56. Member states were awarded +0.78 for their commitment to Sustainable and Inclusive Growth, with specific respect to Partnership Countries.

Scores on the two energy related commitments diverged. On Energy: Facilitating Free Trade, member states received an average score of +0.33. On Energy: Enhancing Transparency, member states received an average score of +0.67. In both cases, all member states demonstrated full or partial compliance with the commitments.

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-Deauville 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.

Table A: 2012 Camp David Final Compliance Scores

	Commitment Name	CDA	FRA	GER	ITA	JPN	RUS	UK	US	EU	Average
1	Macroeconomics: Fiscal Consolidation	0	+1	0	+1	0	+1	0	0	0	+0.33
2	Macroeconomics: Productivity	+1	+1	+1	+1	0	+1	+1	+1	+1	+0.89
3	Macroeconomics: Public-Private Partnership	+1	+1	+1	+1	+1	+1	+1	+1	+1	+1
4	Trade: Regulatory Coherence	+1	+1	+1	-1	+1	+1	-1	+1	+1	+0.56
5	Food and Agriculture: L'Aquila	+1	+1	+1	+1	+1	+1	+1	+1	+1	+1
6	Food and Agriculture: Food Security	+1	0	+1	-1	0	0	+1	+1	+1	+0.44
7	Nuclear Non-Proliferation: NPT	+1	+1	+1	+1	+1	+1	+1	+1	+1	+1
8	Nuclear Non-Proliferation: Export Control	+1	+1	+1	+1	+1	0	+1	+1	+1	+0.89
9	Energy: Facilitating Free Trade	0	0	0	0	+1	-1	+1	+1	+1	+0.33
10	Energy: Enhancing Transparency	+1	+1	+1	0	0	+1	0	+1	+1	+0.67
11	Climate Change	+1	0	+1	-1	0	-1	0	0	+1	+0.11
12	Development: Capital Markets	0	0	-1	0	+1	-1	0	+1	-1	-0.11
13	Labour and Employment	+1	+1	+1	+1	+1	-1	+1	+1	+1	+0.78
14	Crime and Corruption: Recovery	+1	0	+1	+1	+1	-1	+1	+1	-1	+0.44
15	Health	+1	+1	+1	+1	+1	+1	+1	+1	+1	+1
16	IFI Reform	+1	+1	+1	-1	+1	+1	+1	+1	+1	+0.78
17	Good Governance	-1	0	+1	0	0	-1	+1	+1	-1	0
	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
	2009 Final Compliance Average	0.67	0.42	0.42	0.04	0.75	0.33	0.83	0.63	0.67	0.53

Research Team

Professor John Kirton, Director, G8 Research Group
Professor Marina Larionova, Head, HSE International Organisations Research Institute
Dr. Ella Kokotsis, Director of Compliance, G8 Research Group
Caroline Bracht, Director of Research, G8 Research Group
Abdi Aidid, Chair, G8 Research Group
Brandon Bailey, Co-Director, Compliance Unit
Enko Koceku, Co-Director, Compliance Unit
Sarah Danruo Wang, Co-Director, Compliance Unit
Mark Rakhmangulov, HSE Research Team Leader
Rewa El-Oubari, Director, Civil Society Studies
Tejas Parasher, Director, Media Studies

Lead Analysts

Anna Postelnyak	Katy Macdonald	Sarah Burton
Emily Johnson	Laura Correa Ochoa	Taryn McKenzie-Mohr
Guillaume Kishibe	Remy Sansawal	Tegan Hansen-Hoedeman

Analysts at the University of Toronto

Fahd Ahmed	Julia Hein	Scott Moore
Halah Akash	Tom Houston	Ho Hyun (Eric) Na
Sharon Akharoh	Mike Humeniuk	Angelin Oey
Nerin Ali	Christine Jacob	Michael Outar
Michael Amiraslani	Omkar Jagtap	Michelle Park
Mikhail Aryn	Nikola Jankovic	Derakshan Qurban-Ali
Camille Beaudoin	Angel Ji	Donghao Rao
Kasra Behnampour	Joseph Jiong	Rija Rasul
Kriti Bhatt	Nessa Kenny	Jinwoo Rhee
Jessica Boutros	Araf Khaled	Hayden Rodenkirchen
Colin Campbell	Reehan Khan	Spencer Rose
Kelvin Chen	Amir Khouzam	Remy Sansawal
Nick Chong	Akbar Khurshid	Ipek Sayilan
Ji Won Chun	Laura Kim	Warren Silver
David Cosolo	Guillaume Kishibe	Volodymyr Sukhodolskiy
Michelle Cramer	Monika Kolodziej	Daniel Szulc
Anna Crosskill	Nisha Kumari	Albina Tyker
Philippe Daudein	Michael Lavergne	Emerson Vandenberg
Tyler Donnelly	Jennifer Li	Bianca Vong
Alexandre Dos Santos	Jenny Lieu	Margot Whittington
Yang Du	Andy Luu	Ejona Xega
Andrea Farquharson	Khalid Mahdi	Elizabeth Yando
Wessley Fasshl	Alexandria Matic	John Yoon
Raymond Gao	Colin McEwen	Hamoon Yousefzadeh
Aman Gill	Zack Medow	Yang Zhao
Karuna Gill	Amanda Mirizzi	
George L. Grobe IV	Liam Moloney	

Analysts at the National Research University Higher School of Economics International Organisations Research Institute (Moscow)

Mark Rakhmangulov	Andrei Sakharov	Andrey Shelepov
-------------------	-----------------	-----------------

1. Macroeconomics: Fiscal Consolidation [4]

Commitment

“We agree that all of our governments need to take actions to boost confidence and nurture recovery including reforms to raise productivity, growth and demand within a sustainable, credible and non-inflationary macroeconomic framework. We commit to fiscal responsibility and, in this context, we support sound and sustainable fiscal consolidation policies that take into account countries’ evolving economic conditions and underpin confidence and economic recovery.”

Camp David Declaration

Assessment

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

Background

The economic crisis of 2008 caused government deficits to grow rapidly, as pre-existing imbalances and increasing spending on health and pensions were exacerbated by the economic downturn.¹ Since the initial crisis, approaches to continuing recovery and global economic uncertainty have entered different stages.

In the 2009 L’Aquila Summit declaration “Responsible Leadership for a Sustainable Future,” member countries pledged to deliver macroeconomic stimulus, and support to financial institutions. This was intended to stabilize economies and put them on the path to sustainable growth. Great emphasis was placed on accompanying stimulus with regulatory reform.² It was also noted that exit strategies from stimulus would become the prerogative of individual members. Temporary stimulus projects, regardless of their effects on stabilizing economies, pushed governments further into debt.

The 2010 Muskoka Summit declaration acknowledged the fragile state of recovery from the crisis, yet the summit did not include major new commitments to financial recovery or economic stability.³

¹ Fiscal Consolidation: How much, how fast and by what means? An Economic Outlook Report, OECD Economics Policy Paper No. 1. 12 April 2012. Date of Access: 15 December 2012.

<http://www.oecd.org/economy/fiscalconsolidationhowmuchhowfastandbywhatmeans.htm>

² G8 Leaders’ Declaration: Responsible Leadership for a Sustainable Future (L’Aquila) 8 July 2009. Date of Access: 15 December 2012. <http://www.canadainternational.gc.ca/g8/summit-sommet/2009/declaration.aspx?view=d>

³ G8 Muskoka Declaration: Recovery and New Beginnings (Muskoka) 26 June 2012. Date of Access: 15 December 2012. <http://www.g8.utoronto.ca/summit/2010muskoka/communique.html>

The 2011 Deauville Summit declaration acknowledged the growing strength of the global economy, while emphasizing the need for continued structural reforms and efforts to maintain stability and jobs. It mentioned that the United States and the European Union would focus on fiscal consolidation.⁴

By the time of the 2012 Camp David Summit, fiscal consolidation has become a priority for all G8 members. All members pledged to undertake fiscal consolidation policies, scaling back spending to reduce deficits rather than enacting extensive further stimulus. The emphasis again is placed on initiating structural reforms, while not damaging growth.⁵

Related commitments have also been made at G20 Summits. For example, at the 2012 G20 Los Cabos Summit member states committed to “ensure the pace of fiscal consolidation in advanced economies is appropriate to support the recovery, taking country-specific circumstances into account.”⁶ This was similar to the 2011 G20 Cannes Summit in which advanced economies agreed to adopt a suite of country-specific growth-driven measures in the Cannes Action Plan for Jobs and Growth.⁷

Among the G8 members, Canada, France, Germany, Italy, Japan, the United Kingdom, the United States and the European Union have therefore adopted a rigid set of country-specific goals in the G20 forum. In that commitment, Canada, and Germany were assessed as having successfully complied, France, Italy, and Japan lacked compliance, and the United States’ compliance was assessed as a “work in progress.” Russia was not considered an advanced economy and thus was not assessed.⁸

Commitment Features

G8 members pledged to undertake fiscal consolidation policies, scaling back spending to reduce deficits rather than enacting further stimulus. Such fiscally prudent measures can include restructuring social spending programs to maximize their efficiency, or reforming transfer programs, by reining in spending on poorly-targeted social programs. Reducing deficits to prudent levels may also require avoiding costly tax expenditures in the form of tax exclusions, deductions, and credits.

This commitment is twofold: firstly, it requires that states take into account “countries’ evolving economic conditions.” Secondly, it states that fiscal consolidation measures must “underpin confidence and economic recovery.”⁹

To achieve full compliance, a member must restructure one or more government spending programs to increase efficiency and avoiding or reducing tax expenditures. For example, the OECD suggests “reforms, such as those to disability, sickness and unemployment benefit schemes, along with old age pension systems and de facto early retirement schemes, may directly

⁴ G8 Declaration: Renewed Commitment for Freedom and Democracy (Deauville) 27 May 2011. Date of Access: 15 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>

⁵ Camp David Declaration (Camp David, Maryland) 19 May 2012. Date of Access: 15 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>

⁶ The Los Cabos Growth and Jobs Action Plan (Los Cabos, Mexico) 19 June 2012. Date of Access: 20 December 2012. <http://www.g20.utoronto.ca/2012/2012-0619-loscabos-actionplan.html>

⁷ Cannes Action Plan for Jobs and Growth (Cannes, France) 4 November 2011. Date of Access: 20 December 2012. <http://www.g20.utoronto.ca/2011/2011-cannes-action-111104-en.html>

⁸ 2011 Cannes G20 Summit Final Compliance Report: Fiscal Consolidation and Stimulation of Growth (Toronto, Canada) 16 June 2012. Date of Access: 20 December 2012. <http://www.g20.utoronto.ca/compliance/2011cannes-final/02-2011-g20-compliance-final.pdf>

⁹ Camp David Declaration (Camp David, Maryland) 19 May 2012. Date of Access: 20 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>

contribute to improve fiscal balances, while also boosting employment and thereby raising tax revenues.”¹⁰ Reduction in unemployment benefits, increases in minimum retirement ages, and higher thresholds to qualify for disability benefits are specifically named by the OECD as potentially contributing to fiscal consolidation.¹¹ These initiatives may, *inter alia*, demonstrate compliance. Efforts to achieve fiscal consolidation must not inhibit economic growth or recovery.

Scoring

-1	Member has not made an effort to restructure at least one spending program to maximize its quality and fiscal efficiency, AND has not avoided or reduced significant tax expenditures.
0	Member has restructured at least one spending program to maximize its quality and fiscal efficiency, OR has avoided or reduced significant tax expenditures.
+1	Member has restructured at least one spending program to maximize its quality and fiscal efficiency, AND has avoided or reduced significant tax expenditures.

Canada: 0

Canada has partially complied with its commitment to fiscal responsibility by supporting sound and sustainable fiscal consolidation policies.

On 1 January 2013, the Family Caregiver Tax Credit came into effect.

On 2 January 2013, the Minister of National Revenue Gail Shea announced that the Canadian government would implement the Family Caregiver Tax Credit for 2012 income tax returns.¹² This and other tax credits implemented by the Canadian government have meant “the average family of four now receives more than CAD3100 in extra tax savings.”¹³

On 13 November 2012, Finance Minister Jim Flaherty said that the implementation of the CAD5.2 billion cut to government spending announced in the 2012 budget would contribute to the steady decline of program expenses as a share of GDP.¹⁴ For example, the expected consolidation of services between Health Canada and the Public Health Agency of Canada will “eliminate duplication and find cost savings for more than CAD200 million per year by 2014.”¹⁵

At a meeting of the Canadian Finance Ministers on 16 and 17 December 2012, ministers discussed proposals for the expansion of the Canada Pension Plan (CPP) but reached “no consensus.”¹⁶ Federal Finance Minister Jim Flaherty stated that the economy was still too weak to

¹⁰ Pursuing Strong, Sustainable, and Balanced Growth: A Note on Implementation of G20 Structural Reform Commitments, OECD, June 2012. Date of Access: 30 January 2013. [http://www.oecd.org/eeco/productivityandlongtermgrowth/OECD%20G20%20Framework%20Note%20on%20Structural%20Policy%20Implementation%20\(12%20June%202012\).pdf](http://www.oecd.org/eeco/productivityandlongtermgrowth/OECD%20G20%20Framework%20Note%20on%20Structural%20Policy%20Implementation%20(12%20June%202012).pdf)

¹¹ Pursuing Strong, Sustainable, and Balanced Growth: A Note on Implementation of G20 Structural Reform Commitments, OECD, June 2012. Date of Access: 30 January 2013. [http://www.oecd.org/eeco/productivityandlongtermgrowth/OECD%20G20%20Framework%20Note%20on%20Structural%20Policy%20Implementation%20\(12%20June%202012\).pdf](http://www.oecd.org/eeco/productivityandlongtermgrowth/OECD%20G20%20Framework%20Note%20on%20Structural%20Policy%20Implementation%20(12%20June%202012).pdf)

¹² Harper Government provides continued tax relief in 2013 (Ottawa) 2 January 2013. Date of Access: 10 January 2013 <http://www.cra-arc.gc.ca/nwsrm/rlss/2013/m01/nr130102-eng.html>.

¹³ Harper Government provides continued tax relief in 2013 (Ottawa) 2 January 2013. Date of Access: 10 January 2013 <http://www.cra-arc.gc.ca/nwsrm/rlss/2013/m01/nr130102-eng.html>.

¹⁴ Global uncertainty will add to Canada’s deficit, Flaherty says, CBC News (Ottawa) 13 November 2012. Date of Access: 10 January 2013. <http://www.cbc.ca/news/politics/story/2012/11/13/pol-flaherty-fiscal-update-fall-economic-statement.html>.

¹⁵ Budget 2012 cuts hit hard, The Council of Canadians (Ottawa) 29 March 2012. Date of Access: 10 January 2013. <http://canadians.org/blog/?p=14376>

¹⁶ Flaherty says ‘no consensus’ on CPP expansion yet, CBC (Ottawa) 17 December 2012. Date of Access: 9 February 2013. <http://www.cbc.ca/news/story/2012/12/17/pol-cp-finance-ministers-meet-monday.html>

support enhanced CPP benefits, and that employers would suffer from the increase in premiums.¹⁷ In June 2012, Canada's parliament passed a bill formally enacting Pooled Registered Pension Plans (PRPP) aimed at self-employed Canadians or those whose workplace is too small to provide a pension plan.¹⁸ PRPPs are voluntary, and supervised by registered financial institutions.

Critics like the Canadian Labour Congress have noted that PRPPs do not provide a viable alternative to the coverage of the CPP.¹⁹ PRPPs were an attempt at compromise between the federal and provincial governments on pension reform, but since their implementation in 2012, Jim Flaherty has stated that changes to the CPP will still be necessary.

Jim Flaherty said in January 2013 that he and his fellow finance ministers will discuss changes to the CPP at their next meeting in June 2013.²⁰ The Canadian government has the opportunity to make substantive and sustainable reforms to the existing pension plan which may contribute to fiscal consolidation.

The 2013 Federal Budget introduced by Jim Flaherty on 21 March 2013 included several new measures, such as the proposed Canada Job Grant— whose “goal is to match unemployed Canadians with more than 220,000 current job vacancies across Canada.”²¹ While this program “will shift money from existing labour market agreements,”²² the budget commits to a CAD900 million increase in spending.²³ The government intends to offset some of this spending by finding “CAD100 million through further spending restraint and an additional CAD400 million by closing tax loopholes.”²⁴

In order to target tax evasion the budget proposes changes such as, “requiring banks to report international transfers of more than CAD10 000,”²⁵ as well as “enhancing corporate anti-loss

¹⁷Finance ministers meet to talk about pension reform, but likely not to implement, Toronto Star (Toronto)16 December 2012. Date of Access: http://www.thestar.com/news/canada/2012/12/16/finance_ministers_meet_to_talk_about_pension_reform_but_likely_not_to_implement.html.

¹⁸ Pooled pension plans become the latest retirement planning option, CBC News (Toronto) 17 November 2011. Date of Access: 9 February 2013. <http://www.cbc.ca/news/business/story/2011/11/17/f-prpp-details.html>.

¹⁹ CPP reform essential in light of sagging savings, CBC News, 4 January 2013. Date of Access: 9 February 2013. <http://www.cbc.ca/news/business/taxseason/story/2012/12/21/f-rrsp-2013-cpp-reform.html>

²⁰ CPP reform essential in light of sagging savings, CBC News (Toronto) 4 January 2013. Date of Access: 9 February 2013. <http://www.cbc.ca/news/business/taxseason/story/2012/12/21/f-rrsp-2013-cpp-reform.html>.

²¹Budget 2013:Focus on jobs training, infrastructure, CTV News (Toronto) 22 March 2013. Date of Access: 16 May 2013. <http://www.ctvnews.ca/politics/budget-2013/budget-2013-focus-on-jobs-training-infrastructure-1.1205592>.

²²No tax cuts, little new spending in federal budget, CBC News (Toronto) 21 March 2013. Date of Access: 19 May 2013. <http://www.cbc.ca/news/canada/ottawa/story/2013/03/21/pol-budget-2013-main-flaherty.html>.

²³ No tax cuts, little new spending in federal budget, CBC News (Toronto) 21 March 2013. Date of Access: 19 May 2013. <http://www.cbc.ca/news/canada/ottawa/story/2013/03/21/pol-budget-2013-main-flaherty.html>.

²⁴ No tax cuts, little new spending in federal budget, CBC News (Toronto) 21 March 2013. Date of Access: 19 May 2013. <http://www.cbc.ca/news/canada/ottawa/story/2013/03/21/pol-budget-2013-main-flaherty.html>.

²⁵ Canada's Flaherty sees substantial tax avoidance by the wealthy, Reuters (New York) 22 March 2013. Date of Access: 19 May 2013. <http://www.reuters.com/article/2013/03/22/canada-taxes-flaherty-idUSL1N0CEDEY20130322>.

trading rules.”²⁶ These changes account for CAD500 million, while the “remaining CAD400 million will add to the deficit.”²⁷

The 2013 Federal Budget also includes the amalgamation of the Department of Foreign Affairs and the Canadian International Development Agency to “improve efficiency.”²⁸

Canada has been awarded a score of 0 for having partially complied with its fiscal consolidation commitment.

Analyst: Nerin Ali

France: +1

France has fully complied with its commitment to fiscal consolidation. It has made efforts to reduce the national debt in ways suitable to the particulars of the French economy.

In a move to reduce military expenditures, French President François Hollande announced on 9 June 2012 that the French military would begin troop withdrawal from Afghanistan in July and complete it by the end of 2013.²⁹

On 28 September 2012, France announced a freeze in government spending projected to save approximately EUR10 billion.³⁰

On 2 November 2012, the French government announced it would reduce the deficit by EUR30 billion for the 2013 budget, chiefly through tax increases for “big businesses and the wealthy.”³¹ French Finance Minister Pierre Moscovici said that spending would be increased for “education, justice, security and the unemployment office,” while other areas would see reduced spending.³²

On 6 November 2012, the French government announced the creation of annual tax credits to lower costs of labour for employers.³³ The government will finance the tax credits through reductions in government spending and increases in sales tax. The tax credits will begin with

²⁶ Canada’s Flaherty sees substantial tax avoidance by the wealthy, Reuters (New York) 22 March 2013. Date of Access: 19 May 2013. <http://www.reuters.com/article/2013/03/22/canada-taxes-flaherty-idUSL1N0CEDEY20130322>.

²⁷ No tax cuts, little new spending in federal budget, CBC News (Toronto) 21 March 2013. Date of Access: 19 May 2013. <http://www.cbc.ca/news/canada/ottawa/story/2013/03/21/pol-budget-2013-main-flaherty.html>.

²⁸ Budget 2013: Focus on jobs training, infrastructure, CTV News (Toronto) 22 March 2013. Date of Access: 16 May 2013. <http://www.ctvnews.ca/politics/budget-2013/budget-2013-focus-on-jobs-training-infrastructure-1.1205592>.

²⁹ French troop pullout from Afghanistan to start in July, BBC UK (London) 9 June 2012. Date of Access: 19 January 2012. <http://www.bbc.co.uk/news/world-asia-18381466>.

³⁰ Breakdown of taxes, spending freeze in French budget, Reuters US Edition (Paris) 28 September 2012. Date of Access: 11 January 2013. <http://www.reuters.com/article/2012/09/28/france-budget-taxes-idUSL5E8KS7NP20120928>

³¹ France eases labour costs via tax credits, VAT hike, Reuters (Paris) 6 November 2012. Date of Access: 11 January 2013. <http://www.reuters.com/article/2012/11/06/france-competitiveness-idUSL5E8M635F20121106>

³² France faces tougher cuts despite Hollande promises, Reuters US Edition (Paris) 2 July 2012. Date of Access: 19 January 2012. <http://www.reuters.com/article/2012/07/02/france-economy-idUSL6E8I26EY20120702>

³³ France eases labour costs via tax credits, VAT hike, Reuters (Paris) 6 November 2012. Date of Access: 11 January 2013. <http://www.reuters.com/article/2012/11/06/france-competitiveness-idUSL5E8M635F20121106>

EUR10 billion in 2013, eventually increasing to EUR20 billion annually in 2015.³⁴ By December 2012, France's unemployment rate had reached 10.3 per cent, its highest level in 13 years.³⁵

On 21 December 2012, the IMF recognised France's measures to reduce tax expenditures through re-evaluations of spending by government.³⁶ In the case of pension reform, it focused on increasing the retirement age, rather than increasing contributions. The reforms have "increased participation of seniors in the labour market, with a positive impact on potential growth."³⁷

However, due to a low economic growth rate, the unemployment rate among "new entrants and seniors" will remain high and could increase.³⁸

France agreed to the EU's Excessive Deficit Procedure to set the objective to reduce the annual budget deficit to three per cent of GDP, down from 4.5 per cent.³⁹ The objective will be met by freezing, but not cutting, financial transfers from the state to the local governments in 2012 and 2013, and by reducing "the growth rate of social security spending."⁴⁰ The IMF predicted that France would not be able to meet the goal to reduce the deficit of three per cent by the end of 2013. They noted the possibility of permitting an extension to reach the goal without penalty.⁴¹ President François Hollande said that meeting the goal was still possible, but it would be difficult given the fact that France had almost no growth for the first half of 2012.⁴²

On February 12, 2013, French Prime Minister Jean-Marc Ayrault said that the country was unlikely to meet the goal to reduce the deficit to three per cent of gross domestic product, due to weak economic growth.⁴³ The deficit will likely be around 3.7 per cent of GDP for 2013.⁴⁴ France

³⁴ France eases labour costs via tax credits, VAT hike, Reuters (Paris) 6 November 2012. Date of Access: 11 January 2013. <http://www.reuters.com/article/2012/11/06/france-competitiveness-idUSL5E8M635F20121106>

³⁵ French jobless rate hits 10.3 pct, highest in 13 years, Reuters US Edition (Paris) 6 December 2012. Date of Access: 9 February 2012. <http://www.reuters.com/article/2012/12/06/france-economy-jobless-idUSL5E8N616720121206>

³⁶ France: 2012 Article IV Consultation—Concluding Statement, International Monetary Fund (Washington DC) 29 October 2012. Date of Access: 11 January 2013. <http://www.imf.org/external/np/ms/2012/102912.htm>

³⁷ France: 2012 Article IV Consultation—Concluding Statement, International Monetary Fund (Washington DC) 29 October 2012. Date of Access: 11 January 2013. <http://www.imf.org/external/np/ms/2012/102912.htm>

³⁸ France: 2012 Article IV Consultation—Concluding Statement, International Monetary Fund (Washington DC) 29 October 2012. Date of Access: 11 January 2013. <http://www.imf.org/external/np/ms/2012/102912.htm>

³⁹ France 2012 Article IV Consultation, International Monetary Fund (Washington DC) December 2012. Date of Access: 11 January 2013. <http://www.imf.org/external/pubs/ft/scr/2012/cr12342.pdf>

⁴⁰ France 2012 Article IV Consultation, International Monetary Fund (Washington DC) December 2012. Date of Access: 11 January 2013. <http://www.imf.org/external/pubs/ft/scr/2012/cr12342.pdf>

⁴¹ French court rejects 75 percent millionaires' tax, Reuters (Paris) 29 December 2012. Date of Access: 11 January 2013. <http://www.reuters.com/article/2012/12/29/us-france-tax-idUSBRE8BS05M20121229>

⁴² Hollande says France can still hit budget gap target, Reuters (Paris) 21 December 2012. Date of Access: 11 January 2013. <http://uk.reuters.com/article/2012/12/21/uk-france-economy-idUKBRE8BK08W20121221>

⁴³ UPDATE 3-France to miss 2013 deficit goal, says prime minister (Paris) 13 February 2013. Date of Access: 21 March 2013. <http://www.reuters.com/article/2013/02/13/france-economy-idUSL5N0BD1ZG20130213>

⁴⁴ PDATE 3-France to miss 2013 deficit goal, says prime minister, Reuters (Paris) 13 February 2013. Date of Access: 21 March 2013. <http://www.reuters.com/article/2013/02/13/france-economy-idUSL5N0BD1ZG20130213>

is predicted to achieve only 0.1 per cent growth, down from the goal of 0.8 per cent growth for 2013.⁴⁵

On 21 March 2013, Hollande announced that France will reduce the value-added tax for housing construction to five per cent starting January 2014.⁴⁶ However, the plan will cost around EUR660 million per year.⁴⁷ As France is expected to miss the deficit reduction target, tax increases are expected, but the focus will be placed increasingly on reducing spending.⁴⁸ France will collect EUR6 billion more in taxes, and will cut spending by EUR14 billion in 2014, with the hopes France will achieve a budget surplus by 2016.⁴⁹

In April 2013, in an effort to increase confidence in the economy, French President Francois Hollande announced plans to reduce capital gains taxes for business owners.⁵⁰ This tax expenditure is intended to encourage risk and investment.⁵¹

On 3 May 2013, the European Commission chose to allow France two additional years to meet its budget deficit targets. Finance Minister Pierre Moscovici stated that France would still aim to adhere to the 3 per cent of economic output target by 2014, but the two years may be necessary if growth is slower than expected.⁵²

France has been awarded a score of 0 for taking into account the evolving economic conditions and the fiscal consolidation measures have underpinned confidence and economic recovery, but France has not implemented sustainable fiscal consolidation measures.

France has attempted with minimal success to enact fiscal consolidation measures while accounting for evolving economic conditions and attempts at recovery.

Analyst: Raymond Gao

Germany: 0

Germany has partially complied with its commitment to fiscal consolidation by restructuring social spending programs to maximize efficiency and avoiding or reducing significant tax

⁴⁵ EU says Eurozone economy to shrink again in 2013, Associated Press (Brussels) 22 February 2013. Date of Access: 21 March 2013. <http://bigstory.ap.org/article/eu-hopeful-eurozone-will-start-growing-2013>.

⁴⁶ UPDATE 2-France plans tax break to ease social housing shortage, Thomson Reuters UK Edition (Alfortville) 21 March 2013. Date of Access: 21 March 2013.

<http://uk.reuters.com/article/2013/03/21/france-housing-idUKL6N0CD7BM20130321>

⁴⁷ UPDATE 2-France plans tax break to ease social housing shortage, Thomson Reuters UK Edition (Alfortville) 21 March 2013. Date of Access: 21 March 2013.

<http://uk.reuters.com/article/2013/03/21/france-housing-idUKL6N0CD7BM20130321>

⁴⁸ French 2014 budget to raise tax take, trim spending, Thomson Reuters UK Edition (Paris) 15 April 2013. Date of Access: 21 March 2013. <http://uk.reuters.com/article/2013/04/15/uk-france-economy-idUKBRE93E0E420130415>

⁴⁹ UPDATE 3-France plans spending cuts as fiscal targets slip, Thomson Reuters US Edition (Paris) 17 April 2013. Date of Access: 21 March 2013. <http://www.reuters.com/article/2013/04/17/france-finances-idUSL5N0D413W20130417>

⁵⁰ France's Hollande to ease entrepreneurs' capital gains tax, Thomson Reuters US Edition (Paris) 26 April 2013. Date of Access: 21 March 2013. <http://www.reuters.com/article/2013/04/26/net-us-france-tax-idUSBRE93P16A20130426>

⁵¹ Holland to trim capital gains taxes to woo entrepreneurs, Bloomberg. 29 April 2013. Date of Access: 22 May 2013. <http://www.bloomberg.com/news/2013-04-29/hollande-to-trim-french-capital-gains-taxes-to-woo-entrepreneurs.html>

⁵² France's finance minister says Europe's deficit move marks end of 'austerity dogma', Thomson Reuters UK Edition (Paris) 5 May 2013. Date of Access: 22 May 2013. <http://uk.reuters.com/article/2013/05/05/uk-france-eu-dogma-idUKBRE94405G20130505>

expenditures. However, Germany made plans to undertake spending cuts to achieve a balanced budget in the near future.

On 5 November 2012, Germany's ruling centre-right coalition decided to increase childcare benefits, increase spending on transportation projects and end an unpopular medical charge less than a year before a general election.⁵³ While growth in Germany is expected to fall to around one percent this and next year, the government has reported record tax revenues, enabling the country to reduce new borrowing without pushing through any major budget cuts.⁵⁴ Beginning in August 2013, the new benefits will cost taxpayers an estimated EUR300 million in 2013 and EUR1.1 billion in 2014.⁵⁵

On 11 December 2012, the Federal Government adopted the goal of allocating an additional EUR12 billion to education and research.⁵⁶ The 2013 budget allocates EUR214 million for these tasks, a 16 per cent increase over last year to support disadvantaged children and young people and strengthen vocation education. The funding has increased by 26.5 per cent to strengthen Lifelong Learning as well.⁵⁷

On 21 December 2012, the Federal Ministry of Finance of Germany reported that federal expenditure from January to November 2012 inclusive amounted to EUR281.6 billion, an increase of EUR8.1 billion (+3.0%) compared with the same period last year.⁵⁸ The main factor driving this year-on-year increase was a EUR8.7 billion contribution to the capital stock of the European Stability Mechanism.⁵⁹ In contrast, spending on labor market measures and interest payment was lower on the year.⁶⁰

⁵³ Germany Increases Social Spending Ahead of General Election, FOX News (Berlin) 5 November 2012. Date of Access: 8 January 2013. <http://www.foxnews.com/world/2012/11/05/german-coalition-increases-social-spending-ahead-next-year-general-election/>.

⁵⁴ Germany Increases Social Spending Ahead of General Election, FOX News (Berlin) 5 November 2012. Date of Access: 8 January 2013. <http://www.foxnews.com/world/2012/11/05/german-coalition-increases-social-spending-ahead-next-year-general-election/>.

⁵⁵ Merkel's "cash-for-care" subsidy under fire in Berlin, Child Care Canada, 12 June 2012. Date of Access: 6 January 2012. <http://www.childcarecanada.org/documents/child-care-news/12/06/merkel%E2%80%99s-%E2%80%9Ccash-care%E2%80%9D-subsidy-under-fire-berlin>

⁵⁶ The Federal Government is Investing in the Future (Berlin) 11 December 2012. Date of Access: 9 January 2013. <http://www.bmbf.de/en/96.php>.

⁵⁷ The Federal Government is Investing in the Future (Berlin) 11 December 2012. Date of Access: 9 January 2013. <http://www.bmbf.de/en/96.php>.

⁵⁸ Translated abstract of the Federal Ministry of Finance's Monthly Report December 2012, Federal Ministry of Finance (Berlin) 21 December 2012. Date of Access: 7 January 2013. http://www.bundesfinanzministerium.de/Content/DE/Monatsberichte/2012/12/Downloads/monatsbericht_2012_12_english.html.

⁵⁹ Translated abstract of the Federal Ministry of Finance's Monthly Report December 2012, Federal Ministry of Finance (Berlin) 21 December 2012. Date of Access: 7 January 2013. http://www.bundesfinanzministerium.de/Content/DE/Monatsberichte/2012/12/Downloads/monatsbericht_2012_12_english.html.

⁶⁰ Translated abstract of the Federal Ministry of Finance's Monthly Report December 2012, Federal Ministry of Finance (Berlin) 21 December 2012. Date of Access: 7 January 2013. http://www.bundesfinanzministerium.de/Content/DE/Monatsberichte/2012/12/Downloads/monatsbericht_2012_12_english.html.

On 4 January 2013, Germany planned to undertake additional spending cuts at between EUR5 billion and EUR6 billion in a bid to achieve a structurally balanced budget in 2014.⁶¹ Deputy Chief of the Conservative CDU party Michael Meister told the Rheinische Post that Germany must close a gap of around EUR5.0 billion to reach the so-called structural zero in 2014.⁶²

On 13 March 2013 the Chancellor's cabinet reached an agreement on a spending plan that will allow the federal government to reach a structurally balanced budget in 2014.⁶³ Under the budget plan, federal spending will be reduced by EUR5.1 billion from 2013 to 2014, while government income from taxes and other sources will increase EUR5.6 billion during the same period.

German Finance Minister Wolfgang Schaeuble said that his budget for 2014, involving spending cuts of more than EUR5 billion to trim the total below EUR300 billion, was "a strong signal for Europe."⁶⁴ The plan means Germany will reach budget balance in 2015, a year earlier than required under the "debt brake" written into its constitution.⁶⁵

Germany has launched several new spending initiatives, without plans to significantly restructure spending programs to increase efficiency. It has not reduced significant tax expenditures. These measures do not address the reduction of Germany's deficit, and therefore do not appropriately respond to national economic conditions. However, plans to undertake spending cuts to achieve a balanced budget qualify as fiscal consolidation measures, thus adding to Germany's score regarding this commitment.

To this end, Germany has been awarded a score of 0 for partial compliance.

Analyst: Ji Won Chun

Italy: +1

Italy has fully complied with its commitment to undertake fiscal consolidation policies in an effort to reinforce economic recovery and reduce the national debt.

On 5 July 2012, the Italian government approved EUR4.5 billion (USD5.58 billion) in spending cuts for 2012. Spending cuts were mainly targeted at shrinking the public sector, including healthcare cuts and a 10 per cent reduction in the number of civil servants.⁶⁶ The Italian

⁶¹ Germany Aims More Spending Cuts by 2014, International Business Times UK Edition (London) 4 January 2013. Date of Access: 9 January 2013.

⁶² Germany Aims More Spending Cuts by 2014, International Business Times UK Edition (London) 4 January 2013. Date of Access: 9 January 2013.
<http://www.ibtimes.co.uk/articles/420651/20130104/germany-unemployment-retail-sales-tax-rises.htm>.

⁶³ German government OKs plan for structurally balanced 2014 budget, no new borrowing in 2015, Global News Toronto (Berlin) 13 March 2013. Date of Access: 23 May 2013.
<http://globalnews.ca/news/408502/german-government-oks-plan-for-structurally-balanced-2014-budget-no-new-borrowing-in-2015/>.

⁶⁴ Germany Defies Calls for Stimulus, CNBC (Englewood Cliffs) 14 March 2013. Date of Access: 15 May 2013. <http://www.cnbc.com/id/100551620>.

⁶⁵ Germany Defies Calls for Stimulus, CNBC (Englewood Cliffs) 14 March 2013. Date of Access: 15 May 2013. <http://www.cnbc.com/id/100551620>.

⁶⁶ Italy approves deep cuts in national spending, BBC News, 6 July 2012. Date of Access: 19 January 2013.
<http://www.bbc.co.uk/news/business-18734837>

government stated that a spending cut of this size would allow them to postpone the anticipated October 2012 value-added tax increase to July of 2013.⁶⁷

On 10 October 2012, the Italian government announced a one-percentage point tax cut for the two lowest income tax brackets. The tax break will cost the government EUR5 billion.⁶⁸ However a simultaneous implementation of a new financial transaction tax on banks and insurance companies is said to compensate for the tax break. Prime Minister Mario Monti also announced that the postponed two per cent increase in value-added taxes would be reduced to only a one per cent increase.⁶⁹

On 30 October 2012 Italy passed a new anti-corruption law. The Italian Court of Accounts has estimated that corruption siphons approximately EUR60 billion from the economy annually.⁷⁰ Among other measures, the new law guarantees anonymity for whistle-blowers, and requires local administrations to post their budgets on their websites. The new legislation creates an anti-corruption commissioner to address systemic high-profile corruption.⁷¹

On 21 December 2012 the Italian parliament approved Prime Minister Mario Monti's austerity budget for 2013. Following the budget's passage, Monti resigned from the premiership as previously indicated. On 21 January 2013, Italy's finance minister Vittorio Grillo told the EU's Economic and Monetary Affairs Committee that he expects Italy to produce a balanced budget in 2013.⁷²

The parliamentary election held in February 2013, following Prime Minister Monti's resignation in December 2012, resulted in a political stalemate, with no party winning the majority.⁸ Nonetheless, strong anti-austerity sentiments were evident following the results of the election, with 57% of voters supporting parties that opposed austerity measures.⁹

On 28 April 2013, the new Prime Minister Enrico Letta's government was sworn in, vowing to take measures that would revive economic growth and address soaring unemployment.¹⁰ He also vowed to cut the pay of cabinet ministers who receive a second salary as members of parliament.⁷³

On 17 May 2013, Letta placed a freeze on an unpopular residential property tax, pending broader property tax reform. The tax was originally introduced by former Prime Minister Mario Monti to

⁶⁷ Italy hopes to avoid future VAT increase (Brussels) 3 May 2012. Date of Access: 19 January 2012. http://www.tax-news.com/news/Italy_Hopes_To_Avoid_Future_VAT_Increase_55253.html

⁶⁸ Italy's Monti Unveils Surprise Income Tax Cut, Reuters US Edition (Rome) 10 October 2012. Date of access: 10 January 2012. <http://www.reuters.com/article/2012/10/10/us-italy-taxes-idUSBRE89908420121010>

⁶⁹ Italy's Monti Unveils Surprise Income Tax Cut, Reuters US Edition (Rome) 10 October 2012. Date of access: 10 January 2012. <http://www.reuters.com/article/2012/10/10/us-italy-taxes-idUSBRE89908420121010>

⁷⁰ New Italy law tackles rampant corruption, Reuters US Edition (Rome) 30 October 2012. Date of Access: 10 October 2012. <http://www.reuters.com/article/2012/10/30/us-italy-corruption-idUSBRE89T1MT20121030>

⁷¹ New Italy law tackles rampant corruption, Reuters US Edition (Rome) 30 October 2012. Date of Access: 10 October 2012. <http://www.reuters.com/article/2012/10/30/us-italy-corruption-idUSBRE89T1MT20121030>

⁷² Italy's finance minister Grillo optimistic on EU economy, BBC UK Democracy Live (London) 21 January 2013. Date of Access: 22 January 2013. <http://www.bbc.co.uk/democracylive/21121098>

⁷³ Italy PM Enrico Letta says growth policies a priority, BBC UK (London). 29 April 2013. Date of Access: 20 May 2013. <http://www.bbc.co.uk/news/world-europe-22342867>

help reduce the national deficit.⁷⁴ Deputy Prime Minister Angelino Alfano has said that the estimated EUR2 billion expense of freezing the tax will be made up by “spending cuts.”⁷⁵ The Letta government has not announced in detail how it will make up for the lost revenue from the tax, which would have been due in June.⁷⁶ Letta has resisted the partners in his coalition government who urge the abolition of the tax entirely, a move which would cost an estimated EUR8 billion.⁷⁷

Italy’s major spending cuts have been accompanied by tax expenditures under both the Monti and Letta governments. These measures in combination have been aimed at attending to particular national conditions, while reducing the deficit. Italy is given a score of +1 for full compliance.

Analyst: Hiwot Telaye

Japan: 0

Japan has partially complied with its commitment to support sound and sustainable fiscal consolidation policies.

On 3 August 2012, Japan promulgated the Asian Business Location Law as part of an economic stimulus plan.⁷⁸ The law provides tax incentives such as reduced corporate tax burdens, or lower patent fees to companies in order to attract them to Japan.⁷⁹

By 10 August 2012 both houses of Japan’s parliament approved a bill to double the sales tax⁸⁰—known as the consumption tax—from five per cent to ten per cent by 2015.⁸¹ The tax is intended to rein in Japan’s public debt.

On 1 October 2012, the Japanese government introduced a new tax on carbon emissions. The tax is thought to generate approximately JPY260 billion annually in additional revenue from April

⁷⁴ Italian government suspends unpopular property tax payment, Bloomberg (Rome) 17 May 2013. Date of Access: 20 May 2013. <http://www.bloomberg.com/news/2013-05-17/italian-government-suspends-unpopular-property-tax-payment.html>

⁷⁵ Italian government suspends unpopular property tax payment, Bloomberg (Rome) 17 May 2013. Date of Access: 20 May 2013. <http://www.bloomberg.com/news/2013-05-17/italian-government-suspends-unpopular-property-tax-payment.html>

⁷⁶ Italy freezes hated property tax, doesn’t say how it will make up shortfall, Euronews Business (Lyon). 17 May 2013. Date of Access: 20 May 2013. <http://www.euronews.com/2013/05/17/italy-freezes-hated-property-tax-doesn-t-say-how-will-make-up-shortfall/>

⁷⁷ Italy PM Letta Seeks to Smooth Property Tax Standoff, Reuters US Edition (Rome) 17 May 2013. Date of access: 18 May 2013. <http://www.reuters.com/article/2013/05/17/italy-politics-reform-idUSL6N0DY1UU20130517>

⁷⁸ Japan implements Asian Business Location incentives for global companies, Ernst & Young T Magazine, 21 December 2012. Date of Access: 19 January 2013. <http://tmagazine.ey.com/wp-content/uploads/2013/01/Japan-implements-Asian-Bus-Location-incentives-for-global-cos.pdf>

⁷⁹ Overview of the Asian Business Location Law, Japanese External Trade Organization (Tokyo) 3 August 2012, Documents. http://www.jetro.org/documents/subsidy/overivewofthe_asianbusinesslocationlaw.pdf

⁸⁰ Japan PM, opposition clinch deal on tax, election, Thomson Reuters US Edition (Tokyo) 8 August 2012. Date of Access: 19 January 2013. <http://www.reuters.com/article/2012/08/08/japan-politics-idUSL4E8J81T720120808>

⁸¹ JGBs steady to firmer in thin trading, Thomson Reuters US Edition (Tokyo) 26 June 2012. Date of Access: 19 January 2013. <http://www.reuters.com/article/2012/06/26/markets-japan-jgb-idUSL3E8HQ36L20120626>

2016.⁸² The tax will be introduced in three separate phases, and will be used to support green initiatives.

As of 18 January 2013, the Japanese government has been finalizing plans to extend mortgage tax relief for an additional four years. The current program of mortgage tax breaks is due to expire at the end of 2013.⁸³ Japan will extend the current tax relief in an effort to cushion the impact of a predicted fall in home purchases following the raising of the sales tax.⁸⁴

On 11 January 2013, the Japanese government announced a major new stimulus package of JPY10.3 trillion.⁸⁵ The new package entailed an increase in government debt without improving economic performance.⁸⁶ It is aimed at spurring economic growth by spending on public infrastructure, financial aid for small firms, and incentives for company investment.⁸⁷

On 29 January 2013, the Japanese government proposed spending cuts of a total of JPY92.6 trillion, beginning on 01 April 2013 for the next fiscal year.⁸⁸ The plan includes cuts in tax subsidies to local governments and in the salaries of central government officials.⁸⁹ These spending cuts are the first proposed in seven years.⁹⁰

On 4 April 2013, Bank of Japan (BoJ) Governor Haruhiko Kuroda announced a stimulus measure of unprecedented size. The BoJ will pour will double the economy's monetary base in two years, through purchasing government bonds and exchange-traded funds.⁹¹ The monetary base — whose amount outstanding was JPY138 trillion at end 2012 — is expected to reach JPY270 trillion at

⁸² Japan's New Carbon Tax to Cost Utilities \$1 Billion Annually, Thomson Reuters US Edition (Tokyo) 10 October 2012. Date of Access: 10 January 2013.

<http://www.reuters.com/article/2012/10/10/us-energy-japan-tax-idUSBRE8990G520121010>

⁸³ Japan plans to extend mortgage tax breaks by 4 years, Thomson Reuters US Edition (Tokyo) 19 January 2013. Date of Access: 19 January 2013.

<http://www.reuters.com/article/2013/01/18/japan-taxbreaks-nikkei-idUSL4N0AN5D420130118>

⁸⁴ Japan plans to extend mortgage tax breaks by 4 years, Thomson Reuters US Edition (Tokyo) 19 January 2013. Date of Access: 19 January 2013.

<http://www.reuters.com/article/2013/01/18/japan-taxbreaks-nikkei-idUSL4N0AN5D420130118>

⁸⁵ Japan's Economic Stimulus Plan, The Diplomat Blogs: Pacific Money. 17 January 2013. Date of Access: 19 January 2013. <http://thediplomat.com/pacific-money/2013/01/17/japans-economic-stimulus-plan/>

⁸⁶ Japan's Economic Stimulus Plan, The Diplomat Blogs: Pacific Money (Tokyo) 17 January 2013. Date of Access: 19 January 2013. <http://thediplomat.com/pacific-money/2013/01/17/japans-economic-stimulus-plan/>.

⁸⁷ Japan approves \$117 billion spending to stimulate the economy, Thomson Reuters US Edition (Tokyo) 11 January 2013. Date of Access: 19 January 2013.

<http://www.reuters.com/article/2013/01/11/us-japan-economy-stimulus-fb-idUSBRE90A08B20130111>

⁸⁸ Japan's government proposes first spending cuts in seven years, Bloomberg (Tokyo) 29 January 2013. Date of Access: 14 May 2013.

<http://www.bloomberg.com/news/2013-01-29/japan-s-government-proposes-first-spending-cut-in-seven-years.html>

⁸⁹ Japan's government proposes first spending cuts in seven years, Bloomberg (Tokyo) 29 January 2013. Date of Access: 14 May 2013.

<http://www.bloomberg.com/news/2013-01-29/japan-s-government-proposes-first-spending-cut-in-seven-years.html>

⁹⁰ Japan's government proposes first spending cuts in seven years, Bloomberg (Tokyo) 29 January 2013. Date of Access: 14 May 2013.

<http://www.bloomberg.com/news/2013-01-29/japan-s-government-proposes-first-spending-cut-in-seven-years.html>

⁹¹ BOJ to pump \$1.5 trillion into economy in unprecedented stimulus, Thomson Reuters US Edition (Tokyo) 4 April 2013. Date of Access: 22 May 2013. <http://www.reuters.com/article/2013/04/04/us-japan-economy-boj-idUSBRE93216U20130404>

end-2014. The yen has fallen since December 2012, reaching a four year low. Though the country charted a 0.9 per cent GDP growth in the first quarter of 2013, and some restored confidence due to the stock market rise, critics continue to have reservations.⁹² Rises in exports have not met expectations, and recovery is expected to continue at a moderate pace.⁹³

Japan has not refrained from extensive new spending. The country launched a new stimulus package, as well as the recent, well-received stimulus program of buying government bonds. Though efforts at fiscal consolidation have been limited, Japan's government has focused on ensuring revenue growth and addressing Japan's specific economic conditions. Japan is thus awarded a score of 0 for partial compliance.

Analysts: Rija Rasul, Emily Johnson

Russia: +1

Russia has fully complied with its commitment on fiscal consolidation.

Russia has restructured its government spending programs.

On 30 November 2011, Russian President Dmitry Medvedev signed Federal Law On the Federal Budget for 2012 and the 2013-2014 Budget Plan. The law approved the level of the budget deficit at 1.5 per cent of GDP.⁹⁴ On 5 June 2012, this figure was amended for 0.11 per cent of GDP⁹⁵ and on 3 December 2012 — for 0.07 per cent of GDP.⁹⁶ According to the Accounts Chamber of the Russian Federation, the federal budget in 2012 was executed with a deficit equal to 0.04 per cent of GDP.⁹⁷

On 3 December 2012, Russian President Vladimir Putin made amendments to the federal budget for 2012. According to these amendments, expenditures in the framework of some federal targeted programmes were cut. For instance, expenses in the framework of the Federal Targeted Programme “Development of the Transport System for 2010-2015” were reduced by more than RUB10 billion (about USD0.33 billion), Federal Targeted Programme “Development of Pharmaceutical and Medical Industry by 2020 and beyond” — by RUB1 billion (USD33 million),

⁹² Japan's first quarter growth spurt shows early benefits of Abe's policy gamble, Thomson Reuters US Edition (Tokyo) 16 May 2013. Date of Access: 23 May 2013.

<http://www.reuters.com/article/2013/05/16/us-japan-economy-gdp-idUSBRE94F01020130516>

⁹³ Japan weak exports disappoint, full benefits of weak yen yet to show, Thomson Reuters US Edition (Tokyo) 21 May 2013. Date of Access: 23 May 2013. <http://www.reuters.com/article/2013/05/22/us-japan-economy-trade-idUSBRE94L00P20130522>

⁹⁴ Federal Law On the Federal Budget for 2012 and the 2013-2014 Budget Plan is signed, Office of the President of Russia 1 December 2011. Date of Access: 6 February 2013. <http://www.kremlin.ru/news/13750>.

⁹⁵ Federal Law of 5 June 2012 No. 48-FZ On Amending Federal Law On the Federal Budget for 2012 and the 2013-2014 Budget Plan, Office of the President of Russia 5 June 2012. Date of Access: 6 February 2013. <http://graph.document.kremlin.ru/page.aspx?1614013>.

⁹⁶ Federal Law of 3 December 2012 No. 247-FZ On Amending Federal Law On the Federal Budget for 2012 and the 2013-2014 Budget Plan, Office of the President of Russia 3 December 2012. Date of Access: 6 February 2013. <http://graph.document.kremlin.ru/page.aspx?1641181>.

⁹⁷ The Accounts Chamber has approved the operational report on the federal budget execution in January-December 2012, the Accounts Chamber of the Russian Federation 5 February 2013. Date of Access: 10 February 2013. <http://www.ach.gov.ru/ru/news/05032013/>.

Federal Targeted Programme “Accessible Environment”— by RUB636 million (approximately USD21 million).⁹⁸

On 5 December 2012, Russian President Vladimir Putin signed Federal Law On the Federal Budget for 2013 and the 2014-2015 Budget Plan. Along with this law, Putin signed a law suspending the provisions of federal laws, regulating social guarantees and payments to servicemen and employees of the Ministry of the Interior, till 1 January 2014. Thus, adjustment of the specified payments for inflation will not be carried out in 2013.⁹⁹

On 30 April 2013, President Putin instructed the government to work on the introduction of the luxury tax in Russia.¹⁰⁰

Russia has restructured some of its budget spending programs and no facts of Russia making significant tax expenditures during the compliance period have been registered. Thus, Russia receives a score of +1.

Analyst: Mark Raghmangulov

United Kingdom: 0

The United Kingdom has partially complied with its commitment to reduce the national deficit by enacting sustainable fiscal policies and consolidating spending.

As of 6 July 2012, the UK was on track to reduce its deficit twice as fast as projected in the March 2012 budget. This was owing to various government departments spending GBP6.7 billion less than anticipated.¹⁰¹

On November 2012, the Institute for Fiscal Studies warned that the government may have to find GBP11 billion in spending cuts or tax increases if the economy remained weak.¹⁰²

On 5 December 2012, Britain announced a GBP3 billion cut in the corporate tax rate to begin in 2014. The tax rate will be the lowest and most competitive of any major western economy, a measure aimed at creating jobs and growth.¹⁰³

The Autumn Statement of 5 December 2012 included broad changes to Britain’s budget. This included a cap of one per cent on increases in most working-age benefits for the next three years,

⁹⁸ Federal Law of 3 December 2012 No. 247-FZ On Amending Federal Law On the Federal Budget for 2012 and the 2013-2014 Budget Plan, Office of the President of Russia (Moscow) 3 December 2012. Date of Access: 6 February 2013. <http://graph.document.kremlin.ru/page.aspx?1641181>.

⁹⁹ The Law On Suspending and Abolition of Certain Provisions of Legislative Acts with Regard to the Federal Law On the Federal Budget for 2013 is Signed, Office of the President of Russia (Moscow) 5 December 2012. Date of Access: 6 February 2013. <http://kremlin.ru/news/17066>.

¹⁰⁰ Presidential instructions following Direct Line with Vladimir Putin, Office of the President of Russia (Moscow) 30 April 2013. Date of Access: 16 May 2013. <http://eng.kremlin.ru/news/5345>.

¹⁰¹ UK cuts 6.7 billion more than planned, BBC UK (London) 6 July 2012. Date of Access: 25 January 2012. <http://www.bbc.co.uk/news/business-18744757>

¹⁰² UK ‘could face austerity until 2018,’ BBC UK (London) 26 November 2012. Date of Access: 25 January 2013. <http://www.bbc.co.uk/news/business-20470864>

¹⁰³ The UK is open for business! £3bn cut slashes corporation tax to the lowest rate of any major western economy, Daily Mail UK (London) 6 December 2012. Date of Access: 23 January 2012. <http://www.dailymail.co.uk/news/article-2243726/The-UK-open-business—3bn-cut-slashes-corporation-tax-lowest-rate-major-western-economy.html>

beginning in April 2013.¹⁰⁴ This will save the government an estimated GBP3.7 billion by 2015/2016.¹⁰⁵

In March 2013, the Office for Budget Responsibility published its economic and fiscal outlook for 2013. The budget outlined increasing capital spending plans by EUR3 billion a year from 2015 to 2016 and a reduction of departmental spending of EUR1.1 billion in 2013 to 2014.¹⁰⁶ The budget implemented the December 2012 promise to reduce the corporation tax to 20 per cent. It also outlines giving employers GDP2 thousand per year to reduce cost of hiring staff.¹⁰⁷

In March 2013, the Office for Budget Responsibility published its economic and fiscal outlook for 2013. It projected a further fall in the deficit from 6.5 of the GDP in 2014-2015 to 2.3 per cent in 2017-2018, and recognized government action to reduce expenditure in 2013-2014.

In April 2013, the International Monetary Fund suggested that the UK rethink the pace of their deficit reduction plan after the institution cut is forecast for UK growth for both 2013 and 2014.¹⁰⁸ In May 2013, the IMF recognized that the government has demonstrated flexibility in its fiscal plan, and has accounted for a slowdown in the pace of consolidation.¹⁰⁹ However, the IMF noted that spending reductions amounting to GBP10 billion for this fiscal year will pose a drag on growth in a time of weak outlook.¹¹⁰

The British government has implemented various successful fiscal consolidation policies, however the extent of discretionary measures are posed to undermine growth and economic recovery. The UK is thus far awarded a score of 0 for partial compliance.

Analyst: Rehaan Khan

United States: 0

The US has partially complied with its commitment to fiscal responsibility and support of sustainable fiscal consolidation to reduce GDP-to-debt ratio and improve economic recovery.

Fiscal stimulus measures taken over the past few years were to conclude by the end of 2012 or early 2013 alongside the expiration of the “Bush tax cuts.” The expiration of the tax cuts and fiscal stimulus measures would have led to an automatic budget deficit reduction by USD503 billion between 2012 and 2013.¹¹¹

¹⁰⁴ Welfare plans: Your benefits may be lower than expected, BBC UK (London) 9 January 2013. Date of Access: 24 January 2013. <http://www.bbc.co.uk/news/business-20934759>

¹⁰⁵ Autumn Statement 2012: key points, The Telegraph (London) 5 December 2012. Date of Access: 24 January 2013. <http://www.telegraph.co.uk/finance/budget/9723417/Autumn-Statement-2012-key-points.html>

¹⁰⁶ Economic and fiscal outlook, Office for Budget Responsibility (London) March 2013. Date of Access: 15 May 2013. <http://cdn.budgetresponsibility.independent.gov.uk/March-2013-EFO-44734674673453.pdf>

¹⁰⁷ Economic and fiscal outlook, Office for Budget Responsibility (London) March 2013. Date of Access: 15 May 2013. <http://cdn.budgetresponsibility.independent.gov.uk/March-2013-EFO-44734674673453.pdf>

¹⁰⁸ IMF slashes UK growth forecast and urges George Osborne to slow austerity, The Telegraph (London) 16 April 2013. Date of Access: 15 May 2013.

<http://www.telegraph.co.uk/finance/economics/9997935/IMF-slashes-UK-growth-forecast-and-urges-George-Osborne-to-slow-austerity.html>

¹⁰⁹ Article IV Consultation Concluding Statement, IMF, 22 May 2013. Date of Access: 13 June 2013. <http://www.imf.org/external/np/ms/2013/052213.htm>

¹¹⁰ Article IV Consultation Concluding Statement, IMF, 22 May 2013. Date of Access: 13 June 2013. <http://www.imf.org/external/np/ms/2013/052213.htm>

¹¹¹ Box B: Fiscal Consolidation in the United States, Reserve Bank of Australia (Sydney) November 2012. Date of Access: 4 January 2013. <http://www.rba.gov.au/publications/smp/2012/nov/html/box-b.html>

The US approached the so-called “fiscal cliff,” which would mark the expiration of the Social Security payroll tax holiday, raising the rate from 4.2 to 6.2 per cent. Spending cuts legislated by the Budget Control Act of 2011 would take effect, with cuts of USD109 billion per year from 2013-2022.¹¹²

On 1 January 2013, in response to the “fiscal cliff,” the United States Congress passed the American Taxpayer Relief Act of 2012. The Act extended the Bush-era tax cuts for households with taxable income under USD400 thousand¹¹³ while increasing income tax to 39.5 per cent for households with taxable incomes above USD1 million.¹¹⁴ The bill also extended federal unemployment benefits for one year for USD30 billion, without offsetting the cost. This extension therefore adds to the existing national deficit.¹¹⁵ Moreover, the Act extended a pay freeze for members of Congress, but eliminated the two-year pay freeze for government employees.¹¹⁶

Under the new Act, the Congressional Budget Office’s projection over the next ten years is that the total deficit estimate is raised by USD3971 billion and the ratio of debt held by the public increases from 61.3 per cent in 2013 to 77.4 per cent in 2022.¹¹⁷ Furthermore, the CBO’s analysis of the American Taxpayer Relief Act indicated an increase of revenue projection of 8.13 per cent from 2012 to 2013 and an increase of 1.15 per cent of spending in 2013 from the previous year.¹¹⁸

The budget sequestration that began 1 March 2013 overturned the American Taxpayer Relief Act of 2012. The sequestration has resulted in reductions of almost USD85.4 billion during the 2013 fiscal year. The sequestration resulted in the IMF to reevaluate US growth forecasts, expecting a negative impact of at least 0.5 per cent in economic growth.¹¹⁹ The US was also criticized for not having a short-term stimulus plan for fiscal consolidation because of political gridlock. On 10 April 2013, President Barack Obama sent a USD3.8 trillion budget proposal to Congress that

¹¹² What is the Fiscal Cliff, Council on Foreign Relations (New York City) 12 December 2012. Date of Access: 4 January 2013. <http://www.cfr.org/economics/fiscal-cliff/p28757>.

¹¹³ US Senate passes ‘fiscal cliff’ deal to avoid tax rises, BBC UK (London) 1 January 2012. Date of Access: 19 January 2013. <http://www.bbc.co.uk/news/world-us-canada-20880755>

¹¹⁴ Boehner plan would bring top US income tax rate to 39.6 percent: source, Thomson Reuters US Edition (Washington) 16 December 2012. Date of Access: 19 January 2013. <http://www.reuters.com/article/2012/12/17/us-usa-fiscal-taxes-idUSBRE8BF0JB20121217>

¹¹⁵ Unemployment insurance to be extended, \$30 billion cost won’t be offset, Huffington Post Canada (Washington) 31 December 2012. Date of Access: 19 January 2013. http://www.huffingtonpost.com/2012/12/31/unemployment-insurance-extended_n_2389634.html

¹¹⁶ Feds safe from pay freeze extension—for now, Government Executive (Washington) 2 January 2013. Date of Access: 19 January 2013. <http://www.govexec.com/pay-benefits/2013/01/feds-likely-safe-pay-freeze-extension-now/60426/>

¹¹⁷ Estimate of the Budgetary Effects of H.R., the American Taxpayer Relief Act of 2012, as passed by the Senate on January 1, 2013, Congress of the United States Congressional Budget Office (Washington DC) 1 January 2013. Date of Access: 5 January 2013. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/American%20Taxpayer%20Relief%20Act.pdf>

¹¹⁸ Updated Budget Projections: Fiscal Years 2012 to 2022, Congress of the United States Congressional Budget Office (Washington DC) 13 March 2012. Date of Access: 5 January 2013. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/March2012Baseline.pdf>

¹¹⁹ IMF says it will lower US outlook because of sequestration, Bloomberg (New York) 28 February 2013. Date of Access: 16 May 2013. <http://www.bloomberg.com/news/2013-02-28/imf-says-it-will-lower-u-s-outlook-because-of-sequestration-1-.html>

called for increased tax revenue, a method rejected by the Congressional Republicans who seek to cut USD4.6 trillion from federal expenditures.¹²⁰

In April 2013 at the International Monetary Fund's spring meetings, finance ministers and world bankers called on the US to address their longer-range debt situation by developing a credible plan to deal with its spending and debts over the next few years.¹²¹ The IMF is projecting a growth of 1.9 per cent for the US economy; less than its average annual growth and puts the US in the middle of the IMF's globe three-speed growth. The IMF stressed the need for "credible medium-term fiscal consolidation plans" for the United States.¹²²

On 13 May 2013, the Congressional Budget Office released an updated budget projection for the fiscal years 2013 to 2023. The CBO noted that under the current federal tax and spending legislation, the budget deficit is estimated to shrink to USD642 billion in 2013. The deficit relative to the size of the American economy is estimated to be around 4 per cent, less than half than the deficit in 2009, which was 10.1 per cent of GDP and 7 per cent in 2012.¹²³ The CBO predicts that the deficit will continue to fall and will drop to 2.1% of GDP in 2015. In 2014, public debt as a share of the economy is forecast to begin dropping.¹²⁴

While the American Taxpayer Relief Act provides an increase in revenue, it also increases the deficit over the next ten years. Congress' response to the 'fiscal cliff' and the Relief Act were necessary to strengthen confidence and underpin future growth. However, the US has not yet introduced fiscal consolidation measures beyond a slight restructuring of programs under the Relief Act. While the US expects a large reduction of the deficit in the coming years, it has faced criticism from the IMF on its fiscal consolidation plan and gridlock in Washington. Therefore the United States has been awarded a score of 0 for partial compliance.

Analyst: Rehaan Khan

European Union: 0

The European Union has not yet complied with its commitment to enact sustainable fiscal policies and consolidate spending.

On 22 November 2012, EU leaders met in a summit to negotiate the proposed draft budget for the next seven years, officially known as the Multi-Annual Financial Framework (MFF) 2014-2020.¹²⁵

The European Commission had proposed a 4.8 per cent budget increase over the 2007-2013 Multi-Annual Financial Framework.¹²⁶ Cyprus, which holds the rotating presidency of the EU

¹²⁰ Roubini says US fiscal policy path opposite of optimal, Bloomberg (New York) 17 April 2013. Date of Access: 15 May 2013. <http://www.bloomberg.com/news/2013-04-17/roubini-says-u-s-fiscal-policy-path-opposite-of-optimal.html>

¹²¹ IMF calls on US to develop credible budget plan, Los Angeles Times (Los Angeles) 20 April 2013. Date of Access: 16 May 2013. <http://www.latimes.com/business/money/la-fi-mo-imf-20130420,0,1742915.story>

¹²² IMF calls on US to develop credible budget plan, Los Angeles Times (Los Angeles) 20 April 2013. Date of Access: 16 May 2013. <http://www.latimes.com/business/money/la-fi-mo-imf-20130420,0,1742915.story>

¹²³ Updated Budget Projections: Fiscal Years 2013 to 2023, Congress of the United States Congressional Budget Office (Washington DC) May 2013. Date of Access: 15 May 2013. <http://www.cbo.gov/sites/default/files/cbofiles/attachments/44172-Baseline2.pdf>

¹²⁴ Fiscal consolidation, American style, The Economist (London) 14 May 2013. Date of Access: 15 May 2013. <http://www.economist.com/blogs/freexchange/2013/05/government-borrowing>

¹²⁵ EU budget summit opens with hard bargaining, BBC UK (London) 22 November 2012. Date of Access: 24 January 2013. <http://www.bbc.co.uk/news/world-europe-20435667>

ministerial meetings, proposed EUR50 billion be trimmed¹²⁷ from the current EUR1.034 trillion budget.¹²⁸

European Council President Herman van Rompuy proposed that an additional EUR24.5 billion be cut from the budget during the 22 November negotiations.¹²⁹ Britain, Germany, Sweden and the Netherlands demanded additional cuts of at least EUR30 billion.¹³⁰ UK Prime Minister David Cameron recommended a series of trimming measures to van Rompuy, including a pension cap and raising the retirement age for officials.¹³¹

By 23 November 2012, the EU leaders had failed to reach agreement on the MFF.¹³²

EU leaders met again on 7-8 February 2013 to reconvene negotiations. On 8 February 2013, the final MFF agreement was reached.¹³³ The result was the first net reduction in the EU's long-term budget in history. An additional EUR12 billion was cut from the proposal tabled in November.¹³⁴

On 13 March 2013, the European Parliament voted to reject the EU's budget unless significant changes were arranged.¹³⁵ They proposed that unspent funds be reallocated to other priorities in the budget, rather than returning to national coffers. Other demands included more funding for growth-oriented areas like research and education.¹³⁶

¹²⁶ Q&A: EU budget battle, BBC UK (London) 22 November 2012. Date of Access: 24 January 2013. <http://www.bbc.co.uk/news/world-europe-20392793>

¹²⁷ EU budget rise: Lead negotiator Cyprus wants 50bn-euro cut, BBC UK (London) 30 October 2012. Date of Access: 24 January 2012. <http://www.bbc.co.uk/news/world-europe-20136322>

¹²⁸ Factbox: The European Union budget explained, Reuters US Edition (Brussels) 22 November 2012. Date of Access: 24 January 2013. <http://www.reuters.com/article/2012/11/22/us-eu-budget-factbox-idUSBRE8AL0PT20121122>

¹²⁹ EU budget summit Part I: Is austerity about to hit the EU?, The Economist Blogs, Charlemagne (Brussels) 22 November 2012. Date of Access: 24 January 2013. <http://www.economist.com/blogs/charlemagne/2012/11/eu-budget-summit-part-i>

¹³⁰ EU budget summit ends without deal, retry in 2013, Reuters US Edition (Brussels) 23 November 2012. Date of Access: 24 January 2013. <http://uk.reuters.com/article/2012/11/23/uk-eu-budget-idUKBRE8AL0B920121123>

¹³¹ EU budget summit ends without deal, retry in 2013, Reuters US Edition (Brussels) 23 November 2012. Date of Access: 24 January 2013. <http://uk.reuters.com/article/2012/11/23/uk-eu-budget-idUKBRE8AL0B920121123>

¹³² EU budget summit ends without deal, retry in 2013, Reuters US Edition (Brussels) 23 November 2012. Date of Access: 24 January 2013. <http://uk.reuters.com/article/2012/11/23/uk-eu-budget-idUKBRE8AL0B920121123>

¹³³ EU leaders strike deal on long term austerity budget, Thomson Reuters UK Edition (Brussels) 9 February 2013. Date of Access: 22 May 2013. <http://uk.reuters.com/article/2013/02/09/uk-eu-budget-idUKBRE9160K920130209>

¹³⁴ EU leaders strike deal on long term austerity budget, Thomson Reuters UK Edition (Brussels) 9 February 2013. Date of Access: 22 May 2013. <http://uk.reuters.com/article/2013/02/09/uk-eu-budget-idUKBRE9160K920130209>

¹³⁵ European Parliament demands changes to EU budget deal, Thomson Reuters UK Edition (Brussels) 13 March 2013. Date of Access: 23 May 2013. <http://www.reuters.com/article/2013/03/13/eu-budget-idUSL6N0C5BOJ20130313>

¹³⁶ European Parliament demands changes to EU budget deal, Thomson Reuters UK Edition (Brussels) 13 March 2013. Date of Access: 23 May 2013. <http://www.reuters.com/article/2013/03/13/eu-budget-idUSL6N0C5BOJ20130313>

On 27 March 2013, the European Commission tabled an amendment to the budget requiring EUR11.2 billion to cover the EU's unpaid bills.¹³⁷ On 6 May 2013, the Commission, Parliament and Council of Ministers agreed to pay out the EUR11.2 billion in two installments.¹³⁸ They agreed on 14 May 2013 that EUR7.3 billion was to be added to EU spending, with the second installment scheduled for after the EU summer break.¹³⁹ EU ministers aim to conclude budget talks by June 2013.¹⁴⁰

European Council President van Rompuy and most of the European Union have acknowledged the need for restraint and fiscal consolidation. Leaders had successfully reduced the starting figure for budget negotiations, only to be confronted by European Commission's demand to increase spending. Leaders have demonstrated a willingness to respond to national economic conditions, aiming to strengthen confidence and growth. However, no measures have generated the consensus necessary to approve the budget, and EU nations remain divided by questions of consolidation and austerity. Therefore the EU is awarded a score of 0 for partial compliance pending the completion of MFF negotiations.

Analyst: Emily Johnson

¹³⁷ EU Commissioner asks for 11bn to plug budget gap, EU Observer (Brussels) 28 March 2013. Date of Access: 23 May 2013. <http://euobserver.com/regions/119609>

¹³⁸ Parliament gamble threatens to derail EU budget, EurActiv (Brussels) 13 May 2013. Date of Access: 23 May 2013. <http://www.euractiv.com/priorities/budget-gamble-suspense-peaks-ahe-news-519645>

¹³⁹ Governments agree to 7.3 billion euro rise in EU budget for 2013, Thomson Reuters UK Edition (Brussels) 14 May 2013. Date of Access: 23 May 2013. <http://uk.reuters.com/article/2013/05/14/us-eu-budget-idUKBRE94D0R420130514>

¹⁴⁰ EU leaders want budget talks concluded by end of June, Euractiv (Brussels) 22 May 2013. Date of Access: 23 May 2013. <http://www.euractiv.com/priorities/eu-ministers-wants-budget-talks-news-519905>

2. Macroeconomics: Productivity [5]

Commitment

“To raise productivity and growth potential in our economies, we support structural reforms, and investments in education and in modern infrastructure, as appropriate.”

Camp David Declaration

Assessment

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France			+1
Germany			+1
Italy		0	
Japan			+1
Russia			+1
United Kingdom			+1
United States			+1
European Union			+1
Average Score	0.89		

Background

Economic growth has been a major concern G8 member states since the economic crisis of 2008. The issue was first addressed at the 2008 Hokkaido Summit, where G8 leaders claimed that, “the world economy is now facing uncertainty and downside risks persist.”¹⁴¹ Members stated that, “we are determined to continuously take appropriate actions, individually and collectively, to ensure stability and growth in our economies and globally.”¹⁴²

In October 2007, the G7 Ministers and Central Bank Governors asked the Financial Stability Forum (FSF) to analyze the causes and weaknesses that produced the economic turmoil and to provide recommendations for increasing the resilience of markets and institutions.¹⁴³ Additionally, the G7 Ministers and Governors asked the FSF to present the report at their meeting in Washington in April 2008.¹⁴⁴

According to the report, “The turmoil that broke out in the summer of 2007 followed an exceptional boom in credit growth and leverage in the financial system.”¹⁴⁵ The FSF proposed government action in five areas of concern: (1) Strengthened prudential oversight of capital, liquidity and risk management; (2) Enhancing transparency and valuation; (3) Changes in the

¹⁴¹ World Economy, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html>.

¹⁴² World Economy, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html>.

¹⁴³ Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience, Financial Stability Forum (place) 7 April 2008. Date of Access: 7 December 2012. http://www.financialstabilityboard.org/publications/r_0804.pdf.

¹⁴⁴ Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience, Financial Stability Forum (place) 7 April 2008. Date of Access: 7 December 2012. http://www.financialstabilityboard.org/publications/r_0804.pdf.

¹⁴⁵ Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience, Financial Stability Forum (place) 7 April 2008. Date of Access: 7 December 2012. http://www.financialstabilityboard.org/publications/r_0804.pdf.

role and uses of credit ratings; (4) Strengthening the authorities' responsiveness to risks and; (5) Robust arrangements for dealing with stress in the financial system.¹⁴⁶

At the 2008 Hokkaido Summit, G8 leaders stated that, "we urge private-sector players, national supervisory authorities and international bodies to rapidly implement all FSF recommendations to strengthen resilience of the financial system."¹⁴⁷

At the 2011 Deauville Summit, G8 members claimed that, "The global recovery is gaining strength and is becoming more self-sustained. However, downside risks remain, and internal and external imbalances are still a concern."¹⁴⁸ The members declared that they would continue their efforts of generating strong, sustainable and balanced growth.¹⁴⁹ Furthermore, the G8 leaders stated that, "New growth drivers are required. We [commit] to prioritizing growth-enhancing policies such as research, education and innovation, which are crucial to our knowledge economies."¹⁵⁰

Commitment Features

This commitment focuses on raising productivity and growth in the world's economies by supporting structural reforms, and investments in education and in modern infrastructure.¹⁵¹

G8 members claim that, "Investment initiatives can be financed using a range of mechanisms, including leveraging the private sector."¹⁵² The leaders also claim that sound financial members should build stronger economic systems while not depleting near-term credit growth.¹⁵³ Moreover, members claim that they "commit to promote investment to underpin demand, including support for small businesses and public-private partnerships."¹⁵⁴

Accordingly, full compliance requires that G8 countries support both structural reforms and investment in education and modern infrastructure, and provide support for small businesses and public-private relations.

¹⁴⁶ Report of the Financial Stability Forum on Enhancing Market and Institutional Resilience, Financial Stability Forum (place) 7 April 2008. Date of Access: 7 December 2012. http://www.financialstabilityboard.org/publications/r_0804.pdf.

¹⁴⁷ World Economy, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html>.

¹⁴⁸ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

¹⁴⁹ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

¹⁵⁰ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

¹⁵¹ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

¹⁵² Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

¹⁵³ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

¹⁵⁴ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

Scoring

-1	G8 member does not support structural reforms and investment in education and modern infrastructure, nor does it provide support for small businesses and public-private relationships
0	G8 member supports either structural reforms and investment in education and modern infrastructure OR provides support for small businesses and public-private relationships
+1	G8 member supports structural reforms and investment in education and modern infrastructure AND provides support for small businesses and public-private relationships

Lead Analyst: Sarah Burton

Canada: +1

Canada has fully complied with its commitment to execute structural reforms. It proposed investments in education, modern infrastructure, and support for small businesses and public-private partnerships.

On 1 January 2013, the Government of Canada enacted public pension reforms proposed in the Jobs and Growth Act, 2012.¹⁵⁵ The Jobs and Growth Act, 2012 introduces greater alignment of federal employee pension contributions with those of the private sector. It is estimated to reduce taxes by CAD2.6 billion over five years and CAD900 million annually after its complete implementation in 2017.¹⁵⁶

On 26 November 2012, Canada's Minister of Finance, Jim Flaherty, reiterated the importance of public-private partnerships and support for small business in Canada.¹⁵⁷ The Government of Canada implemented a hiring credit in its 2011 budget for 534, 000 eligible businesses willing to hire new staff.¹⁵⁸ Support for this program has been extended into 2013.¹⁵⁹ Minister Flaherty also addressed a proposed span between Michigan, United States and Ontario which has the support of the Government of Canada in a public-private partnership.¹⁶⁰ Minister Flaherty asserted that the Government of Canada has, "been working with provinces, territories, the Federation of Canadian Municipalities and other stakeholders on the department of a long-term plan for public

¹⁵⁵ Harper Government Marks New Year with Historic Pension Reforms, Government of Canada's Economic Action Plan (Ottawa) 1 January 2013. Date of Access: 10 January 2013.

<http://actionplan.gc.ca/en/news/harper-government-marks-new-year-historic-pension>

¹⁵⁶ Harper Government Marks New Year with Historic Pension Reforms, Government of Canada's Economic Action Plan (Ottawa) 1 January 2013. Date of Access: 10 January 2013.

<http://actionplan.gc.ca/en/news/harper-government-marks-new-year-historic-pension>

¹⁵⁷ Speech by the Honorable Jim Flaherty, Minister of Finance, at the 20th National Conference on Public-Private Partnerships of the Canadian Council for Public-Private Partnerships, Department of Finance (Toronto) 26 November 2012. Date of Access: 10 January 2013. http://www.fin.gc.ca/n12/12-153_1-eng.asp

¹⁵⁸ Speech by the Honorable Jim Flaherty, Minister of Finance, at the 20th National Conference on Public-Private Partnerships of the Canadian Council for Public-Private Partnerships, Department of Finance (Toronto) 26 November 2012. Date of Access: 10 January 2013. http://www.fin.gc.ca/n12/12-153_1-eng.asp

¹⁵⁹ Hiring Credit for Small Business, Canada Business Network; Government Services for Entrepreneurs (Ottawa) 15 January 2013. Date of Access: 15 January 2013.

<http://www.canadabusiness.ca/eng/program/2952/>

¹⁶⁰ Speech by the Honorable Jim Flaherty, Minister of Finance, at the 20th National Conference on Public-Private Partnerships of the Canadian Council for Public-Private Partnerships, Department of Finance (Toronto) 26 November 2012. Date of Access: 10 January 2013. http://www.fin.gc.ca/n12/12-153_1-eng.asp

infrastructure that extends beyond the expiry of the Building Canada plan in 2014.”¹⁶¹ The CAD33 billion, seven-year, “Building Canada” plan actively supports, “provincial, territorial, and municipal infrastructure in priority areas such as highways, roads, bridges, public transit, water infrastructure and broadband.”¹⁶²

On 17 September 2012, the Department of Finance represented by Minister of Finance, Jim Flaherty, and Minister of National Revenue, Gail Shea, reiterated the Government of Canada’s tax relief incentives for Canadian families, children, and students.¹⁶³ Education services provided by the federal government include several services: children’s fitness and art tax credits; a public transit tax credit; tuition, education, and textbook tax credits; fellowships and bursaries; a student loan interest tax credit; and the Registered Education Savings Plan.¹⁶⁴

In its Economic Action Plan, 2012, “the Government of Canada committed to investing CAD100 million over three years to help ensure readiness for the new First Nations education system.”¹⁶⁵ The funds supported, “early literacy programming and other supports and services to First Nations schools and students” and strengthened, “their relationship with provincial school systems.”¹⁶⁶ On 2 October 2012, the Government of Canada announced, “that the additional investments will be implemented through the Strong Schools, Successful Students Initiative.”¹⁶⁷

From 14 to 20 October 2012, the Government of Canada hosted the Small Business Week initiative, “in recognition of the contribution and achievements of Canada’s entrepreneurs.”¹⁶⁸ The Economic Action Plan, 2012, will assign CAD95 million over three years, “to make the Canadian Innovation Commercialization Program permanent.”¹⁶⁹ Funding was proposed to be allocated beginning in 2013 or 2014. Information on its progress is pending.

¹⁶¹ Speech by the Honorable Jim Flaherty, Minister of Finance, at the 20th National Conference on Public-Private Partnerships of the Canadian Council for Public-Private Partnerships, Department of Finance (Toronto) 26 November 2012. Date of Access: 10 January 2013. http://www.fin.gc.ca/n12/12-153_1-eng.asp

¹⁶² Minister Flaherty Recognizes the Importance of Public-Private Partnerships in Strengthening and Renewing Canada’s Infrastructure, Department of Finance (Toronto) 26 November 2012. Date of Access: 10 January 2013. <http://www.fin.gc.ca/n12/12-153-eng.asp>

¹⁶³ Harper Government Helping Families With Back-To-School Tax Relief, Department of Finance (Ottawa) 17 September 2012. Date of Access: 10 January 2013. <http://www.fin.gc.ca/n12/12-105-eng.asp>

¹⁶⁴ Harper Government Helping Families With Back-To-School Tax Relief, Department of Finance (Ottawa) 17 September 2012. Date of Access: 10 January 2013. <http://www.fin.gc.ca/n12/12-105-eng.asp>

¹⁶⁵ Call for Proposals 2013-2014 — Education Partnerships Program (EPP) and First Nation Student Success Program (FNSSP), Department of Aboriginal Affairs and Northern Development Canada (Ottawa) 17 October 2012. Date of Access: 10 January 2013. <http://www.aadnc-aandc.gc.ca/eng/1320347889634/1350507120302>

¹⁶⁶ Call for Proposals 2013-2014 — Education Partnerships Program (EPP) and First Nation Student Success Program (FNSSP), Department of Aboriginal Affairs and Northern Development Canada (Ottawa) 17 October 2012. Date of Access: 10 January 2013. <http://www.aadnc-aandc.gc.ca/eng/1320347889634/1350507120302>

¹⁶⁷ Call for Proposals 2013-2014 — Education Partnerships Program (EPP) and First Nation Student Success Program (FNSSP), Department of Aboriginal Affairs and Northern Development Canada (Ottawa) 17 October 2012. Date of Access: 10 January 2013. <http://www.aadnc-aandc.gc.ca/eng/1320347889634/1350507120302>

¹⁶⁸ Small Business Week — October 14-20 — Government of Canada Supports Small and Medium Businesses, Department of Public Works and Government Services (Ottawa) 14 October 2012. Date of Access: 10 January 2013. <http://news.gc.ca/web/article-eng.do?nid=701669>

¹⁶⁹ Small Business Week — October 14-20 — Government of Canada Supports Small and Medium Businesses, Department of Public Works and Government Services (Ottawa) 14 October 2012. Date of Access: 10 January 2013. <http://news.gc.ca/web/article-eng.do?nid=701669>

On 28 May 2013, the Canadian Department of Finance announced that Minister of State, Ted Menzies will attend the Ministerial Council Meeting of the Organization for Economic Co-operation and Development to promote structural reforms.¹⁷⁰ The Canadian Department of Finance suggested Canada's global economic leadership is outlined in the Economic Action Plan 2013. Planned actions include "sustainable, long-term investments in public infrastructure," as well as "an innovative new program to match the skills training Canadians are receiving with the needs of employers."¹⁷¹ The Economic Action Plan 2013 allots CAD23 million over two years "to promote Canada as an international study destination."¹⁷² CAD872 million will also allegedly be invested in "aboriginal and northern communities," CAD545 million of which are to be spent within the first two years.¹⁷³

Thus, Canada has been awarded a score of +1 for implementing structural reforms and investments in education and modern infrastructure while supporting small businesses and fostering public-private partnerships.

Analyst: Alexandre Ribeiro Dos Santos

France: +1

France fully complied with its commitment to support structural reforms, and investment in education and modern infrastructure.

On 29 August 2012, the Government of France unveiled the first phase of its plan to revamp the education system. As part of the plan, the French Government succeeded in increasing its Return to School Grant (ARS) by EUR125, on average, per family.¹⁷⁴ Due to the need for new school teachers in France, the French government entered into a recruitment process with the desired number of public sector recruits set at 20,000.¹⁷⁵ The French Government was set to give out 6000 scholarships to students who choose to study education in the year 2013 as an incentive to increase the number of child educators in the country.¹⁷⁶

The plan to reform the French education system has not been fully completed. The Government of France intends to promote a better learning environment for its students. The government created a new position, the security prevention assistant (APS) in order to accomplish its goal. The French Government will hire 500 new assistants with the job of preventing school violence

¹⁷⁰ Minister Menzies to Promote Canadian Jobs and Growth at OECD (Ottawa) 28 May 2013. Date of Access: 29 May 2013. <http://www.fin.gc.ca/n13/13-076-eng.asp>

¹⁷¹ Minister Menzies to Promote Canadian Jobs and Growth at OECD (Ottawa) 28 May 2013. Date of Access: 29 May 2013. <http://www.fin.gc.ca/n13/13-076-eng.asp>

¹⁷² Canada's Education Organizations Welcome Investment to Launch International Education Strategy 21 March 2013. Date of Access: 29 May 2013. <http://www.cbie-bcei.ca/news/canadas-education-organizations-welcome-investment-to-launch-international-education-strategy/>

¹⁷³ Budget 2013 Highlights — Aboriginal and Northern Investments (Ottawa) 22 March 2013. Date of Access 29 May 2013. <http://www.aadnc-aandc.gc.ca/eng/1363964630328/1363964850834>

¹⁷⁴ Année scolaire 2012-2013: dossier de rentrée (Paris) 29 August 2012. Date of Access: 7 January 2013. http://www.education.gouv.fr/cid61272/annee-scolaire-2012-2013-dossier-de-rentree.html#Un_pouvoir_d_achat_de_rentree_accru_pour_les_familles

¹⁷⁵ Année scolaire 2012-2013: dossier de rentrée (Paris) 29 August 2012. Date of Access: 7 January 2013. http://www.education.gouv.fr/cid61272/annee-scolaire-2012-2013-dossier-de-rentree.html#Les_premi%C3%A8res%20mesures%20pour%202013

¹⁷⁶ Année scolaire 2012-2013: dossier de rentrée (Paris) 29 August 2012. Date of Access: 7 January 2013. http://www.education.gouv.fr/cid61272/annee-scolaire-2012-2013-dossier-de-rentree.html#Les_premi%C3%A8res%20mesures%20pour%202013

and ensuring the safety of students and faculty in the event of an emergency.¹⁷⁷ The government also intends to improve the education quality of students living with disabilities. The government is hiring 1,500 school faculty members who specialize in dealing with disabled students.¹⁷⁸

On 1 October 2012, the French Government declared that its budget for 2013 contained an extra EUR514 million dedicated toward research and development in higher institutions of learning and in the success of students attending such institutions.¹⁷⁹ The goal of dedicating an additional EUR514 million toward investing in education was to promote French innovation.¹⁸⁰ The additional investment brings the total investment in education for the fiscal year of 2013 to EUR22.95 billion.¹⁸¹ The budget includes, but is not limited to, an extra EUR140 million investment made towards scholarships, EUR20 million toward student housing, and the possibility for France to increase its ability to conduct research and contribute to the international scientific community.¹⁸²

The public transportation group owned by the Island of France, La Régie Autonome des Transports Parisiens (RATP), recently invested extending the Regional Express Network (RER).¹⁸³ On 14 November 2012, the line was re-opened for public use. The Island of France is the state which contains Paris, France's most populated city and most important commercial centre. The extension of the RER reaches through suburban Paris and allows for a relatively fast connection into the centre of the city, linking suburban dwellers with their city jobs and effectively increasing the efficiency of infrastructure in France's largest city.¹⁸⁴

On 6 November 2012, the French Government presented a tax reduction for businesses amounting to EUR20 billion.¹⁸⁵ The National Pact for Competitiveness implemented tax

¹⁷⁷ Année scolaire 2012-2013: dossier de rentrée (Paris) 29 August 2012. Date of Access: 7 January 2013. http://www.education.gouv.fr/cid61272/annee-scolaire-2012-2013-dossier-de-rentree.html#Des_moyens_accrus_pour_un_climat_serein_dans_nos_établissements

¹⁷⁸ Année scolaire 2012-2013: dossier de rentrée (Paris) 29 August 2012. Date of Access: 7 January 2013. http://www.education.gouv.fr/cid61272/annee-scolaire-2012-2013-dossier-de-rentree.html#Les_premi%C3%A8res_mesures_pour_2013

¹⁷⁹ Budget 2013: +2.2% pour l'enseignement supérieur et la recherche (Paris) 28 September 2012. Date of Access: 7 January 2013. <http://www.enseignementsup-recherche.gouv.fr/cid61635/budget-2013-2-2-pour-l-enseignement-superieur-et-la-recherche.html>

¹⁸⁰ Budget 2013: +2.2% pour l'enseignement supérieur et la recherche (Paris) 28 September 2012. Date of Access: 7 January 2013. <http://www.enseignementsup-recherche.gouv.fr/cid61635/budget-2013-2-2-pour-l-enseignement-superieur-et-la-recherche.html>

¹⁸¹ Budget 2013: +2.2% pour l'enseignement supérieur et la recherche (Paris) 28 September 2012. Date of Access: 7 January 2013. <http://www.enseignementsup-recherche.gouv.fr/cid61635/budget-2013-2-2-pour-l-enseignement-superieur-et-la-recherche.html>

¹⁸² Budget 2013: +2.2% pour l'enseignement supérieur et la recherche (Paris) 28 September 2012. Date of Access: 7 January 2013. <http://www.enseignementsup-recherche.gouv.fr/cid61635/budget-2013-2-2-pour-l-enseignement-superieur-et-la-recherche.html>

¹⁸³ Le « petit spaghetti », un pont entre le «9-3» et le «9-2», Le Monde (Paris) 28 November 2012. Date of Access: 13 January 2013. <http://banlieue.blog.lemonde.fr/2012/11/28/le-tram-qui-fait-le-pont-entre-le-9-3-et-le-9-2-et-change-la-vie-des-banlieusards/>

¹⁸⁴ Le « petit spaghetti », un pont entre le «9-3» et le «9-2», Le Monde (Paris) 28 November 2012. Date of Access: 13 January 2013. <http://banlieue.blog.lemonde.fr/2012/11/28/le-tram-qui-fait-le-pont-entre-le-9-3-et-le-9-2-et-change-la-vie-des-banlieusards/>

¹⁸⁵ Les actions du Pacte pour la croissance et la compétitivité (Paris) 7 January 2013. Date of Access: 13 January 2013. <http://www.gouvernement.fr/gouvernement/les-actions-du-pacte-pour-la-croissance-et-la-competitivite>

reductions for companies at the beginning of 2013. The EUR20 billion tax break equalled a six per cent decrease in labour costs.¹⁸⁶ A minor increase in the VAT tax financed the tax credit.¹⁸⁷

On 2 August 2012, the Government of France published an article that outlined a plan to invest in 13 mutual platforms of innovation, which offer innovative resources to enterprises whether the resources be personnel, services, or technologies.¹⁸⁸ The French Government is planning to dedicate EUR50 million to this investment plan in an attempt to stimulate research and development and to make resources more accessible to medium and small businesses.¹⁸⁹

In regards to infrastructure, *Greenerbat*, a group dedicated to developing a higher quality of environmentally friendly buildings, has been selected to receive funds from the French Government.¹⁹⁰ Other chosen platforms also present the ability to improve French infrastructure. The plans to invest in various mutual platforms of innovation have not yet been followed through.

On 29 April 2013, the Strategic Investment Funds (FSI) invested in Technicolor, the French media production and technology enterprise.¹⁹¹ The FSI and the Caisses des Dépôts jointly invested in 7.5% of Technicolor's capital and became shareholders with voting rights.¹⁹²

On 19 December 2012, the French Government revealed its plan for structural reform, specifically involving the banking system. The plan has the goal of enforcing greater regulations on the banking system and to reduce economic risks.¹⁹³ Additionally, the reform gives the respective authorities increased power to intervene in the event of a crisis or stress in the French

¹⁸⁶ Reforming the French economy: A rude awakening, *The Economist* (Paris) 6 November 2012. Date of Access: 12 January 2013. <http://www.economist.com/blogs/charlemagne/2012/11/reforming-french-economy>

¹⁸⁷ Reforming the French economy: A rude awakening, *The Economist* (Paris) 6 November 2012. Date of Access: 12 January 2013. <http://www.economist.com/blogs/charlemagne/2012/11/reforming-french-economy>

¹⁸⁸ Investissement d'avenir: Résultats de l'appel à projets « Plates-Formes Mutualisées d'Innovation » (Paris) 2 August 2012. Date of Access: 12 January 2013. <http://investissement-avenir.gouvernement.fr/content/investissements-d%E2%80%99avenir-r%C3%A9sultats-de-l%E2%80%99appel-%C3%A0-projets-%C2%AB-plates-formes-mutualis%C3%A9es-d%E2%80%99innova>

¹⁸⁹ Investissement d'avenir: Résultats de l'appel à projets « Plates-Formes Mutualisées d'Innovation » (Paris) 2 August 2012. Date of Access: 12 January 2013. <http://investissement-avenir.gouvernement.fr/content/investissements-d%E2%80%99avenir-r%C3%A9sultats-de-l%E2%80%99appel-%C3%A0-projets-%C2%AB-plates-formes-mutualis%C3%A9es-d%E2%80%99innova>

¹⁹⁰ Investissement d'avenir: Résultats de l'appel à projets « Plates-Formes Mutualisées d'Innovation » (Paris) 2 August 2012. Date of Access: 12 January 2013. <http://investissement-avenir.gouvernement.fr/content/investissements-d%E2%80%99avenir-r%C3%A9sultats-de-l%E2%80%99appel-%C3%A0-projets-%C2%AB-plates-formes-mutualis%C3%A9es-d%E2%80%99innova>

¹⁹¹ Le FSI acquiert une participation dans Technicolor (Paris) 29 April 2013. Date of Access 27 May 2013. <http://www.fonds-fsi.fr/les-participations-du-fsi/les-investissements-du-fsi/le-fsi-acquiert-une-participation-dans-technicolor-457.html>

¹⁹² Le FSI acquiert une participation dans Technicolor (Paris) 29 April 2013. Date of Access 27 May 2013. <http://www.fonds-fsi.fr/les-participations-du-fsi/les-investissements-du-fsi/le-fsi-acquiert-une-participation-dans-technicolor-457.html>

¹⁹³ Une réforme structurelle des banques pour séparer et réguler leurs activités (Paris) 20 December 2012. Date of Access: 12 January 2013. <http://www.gouvernement.fr/gouvernement/une-reforme-structurelle-des-banques-pour-separer-et-reguler-leurs-activites>

economy.¹⁹⁴ However, the reform would ensure that the acquisition of loans and credit remain untouched so as not to further hurt the economy.¹⁹⁵ The banking reform was passed on 19 February 2013 by the National Assembly and followed by the Senate in March 2013.¹⁹⁶

The French Government received a +1 for its commitment given that it has succeeded in beginning to invest in education, investing in infrastructure and supporting businesses. The Government of France has also succeeded in implementing its plan for a banking reform

Analyst: Amanda Mirizzi

Germany: +1

Germany has fully complied with its commitment to improving the economy through structural reforms and investments in the education and infrastructure sectors.

According to Chancellor Merkel, “[Germany’s] overarching goal is to give every child the chance of an excellent education.”¹⁹⁷ The 2011 national budget demonstrates that Germany recognizes the importance of education and research as key factors in economic growth. Thus, Germany encourages investment in these sectors and is increasing available funding in the sectors to nearly EUR12 billion.¹⁹⁸

In 2008, the Federal Ministry for Economic Cooperation and Development, BMZ, provided EUR503 million to fuel sustainable economic development.¹⁹⁹

On 19 October 2012, the Federal Government made a call for an international peer review of its sustainable development policy.²⁰⁰ The German government released a sustainability report on 16 April 2012 reaffirming its commitment to education and vocational training, which they claim plays a key role in building a sustainable economy.²⁰¹ The same report also highlighted the

¹⁹⁴ Une réforme structurelle des banques pour séparer et réguler leurs activités (Paris) 20 December 2012. Date of Access: 12 January 2013. <http://www.gouvernement.fr/gouvernement/une-reforme-structurelle-des-banques-pour-separer-et-reguler-leurs-activites>

¹⁹⁵ French banking reform does not go far enough, say critics, The Guardian UK Edition (London) 19 December 2012. Date of Access: 10 January 2013. <http://www.guardian.co.uk/world/2012/dec/19/french-banking-reform-francois-hollande>

¹⁹⁶ Le Sénat vote la réforme bancaire à une écrasante majorité, Le Monde (Paris) 22 March 2013. Date of Access: 27 May 2013. http://www.lemonde.fr/economie/article/2013/03/22/le-senat-vote-la-reforme-bancaire-a-une-ecrasante-majorite_1853012_3234.html

¹⁹⁷ General Debate On The 2013 Budget, The Federal Government (Berlin) 12 September 2012. Date of Access: December 27/2012. <http://www.bundesregierung.de/Content/EN/Artikel/2012/09/2012-09-12-haushalt-generaldebatte.html?nn=393758>.

¹⁹⁸ National Budget 2011, The Federal Government (Berlin) 17 December 2010. Date of Access: 27 December 2012. http://www.bundesregierung.de/Content/EN/Artikel/2010/12/2010-07-07-haushalt_en.html?nn=393722.

¹⁹⁹ Background: Sustainable Economic Growth—A Challenge for all, Federal Ministry for Economic Cooperation and Development (Berlin) (Date unavailable). Date of Access: 28 December 2012. http://www.bmz.de/en/what_we_do/issues/wirtschaft/nachhaltige_wirtschaftsentwicklung/hintergrund/index.html.

²⁰⁰ International Peer Review to Focus on Germany’s Sustainable Development Policy — Initial Decisions Now Taken, The Federal Government (Berlin) 19 October 2012. Date of Access: 28 December 2012. <http://www.bundesregierung.de/Content/EN/Pressemitteilungen/BPA/2012/10/2012-10-19-peer-eng.html?nn=393722>.

²⁰¹ Responding to the Major Challenges of our Time — the 2012 Progress report, The Federal Government (Berlin) 16 April 2012. Date of Access: 28 December 2012. http://www.bundesregierung.de/Content/EN/StatischeSeiten/Schwerpunkte/Nachhaltigkeit/nachhaltigkeit-2012-04-16-fortschrittsbericht-grundsatzartikel_en.html?nn=393722.

introduction of improved power grids which will supply electricity through solar power and biomass plants. Its sustainable energy system aims to phase out nuclear power by 2022, which will benefit the Germany economy as energy prices continue to become more competitive and insecure. Amid updating the 2012 Renewable Energies Act to reflect the goal of achieving 80 per cent of electricity being drawn from renewable sources, Germany also doubled its renovation of older buildings to become more energy efficient, to two per cent per annum.²⁰²

With regards to water resources, other than aiming for reduced consumption, Germany is collaborating with flower growers and beverage industries to identify their water footprint. Since social demographics change road planning and landscaping will require further focus, Germany has promised to support research and development in the field and a “broad-based mobility and fuel strategy is to be drawn up by the end of this legislative period.”²⁰³

Germany is also directing investments in small businesses to increase job growth. On 3 May 2013, The Federal Government released an article stating Germany’s commitment to the EU in ensuring that current “funds are to be used to encourage small and medium-sized enterprises.”²⁰⁴ Furthermore, at a meeting in Brussels, Chancellor Merkel along with other EU members pledged EUR6 billion to combat youth unemployment.²⁰⁵

Germany’s strong support in education and infrastructure to bolster the economy as well as its firm commitment to increasing investments for small businesses has placed it in full compliance with its commitments. Thus, Germany has been awarded a score of +1.

Analyst: Araf Khaled

Italy: 0

Italy has partially complied with its commitment to macroeconomic recovery by supporting structural reforms, investing in infrastructure, and providing support for both small businesses and public-private relations. However, Italy’s lack of investment in education keeps the country from fulfilling its commitment.

Since Italian President Giorgio Napolitano invited Mario Monti to form a technocratic government on 12 November 2011 (until the country’s general election on 24 February 2013), the former Italian prime minister led on a mandate of economic reform. aimed at improving the state

²⁰² Responding to the Major Challenges of our Time — the 2012 Progress report, The Federal Government (Berlin) 16 April 2012. Date of Access: 28 December 2012.
http://www.bundesregierung.de/Content/EN/StatischeSeiten/Schwerpunkte/Nachhaltigkeit/nachhaltigkeit-2012-04-16-fortschrittsbericht-grundsatzartikel_en.html?nn=393722.

²⁰³ Responding to the Major Challenges of our Time — the 2012 Progress report, The Federal Government (Berlin) 16 April 2012. Date of Access: 28 December 2012.
http://www.bundesregierung.de/Content/EN/StatischeSeiten/Schwerpunkte/Nachhaltigkeit/nachhaltigkeit-2012-04-16-fortschrittsbericht-grundsatzartikel_en.html?nn=393722.

²⁰⁴ Consolidation and reforms, The Federal Government (Berlin) 13 May 2013. Date of Access: 28 May 2013.
<http://www.bundesregierung.de/Content/EN/Artikel/2013/05/2013-05-03-eu-fruehjahrenswirtschaftsprognose.html?nn=393758>.

²⁰⁵ EU gets tough on tax evasion, The Federal Government (Berlin) 22 May, 2013. Date of Access: 28 May 2013.
<http://www.bundesregierung.de/Content/EN/Reiseberichte/2013/2013-05-22-eu-rat-bruessel.html?nn=393344>

of Italy's economy, which holds the second-lowest GDP among G20 countries as of the fourth quarter of 2012.²⁰⁶

Italy's reforms have touched on infrastructure, public-private relations and labour law. The first took place on 20 January 2012, when the government delegated EUR5.5 billion to investments in infrastructure as a means of stimulating the nation's economy.²⁰⁷

On 23 March 2012, Monti's government passed the Cresci Italia (Grow Italy) plan. In addition to liberalizing state industries and professional guilds, the plan allowed for greater financing of public-private partnerships, specifically for state infrastructure projects.²⁰⁸

On 18 July 2012, the Italian government implemented a reform of Article 18 of the country's employment statute. This reform, which targets small- and medium-sized businesses, allowed companies more flexibility in hiring and dismissing employees, in an effort to encourage labour flexibility.²⁰⁹

However, investment in education has been neglected in these reforms. Monti's government has proposed structural reforms to Italy's university admissions and enrollment, but no new funding has been proposed.²¹⁰ Italy has not implemented any new education investment since the February 2013 election.

A September 2012 report by the Organization for Economic Co-operation and Development (OECD) stated that Italy needs to boost education funding in order to raise its productivity.²¹¹ Another OECD report from the same month stated that Italy spends a disproportionate amount of its education spending on primary schooling, as opposed to post-secondary investment.²¹²

Italy has been awarded a score of 0 for its commitment to macroeconomic recovery through investments and small-business support. Greater investment in education would put the country in full compliance with its commitments for macroeconomic reform.

Analyst: Dylan C. Robertson

²⁰⁶ G20 Quarterly Gross Domestic Product, third quarter 2012, OECD (Paris) 13 December 2012. Date of Access: 14 January 2012.

<http://www.oecd.org/std/nationalaccounts/g20quarterlygrossdomesticproductthirdquarter2012oecd.htm>

²⁰⁷ Italy Announces New Steps to Get Economy Moving, The New York Times (New York City) 20 January 2012. Date of Access: 14 January 2012. <http://www.nytimes.com/2012/01/21/world/europe/italy-plans-new-measures-to-liberalize-economy.html>

²⁰⁸ Cresci Italia: più concorrenza, più infrastrutture nel segno dell'equità : Finanza di progetto, infrastrutture ed edilizia, Presidenza del Consiglio dei Ministri (Rome) 24 January 2012. Date of Access: 14 January 2012. http://www.governo.it/GovernoInforma/Dossier/cresci_italia/finanza_infrastrutture_edilizia.html

²⁰⁹ La disciplina dei licenziamenti dal 18 luglio 2012, Il Sole 24 Ore (Milan) 13 July 2012. Date of Access: 14 January 2012. <http://www.diritto24.ilsole24ore.com/avvocatoAffari/mercatiImpresa/2012/07/la-disciplina-dei-licenziamenti-dal-18-luglio-2012.html>

²¹⁰ Economic and Financial Document 2012, Section III: National Reform Programme, Ministero dell'Economia e delle Finanze (Rome) 18 April 2012. Date of Access: 14 January 2012. http://ec.europa.eu/europe2020/pdf/nd/nrp2012_italy_en.pdf

²¹¹ Economy: OECD's Gurría urges Italy to maintain reform momentum, OECD (Paris) 24 September 2012. Date of Access: 15 January 2012.

<http://www.oecd.org/italy/oecdsgurriaurgesitalytomaintainreformmomentum.htm>

²¹² Education at a Glance 2012: OECD Indicators 2012, Italy, OECD (Paris) 11 September 2012. Date of Access: 15 January 2012. <http://www.oecd.org/italy/EAG2012%20-%20Country%20note%20-%20Italy.pdf>

Japan: +1

Japan is in full compliance with its commitment to execute structural reforms. It proposed investments in education, modern infrastructure, and support for small businesses and public-private partnerships.

On 11 January 2013, the Government of Japan released a provisional translation of its emergency economic measures for the revitalization of the Japanese economy.²¹³ The stimulus plan proposes structural reforms that will reverse the trend of Japan's shrinking economy.²¹⁴ The stimulus plan assigns "prolonged appreciation of the yen and deflation, decline in employment and income, increased inequality between generations, pessimism about the future and a sense of stagnation."²¹⁵ The total cost of the stimulus plan is estimated to exceed JPY20 trillion with government spending of JPY13 trillion from a supplementary budget.²¹⁶ The stimulus plan is predicted to boost Japan's real gross domestic product by approximately 2 per cent.²¹⁷ It is also estimated to generate employment for 600,000 people.²¹⁸

On the same date, Japan's Prime Minister, Shinzo Abe, addressed the pillars of the proposed stimulus plan at a press conference. In his address, he committed his cabinet to, "engage in the reconstruction of infrastructure to safeguard people's lives and livelihoods, with roughly 500,000 urgent inspections to be performed in the maintenance of national roads alone."²¹⁹ Prime Minister Shinzo Abe asserted the contents of the stimulus plan will be transparent for comparing, "the costs versus the effects to ensure that these efforts do not result in the wasteful use of money."²²⁰ He also presented his intentions to formulate the Government of Japan's budget for the next fiscal year swiftly and to revise the tax system.²²¹

²¹³ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²¹⁴ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²¹⁵ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²¹⁶ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²¹⁷ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²¹⁸ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²¹⁹ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²²⁰ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²²¹ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

Prime Minister Shinzo Abe reinforced the importance of assisting young people with a system that supports companies that are eager to hire permanent employees.²²² The Government of Japan's stimulus plan also allocates funding for the support of working women with children that require temporary care and assistance in nursery teacher job placement.²²³

The Government of Japan proposes a "barrier-free" community initiative.²²⁴ It commits infrastructure and education investments to improving road safety for students and the elderly.²²⁵ Key investments in the Government of Japan's stimulus plan will go towards accelerating reconstruction of the areas damaged in the April 2011 earthquakes and, "strengthening disaster prevention."²²⁶ An estimated total of JPY5.5 trillion is allocated in the stimulus plan for post-earthquake reconstruction and disaster prevention.²²⁷ Efforts will address, "aging social infrastructure," and improve, "large-scale disaster response systems."²²⁸ The Government of Japan also commits to, "enhancing the dissemination of regions' attractiveness and promoting tourism," revitalizing public transport, and promoting compact cities.²²⁹

The Government of Japan commits to reinstating subsidies for local manufacturers. In public-private partnerships, the Government of Japan will "provide assistance for developing prototypes and other corporate endeavors."²³⁰ It expects to reach 10,000 companies with these initiatives.²³¹ The stimulus plan allocates JPY8.5 trillion for aiding "small and medium-sized enterprises and small scale business."²³²

²²² Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²²³ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²²⁴ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²²⁵ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²²⁶ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²²⁷ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²²⁸ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²²⁹ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²³⁰ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²³¹ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²³² Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

The Government of Japan's stimulus plan includes various structural reforms. Propositions include efforts in increasing wages and exempting educational donations by grandparents to grandchildren from taxation.²³³ The Government of Japan intends to "build a framework to strengthen coordination between the government and the Bank of Japan" by jointly setting "a clear inflation target."²³⁴ In January 2013, the government and the Bank of Japan released the joint statement on overcoming deflation and achieve sustainable economic growth.²³⁵

On 9 January 2013, Japan's Chief Cabinet Secretary, Yoshihide Suga, addressed several topics at a press conference including Japan's proposed Infrastructure Resilience Plan.²³⁶ He stated "[the Infrastructure Resilience Plan]'s vision more than its content has been decided," and it has been "incorporated into the industry growth areas of the Headquarters for Japan's Economic Revitalization."²³⁷ Further information on the progress of the Infrastructure Resilience Plan is pending.

On 22 May 2013, Prime Minister Shinzo Abe stated that "efforts must be made to enhance the quality and quantity of universities which support economic revitalization, and expand universities which foster 'internationally competitive' talents."²³⁸ Prime Minister Abe also announced that "at eight national universities, over the next three years, the personnel salary system will be reformed and around 1,500 full-time posts will be offered to outstanding young, non-Japanese researchers."²³⁹

On 17 May 2013, Prime Minister Abe declared that his government's growth strategy will "triple infrastructure exports [to 30 trillion yen]²⁴⁰ by 2020 and double farm, fisheries and marine exports to [JPY]1 trillion."²⁴¹ On 29 May 2013, Economic and Fiscal Policy Minister, Akira Amari,

²³³ Press Conference by Prime Minister Shinzo Abe, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/96_abe/statement/201301/11kaiken_e.html

²³⁴ Emergency Economic Measures for the Revitalization of the Japanese Economy, Prime Minister of Japan and His Cabinet (Tokyo) 11 January 2013. Date of Access: 15 January 2013.

http://www5.cao.go.jp/keizai1/2013/130111_emergency_economic_measures.pdf

²³⁵ Joint Statement of the Government and the Bank of Japan on Overcoming Deflation and Achieving Sustainable Economic Growth, Ministry of Finance (Tokyo) 22 January 2013. Date of Access 12 June 2013. http://www.boj.or.jp/en/announcements/release_2013/k130122c.pdf

²³⁶ Press Conference by the Chief Cabinet Secretary, Prime Minister of Japan and His Cabinet (Tokyo) 9 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/tyoukanpress/201301/09_a.html

²³⁷ Press Conference by the Chief Cabinet Secretary, Prime Minister of Japan and His Cabinet (Tokyo) 9 January 2013. Date of Access: 15 January 2013.

http://www.kantei.go.jp/foreign/tyoukanpress/201301/09_a.html

²³⁸ Education Rebuilding Implementation Council (Tokyo) 22 May 2013. Date of Access: 29 May 2013.

http://www.kantei.go.jp/foreign/96_abe/actions/201305/22kyoiku_e.html

²³⁹ Education Rebuilding Implementation Council (Tokyo) 22 May 2013. Date of Access: 29 May 2013.

http://www.kantei.go.jp/foreign/96_abe/actions/201305/22kyoiku_e.html

²⁴⁰ Japanese Government Reveals Growth Strategy Plan (Tokyo) 29 May 2013. Date of Access: 29 May 2013. http://www.upi.com/Business_News/2013/05/29/Japanese-government-reveals-growth-strategy-plan/UPI-85601369806652/

²⁴¹ Japan PM Sets Targets in Latest Growth Strategy Tranche (Tokyo) 17 May 2013. Date of Access: 29 May 2013. <http://www.reuters.com/article/2013/05/17/us-japan-economy-arrow-targets-idUSBRE94G07L20130517>

designated the following three years to be “an intensive investment prompting period and the next five years as an emergency structural reform period for industrial reorganization.”²⁴²

Thus, Japan has been awarded a score of +1 for implementing structural reforms and investments in education and modern infrastructure while supporting small businesses and fostering public-private partnerships.

Analyst: Alexandre Ribeiro Dos Santos

Russia: +1

Russia has fully complied with the commitment on structural reforms and investments in education and modern infrastructure.

Russia has invested in the development of education. On 21 November 2012, Russian Prime Minister Dmitry Medvedev declared that the Russian Government provided the regions with budget loans, which totaled RUB8 billion (about USD0.25 billion) for the construction of new kindergartens and for renovation of old ones in 2012. In addition, he instructed Deputy Prime Minister Olga Golodets and the Ministry of Finance to make recommendations on possible sources of RUB300 billion (USD10 billion) additional funding for the modernisation of preschool and extracurricular education in 2013-2015 within the State Program «Development of Education».²⁴³ In 2012 and 2013, the Government allocated RUB50 billion (USD1.6 billion) in this area.²⁴⁴

On 27 November 2012, Russian Prime Minister approved the State Program «Development of Education» for 2013-2020. The program is targeted at the improvement of Russian education system and enhancing the efficiency of youth policy and consists of a number of sub-programs and federal targeted programs, including Development of Vocational Education; Development of Pre-School, General and Extracurricular Education of Children and Teenagers; Development of the Assessment System for Education Quality and Informational Transparency of the Educational System.²⁴⁵ Total financing of the program will amount to about RUB4 trillion (USD135 billion).²⁴⁶

On 17 December 2012, the Russian Government approved the State Program for the Development of the North Caucasus Federal District up to 2025.²⁴⁷ In accordance with the Program, about RUB235 billion (USD8 billion) of federal funding will be allocated in 2013-2020

²⁴² Japanese Government Reveals Growth Strategy Plan (Tokyo) 29 May 2013. Date of Access: 29 May 2013. http://www.upi.com/Business_News/2013/05/29/Japanese-government-reveals-growth-strategy-plan/UPI-85601369806652/

²⁴³ Video conference on developing preschool education and increasing its accessibility, Government of the Russian Federation 21 November 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/21551/>

²⁴⁴ Meeting with deputy prime ministers, Government of the Russian Federation 29 April 2013. Date of Access: 16 May 2013. <http://government.ru/eng/docs/24114/>

²⁴⁵ Dmitry Medvedev approves the state programme for the development of education in 2013-2020, Government of the Russian Federation 27 November 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/21601/>

²⁴⁶ State Program of the Russian Federation «Development Of Education» for 2013-2020, Ministry of Education and Science of the Russian Federation 30 November 2012. Date of Access: 28 January 2013. <http://xn--80abucjiibhv9a.xn--plai/%D0%B4%D0%BE%D0%BA%D1%83%D0%BC%D0%B5%D0%BD%D1%82%D1%8B/2882>

²⁴⁷ State Program of the Russian Federation « Development of the North Caucasus Federal District» up to 2025, Ministry of Regional Development of The Russian Federation 16 January 2013. Date of Access: 28 January 2013. http://www.minregion.ru/state_programs/2423.html

for solving socioeconomic problems in the region, including the modernisation and construction of schools and kindergartens.²⁴⁸

Russia has invested in modern infrastructure.

On 28 June 2012, Russian President Vladimir Putin signed the 2013–2015 Budget Address. The document provides for establishment of a Russian financial agency that will manage sovereign funds and debt. Creation of this agency will allow considering a mechanism for using part of the National Welfare Fund to finance infrastructure projects.²⁴⁹ On 25 January 2013, the Russian State Duma adopted in the first reading the amendments to the Budget Code, providing for the establishment of the Russian financial agency.²⁵⁰ On 12 December 2012, President Putin in his Address to the Federal Assembly asked the Finance Ministry to produce a plan to invest RUB100 billion (USD3.3 billion) from the National Welfare Fund in infrastructure projects.²⁵¹

On 4 October 2012, Russian Prime Minister Dmitry Medvedev instructed the Ministry of Transport, the Government of the Moscow Region and the Moscow Government to prepare a list of priorities for building motor roads in the Moscow Region. Prime Minister mentioned that there was an opportunity to provide up to RUB30 billion (about USD1 billion) of additional financing for this project in 2013-2015. Additionally, up to RUB15 billion (USD500 million) will be available for the construction of crossovers in 2012.²⁵²

On 8 November 2012, the Russian Government approved basic parameters of an investment program for the state company Russian Railways for the period of 2013-2015. The three-year budget provides for over RUB1 trillion (approximately USD33 billion) allocations. They will be mainly used to improve the railway transport infrastructure and to modernize rolling stock.²⁵³

On 7 December 2012, Russian President Vladimir Putin participated in the ground-breaking ceremony for the South Stream gas pipeline. He noted that the gas pipeline projected capacity is 63 billion cubic meters. To ensure it can deliver this amount, Russia will expand its transportation capacity and invest in the construction of 10 new pumping stations.²⁵⁴

On 28 December 2012, the Russian Government endorsed the State Program «Development of the Transport System». The program is designed to «launch over 2,500 kilometers of new rail tracks, build and renovate 14,000 kilometers of federal and regional motorways, increase the capacity of ports by 356 million tones, bring up to code nearly 100 airport runways, and replace a

²⁴⁸ Government meeting, Government of the Russian Federation 30 December 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/21887/>

²⁴⁹ 2013–2015 Budget Address signed, President of Russia 28 June 2012. Date of Access: 28 January 2013. <http://eng.kremlin.ru/news/4108>

²⁵⁰ Draft federal law №137443-6 On Making Amendments to the Budget Code of the Russian Federation and Introducing Requirements to the Staff of the Specialized Financial Organization Established by the Government of the Russian Federation, Russian State Duma 25 January 2013. Date of Access: 6 February 2013. [http://asozd2.duma.gov.ru/main.nsf/\(Spravka\)?OpenAgent&RN=137443-6](http://asozd2.duma.gov.ru/main.nsf/(Spravka)?OpenAgent&RN=137443-6)

²⁵¹ Address to the Federal Assembly, President of Russia 12 December 2012. Date of Access: 28 January 2013. <http://eng.kremlin.ru/news/4739>

²⁵² List of Prime Minister Dmitry Medvedev's Instructions following a Working Meeting on Road Infrastructure Development in the Moscow Region on October 4, 2012, Government of the Russian Federation 9 October 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/22358/>

²⁵³ Government meeting, Government of the Russian Federation 8 November 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/21416/>

²⁵⁴ South Stream will ensure reliable Russian gas supplies to main consumers in Europe, President of Russia 7 December 2012. Date of Access: 28 January 2013. <http://eng.kremlin.ru/news/4723>

significant portion of the rolling stock» by 2020.²⁵⁵ Total program financing will amount to RUB12.5 trillion (USD0.4 trillion), RUB7.3 trillion (about USD0.25 trillion) of which are budget funds.²⁵⁶

Russia has supported structural reforms through investment in both education and modern infrastructure. Thus, it receives a score of +1.

Analyst:

United Kingdom: +1

The United Kingdom has fully complied with its commitment to increase investments in education, small businesses and infrastructure to improve the economy.

On 31 May 2012, the British Prime Minister's Office released a Department for Business, Innovation and Skills (BIS) Business plan report indicating a number of reforms adhering to the G8 commitments.²⁵⁷ In the report, GBP100 million was promised on July 2012 for funding to research universities. A further GBP180 million was granted toward improving the link between universities and industries.²⁵⁸ Moreover, funding was allocated in 2012 for apprenticeship programs and a reformation in English and basic Math skills.

Furthermore, the UK focused on its commitment toward small businesses and entrepreneurship in its goal to, "make the UK one of the fastest countries in the world to start up a new business, and one of the easiest countries to set up a small business,"²⁵⁹ as well as to, "help improve the flow of credit to viable small and medium-sized enterprises."²⁶⁰ A total of GBP11.8 billion was committed toward the Knowledge & Innovation sector, while GBP4.3 billion was allocated towards the Business and Skills and Legal Services sectors.²⁶¹

On 31 May 2012, the Department of Transport released a business plan promising investments in infrastructure through sustainable transportation systems. The top four infrastructure projects that were initiated include the High Speed 2, Crossrail, Intercity Express Programme, and Thameslink with an investment of GBP300 million, GBP1.207 million, GBP7 million, and GBP42 million

²⁵⁵ Government meeting, Government of the Russian Federation 23 November 2012. Date of Access: 28 January 2013. <http://government.ru/eng/docs/21576/>

²⁵⁶ State Program of the Russian Federation «Development of the Transport System» is approved by the Russian Government Executive Order No. 2600-r of 28 December 2012, Ministry of Transport of the Russian Federation 11 January 2013. Date of Access: 28 January 2013. http://www.mintrans.ru/documents/detail.php?ELEMENT_ID=19443

²⁵⁷ Business Plan 2012-2015, Department for Business Innovation and Skills (London) 31 May 2012. Date of Access: 9 January 2012. <http://www.number10.gov.uk/wp-content/uploads/2012/06/BIS-SRP-update-may-2012v2.pdf>

²⁵⁸ Business Plan 2012-2015, Department for Business Innovation and Skills (London) 31 May 2012. Date of Access: 9 January 2012. <http://www.number10.gov.uk/wp-content/uploads/2012/06/BIS-SRP-update-may-2012v2.pdf>

²⁵⁹ Business Plan 2012-2015, Department for Business Innovation and Skills (London) 31 May 2012. Date of Access: 9 January 2012. <http://www.number10.gov.uk/wp-content/uploads/2012/06/BIS-SRP-update-may-2012v2.pdf>

²⁶⁰ Business Plan 2012-2015, Department for Business Innovation and Skills (London) 31 May 2012. Date of Access: 9 January 2012. <http://www.number10.gov.uk/wp-content/uploads/2012/06/BIS-SRP-update-may-2012v2.pdf>

²⁶¹ Business Plan 2012-2015, Department for Business Innovation and Skills (London) 31 May 2012. Date of Access: 9 January 2012. <http://www.number10.gov.uk/wp-content/uploads/2012/06/BIS-SRP-update-may-2012v2.pdf>

respectively.²⁶² In total, Britain's domestic expenditures to improving railways and roads amounted to GBP6.07 billion, while other major infrastructure projects amounted to GBP3.88 billion.²⁶³

Given the United Kingdom's strong investment in the infrastructure, education and business sectors, it is in full compliance with its commitment, and thus receives a score of +1.

Analyst: Araf Khaled

United States: +1

The United States fully complied with its commitment to support structural reforms and investment in education and modern infrastructure.

On 21 August 2012, the United States Department of Education published a statement regarding an investment made in higher education. In an attempt to support higher education, the Government of the United States agreed to invest over USD2.5 million into the Student Support Services (SSS) for seven American colleges.²⁶⁴ The American Government invested in the SSS with the goal of providing for students "the academic, financial, and motivational support they need to succeed in college."²⁶⁵ The investment provided students with a number of aid and support programs, including but not limited to: academic tutoring, information regarding financial aid, counselling, mentoring, and housing assistance.²⁶⁶

Additionally, the Government of the United States provided incentives for innovation in the education sector. On 10 January 2013, the White House published an article regarding the use of incentives to promote innovation for a solution to shrinking the "middle-school math gap."²⁶⁷ Investing in incentives prizes "can yield a high return on the dollar," and increases the number of potential problem solvers.²⁶⁸ In this case, the investment in incentives prizes promoted the creation of new technology with the goal of easing the learning process in regards to mathematics.

²⁶² Business Plan 2012-2015, Department for Transport (London) 31 May 2012. Date of Access: 9 January 2012.

<http://www.number10.gov.uk/wp-content/uploads/2012/05/DFT-2012-Business-Plan.pdf>

²⁶³ Business Plan 2012-2015, Department for Transport (London) 31 May 2012. Date of Access: 9 January 2012.

<http://www.number10.gov.uk/wp-content/uploads/2012/05/DFT-2012-Business-Plan.pdf>

²⁶⁴ Education Department Awards more than 2.5 million for Seven Student Support Services Projects to Help Students Succeed in Higher Education (Washington) 21 August 2012. Date of Access: 7 January 2013. <http://www.ed.gov/news/press-releases/education-department-awards-more-25-million-seven-student-support-services-proje>

²⁶⁵ Education Department Awards more than 2.5 million for Seven Student Support Services Projects to Help Students Succeed in Higher Education (Washington) 21 August 2012. Date of Access: 7 January 2013. <http://www.ed.gov/news/press-releases/education-department-awards-more-25-million-seven-student-support-services-proje>

²⁶⁶ Education Department Awards more than 2.5 million for Seven Student Support Services Projects to Help Students Succeed in Higher Education (Washington) 21 August 2012. Date of Access: 7 January 2013. <http://www.ed.gov/news/press-releases/education-department-awards-more-25-million-seven-student-support-services-proje>

²⁶⁷ Using Incentive Prizes to Tackle the Middle-School Math Gap (Washington) 10 January 2013. Date of Access: 12 January 2013. <http://www.whitehouse.gov/blog/2013/01/10/using-incentive-prizes-tackle-middle-school-math-gap>

²⁶⁸ Using Incentive Prizes to Tackle the Middle-School Math Gap (Washington) 10 January 2013. Date of Access: 12 January 2013. <http://www.whitehouse.gov/blog/2013/01/10/using-incentive-prizes-tackle-middle-school-math-gap>

The Government of the United States devised a budget for the fiscal year of 2013. The budget for 2013 contains USD74 billion for the United States Department of Transportation. The USD74 billion dedicated to the Department of Transportation is the first amount of a six-year plan to fund transportation by the American Government.²⁶⁹ The Department of Transportation stated on 16 November 2012, that the funds will “lay a new foundation for economic growth by investing in our national infrastructure network, building on safety achievements, and modernizing our transportation systems through research and innovation.”²⁷⁰ In addition, the President of the United States published a memorandum allowing major infrastructure projects to be approved at a much faster rate.²⁷¹ The memorandum allows the process of starting infrastructure projects to be more efficient.

Regarding structural reform, the US Government took action to ensure budget and spending accountability. On 7 August 2012, a public law was made to ensure government accountability and transparency. The Sequestration Transparency Act of 2012 required the President of the United States to submit a detailed report of any discretionary spending cuts the president implements for the fiscal year of 2013.²⁷²

On 1 August 2012, the American Government passed a law titled the Government Charge Card Abuse Prevention Act of 2012. The law reflected a heightened attempt to monitor government spending through restricting and overseeing the use of government issued charge cards.²⁷³ The law also ensured that steps be taken to recover any mistaken or illegal purchases made with government charge cards.²⁷⁴

The Government of the United States made significant efforts to aid the progress of American small businesses. On 18 November 2012, Congress passed the Small Business Investment Company Modernization Act of 2012. The new legislation increased the amount of capital given to investment fund managers, who hold more than one Small Business Investment Company (SBIC) license, from USD225 million to USD350 million.²⁷⁵ The increase in capital to investors allowed for more investments made in small businesses.²⁷⁶

The Government of the United States received a score of +1 for the completion of its commitment due to its investment efforts in education and infrastructure, as well as its efforts in

²⁶⁹ DOT Budget and Performance (Washington) 16 November 2012. Date of Access: 12 January 2013. <http://www.dot.gov/budget/dot-budget-and-performance>

²⁷⁰ DOT Budget and Performance (Washington) 16 November 2012. Date of Access: 12 January 2013. <http://www.dot.gov/budget/dot-budget-and-performance>

²⁷¹ Presidential Memorandum — Modernizing Federal Infrastructure Review and Permitting Regulations, Policies, and Procedures (Washington) 17 May 2013. Date of Access: 27 May 2013. <http://www.whitehouse.gov/the-press-office/2013/05/17/presidential-memorandum-modernizing-federal-infrastructure-review-and-pe>

²⁷² Bill Summary & Status — 112th Congress (2011-2012) — H.R.5872 — All Information (Washington) 8 July 2012. Date of Access: 12 January 2013. <http://www.thomas.gov/cgi-bin/bdquery/D?d112:5872:./list/bss/d112HR.lst:@@@L&summ2=m&>

²⁷³ Bill Summary & Status — 112th Congress (2011-2012) — S.300 — All Information (Washington) 1 August 2012. Date of Access: 12 January 2013. <http://www.thomas.gov/cgi-bin/bdquery/D?d112:300:./list/bss/d112SN.lst:@@@L&summ2=m&>

²⁷⁴ Bill Summary & Status — 112th Congress (2011-2012) — S.300 — All Information (Washington) 1 August 2012. Date of Access: 12 January 2013. <http://www.thomas.gov/cgi-bin/bdquery/D?d112:300:./list/bss/d112SN.lst:@@@L&summ2=m&>

²⁷⁵ Graves Statement on the SBIC Modernization Act of 2012 (Washington) 18 December 2012. Date of Access: 13 January 2013. <http://smallbusiness.house.gov/news/documentsingle.aspx?DocumentID=315594>

²⁷⁶ Graves Statement on the SBIC Modernization Act of 2012 (Washington) 18 December 2012. Date of Access: 13 January 2013. <http://smallbusiness.house.gov/news/documentsingle.aspx?DocumentID=315594>

structural reform and in aiding businesses. The United States Government invested in higher education and promoted innovation in education tools.

Analyst: Amanda Mirizzi

European Union: +1

The European Union has fully complied with its commitment to macroeconomic recovery by supporting structural reforms, investing in infrastructure and education, and providing support for both small businesses and public-private relations.

The EU's macroeconomic commitments are couched within their Europe 2020 strategy, which lists seven flagship initiatives, the most relevant of which being: (1) the improvement of framework conditions and access to finance for research and innovation; (2) enhancing performance of education systems to reinforce the international attractiveness of Europe's higher education; (3) decoupling the economic growth from the use of resources by decarbonising the economy; (4) improving the business environment for SMEs; (5) modernizing labour markets by facilitating labour mobility and the development of skills throughout the lifecycle.²⁷⁷

On 28 April 2012, German Chancellor Angela Merkel called on the EU to bolster the European Investment Bank and to use EU infrastructure funds more flexibly to spur economic growth in Europe. Chancellor Merkel joined other European leaders to call for the EU to act more proactively in spurring the economy.²⁷⁸

On 4 December 2012, the US and the EU held the Transatlantic Economic Council's 4th US-EU Small and Medium-sized Enterprises (SMEs) Workshop. The workshops are used to bring together relevant US and EU government officials and small business owners together in order to exchange best practices, identify common challenges for businesses seeking to export, and address barriers to trade that disproportionately affect small businesses. During the week's workshop session, a Memorandum of Understanding was signed to guide US-EU cooperation on small business trade promotion activities, which will be implemented in 2013.²⁷⁹

Furthermore, on 13 March 2013 the European Parliament voted in favour of easing the restrictions on venture capital funds seeking to invest in start-up businesses across the EU. As opposed to applying for approval to operate in each EU country, capital funds seeking to invest in the region now only need to qualify for EU-wide standards.²⁸⁰

On 11 November 2012, the European Commission launched a new strategy called Rethinking Education to encourage EU members to take immediate action to ensure that youth develop skills necessary for the competitive market. The strategy aims at developing transversal and basic

²⁷⁷ Europe 2020 Flagship Initiatives, European Commission (Brussels), last updated 16 May 2012. Date of Access: 15 March 2013. http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/flagship-initiatives/index_en.htm

²⁷⁸ German Chancellor Angela Merkel added her voice on Saturday to calls to bolster the European Investment Bank (EIB) and to use EU infrastructure funds more flexibly to help spur economic growth in Europe, Reuters (Berlin), 28 April 2012. Date of Access: 15 March 2013. <http://uk.reuters.com/article/2012/04/28/uk-germany-merkel-idUKBRE83R02120120428>

²⁷⁹ USTR Welcomes US-EU Memorandum of Understanding on Small Business Trade Promotion, United States Trade Representative (Washington DC), 04 December 2012. Date of Access: 15 March 2013. <http://www.ustr.gov/about-us/press-office/blog/2012/december/ustr-welcomes-us-eu-mou>

²⁸⁰ The European Parliament voted on Tuesday to change EU rules to make it easier for venture capital funds to invest in start-up businesses across the 27-country bloc, Reuters (Brussels), 13 March 2013. Date of Access: 15 March 2013. <http://uk.reuters.com/article/2013/03/13/uk-eu-venturecapital-idUKLNE92C00R20130313>

competencies, such as entrepreneurial and IT skills, as well as exploiting the use of technology in education.²⁸¹

On 23 January 2013, Androulla Vassiliou, the European Culture and Education Commissioner, urged EU members to further invest in education and promote more entrepreneurial mindsets. She stated that in spite of 2 million job vacancies across Europe, 20 per cent of people under the age of 25 remain unemployed in the EU.²⁸²

Additionally, on 15 February 2013, the EU released an update on their Europe 2020, stating that of the EUR35 billion Structural Funds expected to be spent by Member States this year, more than EUR7 billion will be spent on education infrastructure through the European Regional Development Fund.²⁸³

On 8 February 2013, the EU announced a EUR196 million platform to accelerate translation of academic research into usable medical technology. “This unique project is an excellent example of how a public-private partnership can transform the way in which the pharmaceutical sector identifies new medicines,” stated Michel Goldman, the executive director of the Innovative Medicines Initiative.²⁸⁴

On 25 April 2013, the European Commission published the European Financial Stability and Integration Report (EFSIR), which highlighted the importance of financial sector reforms as a basis to restore long-term growth in the region.²⁸⁵ The 2012 report highlighted several key areas of improvement including the standardization of Over-The-Counter (OTC) derivative transactions, regulations on short-selling and credit default swaps, and further regulations on credit rating agencies.²⁸⁶

The European Union has contributed to its commitments to support macroeconomic recovery by investing in public-private partnerships, infrastructure and education, support for small and medium businesses, and financial reforms. Thus, the EU receives a score of +1 for full compliance.

Analyst: Enko Koceku

²⁸¹ Commission presents new Rethinking Education strategy, European Commission (Brussels), 20 November 2012. Date of Access: 15 March 2013. http://europa.eu/rapid/press-release_IP-12-1233_en.htm

²⁸² EU Commissioner urges further investment in education, youth, Xinhua News English (Beijing), 23 January 2013. Date of Access: 15 March 2013. http://news.xinhuanet.com/english/world/2013-01/23/c_132120707.htm

²⁸³ European programmes invest in education, Welcome Europe (Brussels), 15 February 2013. Date of Access: 15 March 2013. <http://www.welcomeurope.com/news-europe/european-programmes-invest-education-15761+15661.html>

²⁸⁴ Public-Private Partnership to Spur EU Innovation, Burrill Report (San Francisco), 8 February 2013. Date of Access: 15 March 2013. http://www.burrillreport.com/article-public_private_partnership_to_spur_eu_innovation.html

²⁸⁵ Commission report underlines importance and urgency of financial sector reforms as a basis to restore long-term growth, Europa Press Releases (Brussels), 25 April 2013. Date of Access: 29 May 2013. http://europa.eu/rapid/press-release_IP-13-367_en.htm

²⁸⁶ European Financial Stability and Integration Report 2012, European Commission (Brussels), April 2013. Date of Access: 29 May 2013. http://ec.europa.eu/internal_market/economic_analysis/docs/efsir/130425_efsir-2012_en.pdf

3. Macroeconomics: Public-Private Partnerships [8]

Commitment

“We commit to promote investment to underpin demand, including support for small businesses and public-private partnerships.”

2012 Camp David Summit

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	+1.00		

Background

Prior to the 2008 economic crisis, macroeconomic commitments at various G8 summits in the past two decades have focused on alleviating unemployment and promoting long-term growth. At the 1993 G8 Summit in Tokyo, member countries committed to a “double strategy” in combating unemployment through “noninflationary sustainable growth, and structural reforms to improve the efficiency of labor markets.”²⁸⁷ At the 1996 G8 Summit in Lyon, noninflationary growth and unemployment was once again on the macroeconomic agenda along with “adaptation to advances in information technology” to promote job creation.²⁸⁸

Furthermore, at the 1998 G8 Summit in Birmingham, discussions focused on the Japanese economic stagnation following the 1997 Asian Financial Crisis and the maintenance of domestic demand for Continental G8 member countries.²⁸⁹ Global economic recovery has remained a major tenant of conversation at G8 meetings since the crisis began in 2008. At the 2011 Deauville Summit, G8 member states committed to ensure that the macroeconomic policy of the G8 aim to reduce unemployment, and enhance the job prospects for those seeking a return to the labour market.²⁹⁰

²⁸⁷ 2011 Deauville G8 Summit Final Compliance Report, G8 Information Centre (Toronto) 18 May 2012. Date of Access: 19 December 2012. <http://www.g8.utoronto.ca/evaluations/2011compliance-final/index.html>.

²⁸⁸ 2011 Deauville G8 Summit Final Compliance Report, G8 Information Centre (Toronto) 18 May 2012. Date of Access: 19 December 2012. <http://www.g8.utoronto.ca/evaluations/2011compliance-final/index.html>.

²⁸⁹ 1998 Birmingham Summit: World Macroeconomic Conditions, G8 Information Centre (Toronto) April 1998. Date of Access: 19 December 2012. <http://www.g8.utoronto.ca/evaluations/1998birmingham/issues/macro.htm>.

²⁹⁰ G8 Declaration: Renewed Commitment to Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#>.

The 2012 Camp David G8 Summit committed to “promote investment to underpin demand, including support for small businesses and public-private partnerships.”²⁹¹ The intention of the G8, here, is to “raise productivity and growth potential” in each members’ respective country.²⁹² To ensure that this is possible, the G8 supports “structural reforms, and investments in education and in modern infrastructure.”²⁹³ The G8 contends that these investment initiatives can be financed through a range of methods, including the solicitation of the private sector.²⁹⁴

Commitment Features

The commitment of the G8 endorses macroeconomic policies that essentially act to promote investment serving demand. These investments are centred on support for small businesses, and the strengthening of public-private partnerships.²⁹⁵

Consistent with the aim of the G8 and its macroeconomic approach, then, full compliance requires that members enact policies that target all three of its main goals: (1) G8 members promote investment that underpins demand, (2) including support for small businesses and (3) public-private partnerships. A member may be awarded a partial score if one or two of the macroeconomic goals of the G8 are met. If none of the three policies and initiatives are met, the member will receive a negative score.

Scoring

-1	Member does not enact policies and/or initiatives that aim to (1) promote investment that underpins demand, (2) support small businesses or (3) support public-private partnerships.
0	Member enacts policies and/or initiatives aimed at one or two of the following: (1) promote investment that underpins demand; (2) support small businesses; (3) support public-private partnerships.
+1	Member enacts policies and/or initiatives that (1) promote investment to underpin demand, (2) support small businesses and (3) support public-private partnerships.

Lead Analyst: Remy Sansanwal

Canada: +1

Canada has fully complied with its commitment to promote investment to underpin demand, including support for small businesses and public-private partnerships.

On 20 September 2012, Minister of Finance Jim Flaherty announced support for a public-private partnership (P3) that will help in building the GO Transit East Rail Maintenance Facility.²⁹⁶ The

²⁹¹ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

²⁹² G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

²⁹³ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

²⁹⁴ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

²⁹⁵ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

federal government allocated up to CAD94.8 million through the P3 Canada Fund that will apply to eligible construction and implementation costs which will “support sustainable urban development that leads to stronger communities...while reinforcing the Government’s commitment to jobs, growth and long term prosperity.”²⁹⁷

Furthermore, on 20 September 2012, Member of Parliament Nina Grewal announced the Federal Government’s joint investment in the construction of a new organics biofuel facility in Surrey, British Columbia. The Canadian government will invest CAD16.9 million to help “deliver a long-term, modern approach to solid waste management that is environmentally responsible and safe for all surrounding communities”.²⁹⁸

Additionally, on 20 September 2012, Minister of Health Leona Aglukkaq, in conjunction with Nunavut Premier Eva Aariak, and the Minister of Economic Development in Nunavut Peter Taptuna, announced that the federal government will contribute up to CAD77.3 million to the Iqaluit International Airport Improvement Project.²⁹⁹ This investment will contribute to “significant job creation, as well as training and economic development opportunities for Iqaluit and Nunavut as a whole.”³⁰⁰

On 10 October 2012, Minister of State Tim Uppal announced a P3 investment which will support the construction of a crossing in Northern Saskatchewan, a key component in the completion of the Northeast Drive.³⁰¹ The government has allocated up to CAD36.8 million via the P3 Canada Fund in conjunction with Capital City Link General Partnership.³⁰²

The Government of Canada has announced several initiatives that promote support for small businesses. On 16 October 2012, the Canadian government announced that the temporary hiring credit for small businesses (HCSB) would be extended for an additional year.³⁰³ The hiring credit grants small businesses of up to CAD1000 per employer which helps offset costs for small

²⁹⁶ Governments of Canada and Ontario Announce Public-Private Partnership to Expand GO Services, Department of Finance (Ottawa) 20 September 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-107-eng.asp>.

²⁹⁷ Governments of Canada and Ontario Announce Public-Private Partnership to Expand GO Services, Department of Finance (Ottawa) 20 September 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-107-eng.asp>.

²⁹⁸ Harper Government Demonstrates Commitment to Public-Private Partnerships Across the City, Department of Finance (Ottawa) 20 September 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-108-eng.asp>.

²⁹⁹ Governments of Canada and Nunavut Demonstrate How Commitment to Public-Private Partnerships Benefits the Territory, Department of Finance (Ottawa) 20 September 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-109-eng.asp>.

³⁰⁰ Governments of Canada and Nunavut Demonstrate How Commitment to Public-Private Partnerships Benefits the Territory, Department of Finance (Ottawa) 20 September 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-109-eng.asp>.

³⁰¹ P3 Canada Fund to Contribute to the Completion of the Edmonton Ring Road, Department of Finance (Ottawa) 10 October 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-119-eng.asp>.

³⁰² P3 Canada Fund to Contribute to the Completion of the Edmonton Ring Road, Department of Finance (Ottawa) 10 October 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-119-eng.asp>.

³⁰³ Boosting the Economic and Support Small Businesses, Canada’s Economic Action Plan (Ottawa) 16 October 2012. Date of Access: 16 January 2013. <http://actionplan.gc.ca/en/blog/boosting-economy-and-supporting-small-businesses>

businesses when “hiring new workers and allowing them to take advantage of emerging economic opportunities.”³⁰⁴

On 14 November 2012, the federal government invested over CAD57 million to support Canadian Youth Business Foundation which helps young entrepreneurs create new businesses and create new jobs.³⁰⁵

To promote investment, Canada has continued its commitment of economic prosperity with the continuation of Canada’s Economic Action Plan. On 22 November 2012 the Minister of Finance announced that the 2013 federal budget “will build on the government’s pro-growth initiative to create jobs and long term prosperity for Canadians”.³⁰⁶

The Government of Canada has also implemented various macroeconomic policies to support public-private partnerships. On 26 November 2012, Minister of Finance Jim Flaherty reinforced government support for public-private partnerships, stating they are significant contributions in “modernizing Canada’s infrastructure”.³⁰⁷

On 18 January 2013, Prime Minister Stephen Harper announced the Government Venture Capital Action Plan which will “improve access to venture capital financing by high-growth companies so they have the capital they need to create jobs and growth”.³⁰⁸ The Canadian government is allocating CAD400 million of the federal budget to “help increase private-sector investments in the next seven to ten years”.³⁰⁹

Additionally, on 18 January 2013, Canadian Prime Minister Stephen Harper announced the Government Venture Capital Action Plan which will allocate CAD250 million to “establish new funds led by the private sector in partnership with institutional and corporate strategic investors as interested provinces.”³¹⁰

Thus, the Government of Canada has been awarded a score of +1 for its enacting policies that promote investment underpinning demand which included support for small businesses and private-public partnerships.

Analyst: Nisha Kumari

³⁰⁴ Hiring Credit for Small Business, Canada’s Economic Action Plan (Ottawa) 16 October 2012. Date of Access: 16 January 2013. <http://actionplan.gc.ca/en/initiative/hiring-credit-small-business>.

³⁰⁵ Inspiring Canada’s Young Entrepreneurs, Canada’s Economic Action Plan (Ottawa) 14 November 2012. Date of Access: 16 January 2013. <http://actionplan.gc.ca/en/blog/inspiring-canadas-young-entrepreneurs>.

³⁰⁶ Budget 2013 to Build on Harper Government’s Pro Growth Measures, Canada’s Economic Action Plan (Ottawa) 22 November 2012. Date of Access: 16 January 2013. <http://actionplan.gc.ca/en/news/budget-2013-build-harper-governments-pro-growth>.

³⁰⁷ Minister Flaherty Recognizes the Importance of Public-Private Partnerships In Strengthening and Renewing Canada’s Infrastructure, Department of Finance (Ottawa) 26 November 2012. Date of Access: 16 January 2013. <http://www.fin.gc.ca/n12/12-153-eng.asp>.

³⁰⁸ PM Announces Plan to Strengthen Venture Capital Investment in Canada, Canada’s Economic Action Plan (Ottawa) 14 January 2013. Date of Access: 16 January 2013. <http://actionplan.gc.ca/en/news/pm-announces-plan-strengthen-venture-capital>.

³⁰⁹ Harper Announces \$400 Million Venture Capital Funding Plan, Ottawa Business Journal (Ottawa) 14 January 2013. Date of Access: 16 January 2013. <http://www.obj.ca/Canada%20-%20World/2013-01-14/article-3156403/UPDATE-Harper-announces-400M-venture-capital-funding-plans/1>.

³¹⁰ Harper Announces \$400 Million Venture Capital Funding Plan, Ottawa Business Journal (Ottawa) 14 January 2013. Date of Access: 16 January 2013. <http://www.obj.ca/Canada%20-%20World/2013-01-14/article-3156403/UPDATE-Harper-announces-400M-venture-capital-funding-plans/1>.

France: +1

France is in full compliance with its commitment to investment to underpin demand, including support for small businesses and public-private partnerships.

Total foreign direct investments declined globally in 2012 with France holding the number six position in the top ten recipients of FDI flows in 2012 with USD59 billion as reported by the United Nations Conference on Trade and Development (UNCTAD) estimates in January 2013.³¹¹ Despite this global decrease, France remained relatively attractive to foreign investment “with an average of 13 investment decisions per week,” 693 new investment projects in the calendar year, and 25, 908 jobs created or maintained.³¹²

The proliferation of American and Western European companies in France along with President Hollande’s EUR20 billion tax policy to increase federal budget income in early 2013 have left French business leaders frustrated and households protesting over austerity.³¹³ A meeting with entrepreneurs was expected in early May 2013 to cut tax down to 24 per cent from over 40 per cent and also to introduce a “start-up visa” system for foreign entrepreneurs and better access to credit for business owners who establish new businesses.³¹⁴

In the realm of small and medium enterprises (SMEs), on 26 September 2012, the European Investment Bank (EIB) and Crédit Coopératif signed another credit line of EUR100 million following the EUR150 million programme launched in 2009 that benefitted 330 SMEs.³¹⁵ This agreement was signed in Paris by Chairman and CEO of the Crédit Coopératif Group Jean-Louis Bancel and François Dorémus and EIB Vice-

President Philippe de Fontaine Vive and the funding would benefit independent companies employing fewer than 250 employees with projects under EUR25 million.³¹⁶ With economic stagnation in the United Kingdom, France became the number one market in Europe “for merger and acquisition deals involving small and medium-sized enterprises” with 600 deals to United Kingdom’s 580.

Finally, for public-private partnerships (PPPs), France awarded 18 local partnership contracts, most of whose objectives dealt with urban equipment for public lighting and nine state contracts in various sectors, most of whose objectives dealt with construction.³¹⁷ On 6 May 2013, President

³¹¹ Job-creating foreign investment in France Report 2012, Invest in France Agency (New York) March 2013. Date of Access: 26 May 2013. <http://www.invest-in-france.org/Medias/Publications/1974/2012-report-job-creating-foreign-investment-in-france.pdf>.

³¹² Job-creating foreign investment in France Report 2012, Invest in France Agency (New York) March 2013. Date of Access: 26 May 2013. <http://www.invest-in-france.org/Medias/Publications/1974/2012-report-job-creating-foreign-investment-in-france.pdf>.

³¹³ France’s Hollande to slash capital gains tax to attract business investment, Russia Today (Moscow) 29 April 2013. Date of Access: 26 May 2013. <http://rt.com/business/taxes-investment-business-hollande-566/>.

³¹⁴ France’s Hollande to slash capital gains tax to attract business investment, Russia Today (Moscow) 29 April 2013. Date of Access: 26 May 2013. <http://rt.com/business/taxes-investment-business-hollande-566/>.

³¹⁵ EIB and Crédit Coopératif: EUR 100 million for France’s SMEs, European Investment Bank (Luxembourg) 26 September 2012. Date of Access: 26 May 2013. <http://www.eib.org/projects/press/2012/2012-129-eib-and-credit-cooperatif-eur100-million-for-frances-smes.htm>.

³¹⁶ EIB and Crédit Coopératif: EUR 100 million for France’s SMEs, European Investment Bank (Luxembourg) 26 September 2012. Date of Access: 26 May 2013. <http://www.eib.org/projects/press/2012/2012-129-eib-and-credit-cooperatif-eur100-million-for-frances-smes.htm>.

³¹⁷ Extract Contrat Signés, Ministère de l’Economie et des Finances (Paris) May 2013. Date of Access: 26 May 2013. http://www.economie.gouv.fr/files/directions_services/ppp/TdB/ExtractContratSignes.pdf.

François Hollande marked his first year anniversary in office by announcing a government investment project set to spend EUR20 billion in the next ten years.³¹⁸ This investment is intended not only to increase confidence in France's economic condition but also to finance public infrastructure projects including improving bridges, roads, and power networks across the country.³¹⁹

France has fulfilled its commitments to investment through supporting domestic and foreign investment to stimulate entrepreneurship, funding for small and medium enterprises (SMEs), and federal funding for public-private partnerships (PPPs). France is awarded a score of +1.

Analyst: John Yoon

Germany: +1

Germany has fully complied with its commitment to promote investment to underpin demand, including support for small businesses and public-private partnerships.

On 27 June 2012, Chancellor of Germany Angela Merkel, in a policy statement, confirmed government support for spending more on “promoting competitiveness and growth.”³²⁰ The Chancellor declared that all “measures should facilitate lending to small and medium-sized enterprises and thus help create and secure jobs” and that up to EUR130 billion should be added to the EU budget.³²¹

On 1 August 2012, the Federal Cabinet approved an amendment to the Energy and Electricity Tax Acts which includes a tax rebate from 2013 onwards.³²² To claim the rebate, a company must setup and operate compulsory energy or environmental management systems.³²³ The rebate is directed towards Small and Medium-sized enterprises (SMEs) to “use the saving potentials identified in this way to invest in energy efficiency improvements” and that they are “allowed to use more cost-effective audit procedures as an alternative.”³²⁴

³¹⁸ France's Holland Announces Investment Plan on First Anniversary, The Wall Street Journal (New York) 6 May 2013. Date of Access: 26 May 2013. <http://online.wsj.com/article/BT-CO-20130506-705881.html>.

³¹⁹ France takes Europe's SME deal crown, Financial Times (London) 23 April 2013. Date of Access: 26 May 2013. <http://www.ft.com/intl/cms/s/0/a4c01b84-ac1f-11e2-9e7f-00144feabdc0.html#axzz2USmitFZJ>.

³²⁰ Policy Statement: Manouerving Room for the Budget, The Federal Government (Berlin) 27 June 2012. Date of Access: 17 January 2013. http://www.bundesregierung.de/Content/EN/Artikel/2012/06/2012-06-27-regierungserklaerung_en.html?nn=448512%20.

³²¹ Policy Statement: Manouerving Room for the Budget, The Federal Government (Berlin) 27 June 2012. Date of Access: 17 January 2013. http://www.bundesregierung.de/Content/EN/Artikel/2012/06/2012-06-27-regierungserklaerung_en.html?nn=448512%20.

³²² Federal Cabinet Approves Amendment of the Energy and Electricity Tax Acts, Federal Ministry of Finance (Berlin) 1 August 2012. Date of Access: 17 January 2013. http://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Fiscal_policy/Articles/2012-08-01-energy-and-electricity-tax-acts.html.

³²³ Federal Cabinet Approves Amendment of the Energy and Electricity Tax Acts, Federal Ministry of Finance (Berlin) 1 August 2012. Date of Access: 17 January 2013. http://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Fiscal_policy/Articles/2012-08-01-energy-and-electricity-tax-acts.html.

³²⁴ Federal Cabinet Approves Amendment of the Energy and Electricity Tax Acts, Federal Ministry of Finance (Berlin) 1 August 2012. Date of Access: 17 January 2013. http://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Fiscal_policy/Articles/2012-08-01-energy-and-electricity-tax-acts.html.

On 7 December 2012, State Secretary Anne Ruth Herkes from the Federal Ministry of Economics and Technology announced that Germany wish to strengthen co-operation in the field of technology and innovation promotion of German SMEs by signing a declaration with Vietnam.³²⁵ Germany intends to “deepen the existing co-operation in the fields of technology and innovation and emphasize the significance of joint research and development projects for small and medium enterprises and research institutes of both countries to enhance their competitiveness and internationalization.”³²⁶ Herkes stated that such opportunities contribute to market expansion for SMEs and strengthen trade relations for Germany.³²⁷

On 9 January 2013, Parliamentary State Secretary Ernst Burgbacher met with the Chinese Vice Minister of Industry and Information Technology Zhu Hongren for the 4th German-Chinese consultation on Small and Medium-sized Enterprises (SMEs) in Berlin where they discussed “views on the current SME policies in both country, the international development prospects of the dual system of vocational training and co-operation on the exchange of managers.”³²⁸ Ernst Burgbacher stated that “the success of both countries is also due to the dynamism and ability to innovate of their small and medium-sized enterprises. For this reason, close co-operation in the field of SME policies is important for the future of our economic relations.”³²⁹ Moreover, Germany signed agreement to continue their cooperation of training German SME business managers “who wish to gain experiences and establish business contacts in China.”³³⁰

On 1 March 2013, Germany reached bilateral agreements with Finland and Russia in efforts to promote joint research and development projects between small and medium-sized enterprises and research institutes noting that “in the long term, joint innovation projects offer opportunities for new trade relations.”³³¹

³²⁵ State Secretary Herkes Calls Upon German SMEs to Co-Operate with Vietnamese Enterprises in the Field of R&D, Federal Ministry of Economics and Technology (Berlin) 7 December 2012. Date of Access: 17 January 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=542448.html>.

³²⁶ State Secretary Herkes Calls Upon German SMEs to Co-Operate with Vietnamese Enterprises in the Field of R&D, Federal Ministry of Economics and Technology (Berlin) 7 December 2012. Date of Access: 17 January 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=542448.html>.

³²⁷ State Secretary Herkes Calls Upon German SMEs to Co-Operate with Vietnamese Enterprises in the Field of R&D, Federal Ministry of Economics and Technology (Berlin) 7 December 2012. Date of Access: 17 January 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=542448.html>.

³²⁸ Co-operation between SMEs provide a strong stimulus for German-Chinese Economic Relations, Federal Ministry of Economics and Technology (Berlin) 9 January 2013. Date of Access: 17 January 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=545948.html>.

³²⁹ Co-operation between SMEs provide a strong stimulus for German-Chinese Economic Relations, Federal Ministry of Economics and Technology (Berlin) 9 January 2013. Date of Access: 17 January 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=545948.html>.

³³⁰ Co-operation between SMEs provide a strong stimulus for German-Chinese Economic Relations, Federal Ministry of Economics and Technology (Berlin) 9 January 2013. Date of Access: 17 January 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=545948.html>.

³³¹ State Secretary Burgbacher supports research cooperation between innovative German SMEs and Finnish and Russian companies (Berlin) 1 March 2013. Date of Access: 26 May 2013. <http://www.bmwi.de/EN/Press/press-releases,did=555622.html>.

Germany has also allocated significant funding to support public-private partnerships. In 2012, 14 building projects from private-public partnerships were awarded, a total investment of over EUR540 million.³³²

Thus, Germany has been awarded a score of +1 for its enacting policies that promote investment underpinning demand which included support for small businesses and private-public partnerships.

Analyst: Nisha Kumari

Italy: +1

Italy has fully complied with its commitment to promote investment to underpin demand, including support for small businesses and public-private partnerships.

On 22 May 2012, Olli Rehn, the Vice-President of the European Commission and member of the Commission responsible for Economic and Monetary Affairs and the Euro, gave a speech to the European Parliament that discussed the importance of attracting and promoting investment.³³³ He reiterated the fact that public and private investment is imperative for economic growth, explaining the necessity of attracting investment to those sectors. He also explained that risk sharing with private investors had to be undertaken by the European Investment Bank and the European Union in order to attract private investment.

On 7 June 2012, the International Finance Corporation and the European Investment Bank opened a forum to facilitate dialogue on improving access of financial services for small and medium businesses. This is a key priority for the European Union, as access to small-business investment is crucial for creating jobs and reinforcing the economy.³³⁴

On 22 June 2012, the National Agency for Inward Investment Promotion and Enterprise Development (INVITALIA) ran a workshop at its headquarters in Rome titled, “Doing Business in Italy, Guangdong and Macao.”³³⁵ At this workshop the Italian and Chinese governments entered into an economic and trade collaboration. The Italian government believes that the collaboration will attract Chinese capital investments into highly innovative industries.

On 12 July 2012, the European Commission announced the creation of a package intended to create durable regulatory guidance in broadband investment until 2020. The package includes tougher non-discrimination laws intended to encourage competition among broadband suppliers, stabilized copper prices, and flexibility on “next generation” pricing.³³⁶ The introduction of this

³³² PPP: 2012 in Germany were awarded a total of 14 construction projects, EUWID Facility Management (Berlin) 16 January 2013. Date of Access: 17 January 2013. <http://www.euwid-facility.de/news/facility-management/einzelansicht/Artikel/oepp-2012-wurden-in-deutschland-insgesamt-14-hochbauprojekte-vergeben.html>.

³³³ Olli Rehn Vice-President of the European Commission and member of the Commission responsible for Economic and Monetary Affairs and the Euro Europe’s action plan for growth, employment and investment, European Parliament Strasbourg, Europa (Brussels) 22 May 2012. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_SPEECH-12-378_en.htm?locale=en.

³³⁴ IFC, EIB Lead Annual Forum to Discuss Progress on the Financial Agenda for Small Businesses, Europa (Washington D.C.) 7 June 2012. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_BEI-12-72_en.htm?locale=en.

³³⁵ Collaborazione Economica e Commerciale Tra Imprese Italiane e Cinesi. Invitalia (Rome) 21 July 2012. Date of Access: 17 January 2013. <http://www.invitalia.it/site/ita/home/comunicati-stampa/articolo7082.html>.

³³⁶ Enhancing Broadband Investment Environment, Europa (Brussels) 12 July 2012. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_SPEECH-12-552_en.htm?locale=en.

package is intended to create a stable investment environment for the digital sector to facilitate the growth of crucial digital systems, like cloud computing, eHealth, and data-intensive businesses. The stabilized investment environment should encourage private investment in the crucial development of broadband infrastructure.

On 3 August 2012, the European Commission launched a public consultation aimed at exposing direct tax problems that arise in cross-border venture capitalist investments. Problems associated with the mismatched tax systems of the European Union member states compromise funding of small and medium-sized enterprises.³³⁷ The European Commission hopes to mend these issues with a public consultation that calls on all interested parties, including businesses, tax professionals, and individuals, to make suggestions for reform.

On 6 December 2012, the U.S. Consul General Kyle Scott and Assolombarda President Alberto Meomartini signed an agreement to encourage cooperation between American and Italian entrepreneurs.³³⁸ An Italy-US Business Steering Committee was also established, which will promote business opportunities and provide referrals for companies looking to invest in Italy. The agreement is intended to promote trade and investment between the U.S. and Italy.

On 30 January 2013, the INVITALIA signed a developmental contract with the European Microfusioni Aerospace (EMA). The objective of the project is to increase production at the plant in Morra de Sanctis by about 45%.³³⁹ EMA will be submitting a development plan by April 2015, which will include an investment plan of about EUR35 million, and a research and development project worth EUR3.5 million. INVITALIA CEO Domenico Arcuri credited the successful agreement to government incentives that attract investment.

Italy has adopted new policies that promote investment, in addition to supporting small businesses through its membership in the European Union. Italy has also promoted investment through a national agreement with China. The European Union has also expressed the importance of public-private partnerships, and has previously created policies to that effect. Italy is thus awarded a score of +1 for full compliance with this commitment.

Analyst: Julia Hein

Japan: +1

Japan has complied with its commitment to promote investment that underpins demand, including the support of small businesses, and promoting private-public partnerships.

On 7 June 2012, the governor of state-controlled Japan Finance Corp (JFC) Shosaku Yasui announced that the JFC would increase loans to support small and medium companies' expansion into overseas markets.³⁴⁰ Yasui declared that these loans had already totalled YEN39.5 billion in fiscal year 2011, 3.3 times the previous amount, indicating that the recent increase was part of an upward trend of greater private-public investment and support for small businesses.

³³⁷ Taxation: Commission Consults on Tax Obstacles to Cross-Border Venture Capital Investment, Europa (Brussels) 3 August 2013. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_IP-12-881_en.htm?locale=en.

³³⁸ Assolombarda and Consulate to Promote Trade and Investment, United States of America Consulate (Milan) 6 December 2012. Date of Access: 3 February 2013. <http://milan.usconsulate.gov/news-events/assolombarda-investment.html>.

³³⁹ Invitalia: Firmato il Contratto di Sviluppo con la Ema — Europea Microfusioni Aerospaziali (Gruppo Rolls Royce), Invitalia (Rome) 30 January 2013. Date of Access: 3 February 2013. <http://www.invitalia.it/site/ita/home/comunicati-stampa/articolo7693.html>.

³⁴⁰ Loans for small firms' overseas expansion rise, The Japan Times (Tokyo) 7 June 2012. Date of Access: 18 January 2013. <http://www.japantimes.co.jp/text/nb20120607a3.html>.

On 11 July 2012, the Ministry of Economy, Trade and Industry declared that the government will provide YEN97.8 billion in subsidies to assist companies obtaining land for the purpose of establishing plants; a measure demonstrative of the government's commitment to help small businesses.³⁴¹

On 20 December 2012, the Bank of Japan (BOJ) bolstered its key stimulus package in order to ensure price stability. It has expanded its asset purchasing program, designed to keep borrowing costs down by YEN10 trillion. The BOJ has also kept interest rates unchanged between zero and 0.1 per cent. This measure aims to revive the economy by promoting private investment that underpins demand.

On 10 January 2013, Prime Minister Shinzo Abe approved a new stimulus package to help the country avoid chronic deflation.³⁴² Of the package's total cost of YEN20 trillion, the central government would spend YEN10.3 trillion, with the rest of the cost to be borne by local governments and the private sector. Prime Minister Shinzo Abe also announced that the government will spend more than YEN19 trillion for reconstruction of areas damaged by the March 2011 earthquakes and tsunami, over five years through fiscal 2015. The new expansionary stimulus package would boost private investment, while the expenditure on reconstruction would help the country recover its infrastructure.

Therefore, Japan has been awarded +1 for full compliance for its policies aimed at promoting investment between private and public spheres of influence, including support for small businesses and investment that underpins demand.

Analyst: Junyeop Kim

Russia: +1

Russia has fully complied with the commitment to promote investment through support for small businesses and public-private partnerships.

Russia has implemented measures to support small businesses.

On 22 June 2012, Russian President Vladimir Putin appointed Boris Titov Presidential Commissioner for Entrepreneurs' Rights.³⁴³ On 7 May 2013, the federal law On Ombudsmen for Entrepreneurs' Rights in the Russian Federation was adopted. The law is aimed at establishing the system of entrepreneurs' rights protection implemented through the activities of regional ombudsmen and a special authority under the Russian President.³⁴⁴

On 25 October 2012, at the Russian Government meeting the Ministry of Finance, the Federal Service for State Statistics and other relevant federal agencies were instructed to work on options

³⁴¹ ¥97.8 billion eyed for factory aid, The Japan Times (Tokyo) 11 July 2012. Date of Access: 18 January 2013. <http://www.japantimes.co.jp/text/nb20120711a8.html>.

³⁴² Abe OKs ¥20 trillion-plus economic stimulus plan, NewsonJapan.com (Tokyo) 11 January 2013. Date of access: 18 January 2013. <http://www.japantimes.co.jp/text/nb20130111a3.html>.

³⁴³ Executive Order appointing Ombudsman for Entrepreneurs' Rights, Office of the President of Russia (Moscow) 22 June 2012. Date of Access: 6 February 2013. <http://eng.state.kremlin.ru/face/4067>.

³⁴⁴ Law On Ombudsmen for Entrepreneurs' Rights in the Russian Federation Signed, President of Russian 8 May 2013. Date of Access: 16 May 2013. <http://kremlin.ru/acts/18042>.

for easing the procedure of industry-specific and other reports, separate reporting of revenue and expenses, and cancelling double reporting for businesses.³⁴⁵

On 26 December 2012, Russian Prime Minister Dmitry Medvedev chaired the Government meeting on measures to stimulate economic growth.³⁴⁶ Following this meeting, the Ministry of Economic Development was instructed to improve the action plan/road map “Improving the Business Climate in the Construction Industry,” which was approved by Government Resolution No. 1487-r of 16 August 2012.³⁴⁷ The document is aimed at simplifying administrative procedures in the sphere of construction. Relevant ministries were also asked to draft proposals on the preservation of exemptions for small businesses on insurance premium payments into state extra-budget funds.³⁴⁸

On 19 February 2013, the Russian State Duma adopted in the first reading the draft federal law On Amending Certain Legislative Acts of the Russian Federation in Connection with the Upgrading of the Procedure for Alienating Real Estate Owned by the Constituent Entities of the Russian Federation or by Municipal Entities and Leased by Small- and Medium-Sized Businesses. This draft law provides for upgrading the redemption terms of state and municipal real estate for small and medium-sized businesses.³⁴⁹

On 13 March 2013, Russian Prime-Minister approved the roadmap on Improving Procedures for the Registration of Legal Entities and Self-Employed Business People. The main goal of the document is to reduce “the number of procedures needed for the establishment of limited liability companies as the main organizational legal form of small and medium-sized businesses.”³⁵⁰

Russia has supported public-private partnerships.

In 2011, Russian State Corporation “Bank for Development and Foreign Economic Affairs” (Vnesheconombank) established the Fund for the Development of the Far East and the Baikal Region.³⁵¹ The main objective of the Fund is to provide support for investment projects in the region through public-private partnerships. On 29 November 2012, President Putin announced the decision to increase the charter capital of the Fund by RUB15 billion (about USD0.5 billion).

³⁴⁵ Government resolution on simplifying the accounting (financial) reports for certain categories of businesses, Government of Russia (Moscow) 27 October 2012. Date of Access: 6 February 2013. <http://government.ru/eng/docs/21264/>.

³⁴⁶ Meeting on policies to stimulate economic growth, Government of Russia 26 December 2012. Date of Access: 6 February 2013. <http://government.ru/eng/docs/22116/>.

³⁴⁷ Government Resolution No. 1487-r of August 16, 2012, Government of Russia 27 October 2012. Date of Access: 6 February 2013. <http://government.ru/gov/results/20216/>.

³⁴⁸ Decisions resulting from the Government meeting on measures to stimulate economic growth, Government of Russia (Moscow) 18 January 2013. Date of Access: 6 February 2013. <http://government.ru/eng/docs/22420/>.

³⁴⁹ Draft federal law №201812-6 On Amending Certain Legislative Acts of the Russian Federation in Connection with the Upgrading of the Procedure for Alienating Real Estate Owned by the Constituent Entities of the Russian Federation or by Municipal Entities and Leased by Small- and Medium-Sized Businesses, Russian State Duma 24 January 2013. Date of Access: 16 May 2013. [http://asozd2.duma.gov.ru/main.nsf/\(Spravka\)?OpenAgent&RN=201812-6](http://asozd2.duma.gov.ru/main.nsf/(Spravka)?OpenAgent&RN=201812-6).

³⁵⁰ Dmitry Medvedev approves action plan (roadmap) Improving Procedures for the Registration of Legal Entities and Self-Employed Business People, Government of Russia 13 March 2013. Date of Access: 16 May 2013. <http://government.ru/eng/docs/23263/>.

³⁵¹ About the Fund, Fund for the Development of the Russian East. Date of Access: 6 February 2013. <http://fondvostok.ru/>.

Later on, depending on the effectiveness of the Fund, its capital can be replenished to reach RUB100 billion (approximately USD3.3 billion).³⁵²

On 19 December 2012, Russian Deputy Prime Minister Dmitry Rogozin chaired the first meeting of the Council for Public-Private Partnerships at the Military-Industrial Commission. The commission was established to stimulate private sector involvement and design regulatory improvements needed for organizing public-private partnerships in the defense industry.³⁵³

On 28 December 2012, the Russian Government approved the State Program «Transport system development until 2020». The program consists of several sub-programs, including High-Speed Automobile Road Development with the Assistance of Public-Private Partnerships. Under this sub-program, more than RUB136 billion (about USD4.5 billion) will be allocated to co-finance projects in the area of road construction and attract private investors.³⁵⁴

On 7 March 2013, the Russian Government discussed the law On the Basics of Public-Private Partnership. The law aims to establish a unified set of rules and standards for such partnerships, expand opportunities for public-private cooperation and “create a favorable environment for investment in long-term infrastructure projects.”³⁵⁵ On 12 March 2013, the Russian Government decided to submit this draft law to the State Duma.³⁵⁶

During the compliance period Russia has implemented measures aimed at supporting both small businesses and public-private partnerships. Thus, it receives a score of +1.

Analyst: Mark Raghmagulov

United Kingdom: +1

The British Government has fully complied with its commitments to ensure that its macroeconomic policies aim to promote investment underpinning demand, support small businesses, and support public-private partnerships.

On 8 June 2012, The British Government provided an additional GBP32 million of funding for superfast broadband in Scotland. This is in addition to the GBP88.8 million already allocated to Scotland for investment in its broadband network. Secretary of State Michael Moore announced, “Access to superfast broadband means Scottish businesses can expand, develop new markets and compete globally.”³⁵⁷

³⁵² State Council Presidium meeting, Office of the President of Russia (Moscow) 29 November 2012. Date of Access: 6 February 2013. <http://eng.state.kremlin.ru/face/4680>.

³⁵³ Deputy Prime Minister Dmitry Rogozin chairs a meeting of the Military Industrial Commission and the first meeting of the Council for Public-Private Partnership under the Military Industrial Commission, Government of Russia 19 December 2012. Date of Access: 6 February 2013. <http://government.ru/eng/docs/21980/>.

³⁵⁴ The State Program of the Russian Federation “Transport system development” is approved by the Russian Government resolution No.2600-r of 28 December 2012, Ministry of Transport of the Russian Federation 11 January 2013. Date of Access: 6 February 2013. http://www.mintrans.ru/documents/detail.php?ELEMENT_ID=19443.

³⁵⁵ Government meeting, Government of Russia 7 March 2013. Date of Access: 16 May 2013. <http://government.ru/eng/docs/23150/>.

³⁵⁶ Government directive of 12 March 2013 No.331-r, Government of Russia 12 March 2013. Date of Access: 16 May 2013. <http://government.ru/gov/results/23290/>.

³⁵⁷ e-Comms Team HM Treasury, “£32 million of additional UK Government funding for superfast broadband in Scotland,” 8 June 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_42_12.htm.

On 18 June 2012, tax relief for the UK's creative industries were announced by the British Government. The Government introduced tax relief aimed at animation, high-end TV, and video games in order to support the growth and technological innovation of these industries.³⁵⁸

On 18 July 2012, the British Government unveiled the UK Guarantees Scheme to “dramatically accelerate major infrastructure investment and provide major support to UK exporters.”³⁵⁹ According to the treasury, up to GBP40 billion worth of projects that are ready or nearly ready could qualify in total, allowing around 30 public private partnership infrastructure projects worth an estimated GBP6 billion to proceed alongside a GBP5 billion export refinancing fund that would be available for British exporters.³⁶⁰

On 25 July 2012, the British Government announced a tax relief to support investment in North Sea gas. The GBP500 million field allowances would be established “with the aim of securing future investment in North Sea gas, creating jobs and bolstering the UK's energy security.”³⁶¹

On 29 August 2012, the British Government extended enterprise zone tax incentives to the North East regional enterprise zone in an effort to encourage additional private sector investment.³⁶²

On 7 September 2012, the British Government announced a new tax measure to support investment in older oil and gas fields in the North Sea. A tax allowance for “brown fields” would encourage companies to invest in increasing the productivity of these fields.³⁶³

On 18 September 2012, the British Government initiated the first wave of devolving powers from the British Government to Britain's eight largest cities, entitled ‘City Deals,’ providing them with the powers necessary to promote growth and job creation in their areas of jurisdiction. It is estimated that this will allow for the creation of up to 175,000 new jobs including 37,000 new apprentices in these cities.³⁶⁴ On 29 October 2012, the British Government announced the second wave of ‘City Deals,’ inviting 20 cities and their surrounding areas to offer innovative and forward proposal for deals that would involve the devolving of powers from the Government in order to have cities promoting growth and job creation.³⁶⁵

³⁵⁸ e-Comms Team HM Treasury, “UK to get world-class creative tax breaks,” 18 June 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_48_12.htm.

³⁵⁹ ³⁵⁹ e-Comms Team HM Treasury, “Government uses fiscal credibility to unveil new infrastructure investment and exports plan,” 18 July 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_62_12.htm.

³⁶⁰ e-Comms Team HM Treasury, “Government uses fiscal credibility to unveil new infrastructure investment and exports plan,” 18 July 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_62_12.htm.

³⁶¹ e-Comms Team HM Treasury, “New tax support for gas in the North Sea,” 25 July 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_66_12.htm.

³⁶² e-Comms Team HM Treasury, “Chancellor delivers major boost to North East,” 29 August 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_75_12.htm.

³⁶³ e-Comms Team HM Treasury, “Chancellor announces further action to stimulate investment in North Sea,” 7 September 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_78_12.htm.

³⁶⁴ e-Comms Team HM Treasury, “Government formalises the first wave of city deals,” 18 September 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_84_12.htm.

³⁶⁵ e-Comms Team HM Treasury, “Bold deals to set more cities free for growth,” 29 October 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_101_12.htm.

On 8 October 2012, the British Government announced plans to develop a “targeted tax regime for the shale gas industry.” The Chancellor of the Exchequer name believes that the shale gas industry has the potential to create jobs and support UK energy security.³⁶⁶

On 5 November 2012, the British Government announced GBP120 million in new funding for the speeding up of new flood defences in areas that would have the largest economic benefits. The funding would help accelerate protection for up to 60,000 homes and would help flood threatened businesses across the country.³⁶⁷

On 13 December 2012, the British Government allowed the first nineteen Scottish projects to receive funding from a multi-million pound fund to regenerate economic activity in coastal communities. The fund has appropriated GBP4 million this year to be available for investment with an additional GBP4 million opening up in 2013.³⁶⁸

Furthermore in December 2012, HM Treasury published “A new approach to public private partnerships” which shifted the Private Finance Initiative (PFI) model to the new PF2 model which features new features such as the government as a minority public equity co-investor and readiness of the public sector to address risk in which the private sector has no influence on.³⁶⁹

On 10 April 2013, the government vacated GBP300 million to be invested in the autumn for small and medium-sized enterprises.³⁷⁰ This is the first cohort of money invested from the GBP1 billion new capital to the business bank announced in 2012.

Therefore, the United Kingdom has been awarded a score of +1 for promoting investment that underpins demand, carrying out policies that support small businesses and for working closely with private and public partners to promote investment and job creation.

Analyst: John Yoon

United States: +1

The United States has fully complied with its commitment to promote investment that underpins demand by means including supporting small businesses and promoting private-public partnerships.

On 16 August 2012, President Obama announced the establishment of a new public-private institute for manufacturing innovation in Youngstown, Ohio called the National Additive Manufacturing Innovation Institute (NAMII), as part of a continued effort to reinvigorate the

³⁶⁶ e-Comms Team HM Treasury, “Government action to stimulate shale gas investment,” 8 October 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_92_12.htm.

³⁶⁷ e-Comms Team HM Treasury, “£120 million boost to flood defences will protect homes and businesses and help drive growth,” Date of Access: 26 January 2013. http://www.hm-treasury.gov.uk/press_115_12.htm.

³⁶⁸ e-Comms Team HM Treasury, “Communities across Scotland receive boost from coastal fund,” 13 December 2012. Date of Access: 25 January 2013. http://www.hm-treasury.gov.uk/press_123_12.htm.

³⁶⁹ A new approach to public private partnerships, HM Treasury (London) December 2012. Date of Access: 27 May 2013. http://cdn.hm-treasury.gov.uk/infrastructure_new_approach_to_public_private_parnerships_051212.pdf.

³⁷⁰ Small businesses get £300m bank boost, The Guardian (London) 10 April 2013. Date of Access: 27 May 2013. <http://www.guardian.co.uk/business/2013/apr/10/small-business-bank-sme-vince-cable>.

manufacturing sector and encourage companies to invest in the country.³⁷¹ The Department of Defense would provide USD30 million in federal funding, while the winning consortium consisting of various firms in the private sector including manufacturing firms and universities would supply USD40 million.³⁷²

On 30 August 30 2012, President Obama signed an executive order supporting investments in industrial energy efficiency.³⁷³ The Office of the Press Secretary stated that these efforts to enhance industrial energy efficiency have the potential to save manufacturers as much as USD100 billion in energy costs. This measure aims to encourage investment in infrastructure and promote structural reforms towards efficiency.

On 11 September 2012, US Department of Defense federal laboratories and research centers reached agreements with Boston-based investment company, Allied Minds, to create a series of public-private partnerships.³⁷⁴ These partnerships intend to use technology transfer as a vehicle for economic growth and improve the global competitiveness of the US industry.

On 25 September 2012, the Obama Administration announced a USD40 million multi-agency competition, the Make it America Challenge, to increase domestic goods and labour. This is part of the president's plan to eliminate tax incentives for companies that ship jobs overseas and provides tax credits for companies that bring jobs back.³⁷⁵

On 1 April 2013, President Obama delivered a speech in Port Miami, Florida introducing the Partnership to Rebuild America initiative that intends to fund infrastructure rebuilding throughout the United States.³⁷⁶ An excerpt of the President's speech notes that the government will "set up an independent fund that will attract private investment to build projects" regarding public infrastructure concerns including transportation, energy, buildings, and other capital assets "that are in desperate need of updating and repair."³⁷⁷

³⁷¹ We Can't Wait: Obama Administration Announces New Public-Private Partnership to Support, Office of the Press Secretary (Washington) 16 August 2012. Date of Access: 18 January 2013. <http://www.whitehouse.gov/the-press-office/2012/08/16/we-can-t-wait-obama-administration-announces-new-public-private-partners>.

³⁷² We Can't Wait: Obama Administration Announces New Public-Private Partnership to Support, Office of the Press Secretary (Washington) 16 August 2012. Date of Access: 18 January 2013. <http://www.whitehouse.gov/the-press-office/2012/08/16/we-can-t-wait-obama-administration-announces-new-public-private-partners>.

³⁷³ President Obama Signs Executive Order Promoting Industrial Energy Efficiency, Office of the Press Secretary (Washington) 30 August 2012. Date of Access: 18 January 2013. <http://www.whitehouse.gov/the-press-office/2012/08/30/president-obama-signs-executive-order-promoting-industrial-energy-effici>.

³⁷⁴ Hub firm taps military research, Boston.com (Boston) 11 September 2012. Date of Access: 18 January 2013. <http://www.boston.com/business/innovation/2012/09/11/boston-financial-firm-partners-with-defense-department-laboratories/iQZs4hQz3nll1l8R1NO7OK/story.html>.

³⁷⁵ Obama Administration Announces \$40 Million Initiative to Challenge Businesses to Make it in America, United States Department of Commerce (Washington, D.C.) 25 September 2012. Date of Access: 18 January 2013. <http://www.commerce.gov/news/press-releases/2012/09/25/obama-administration-announces-40-million-initiative-challenge-busine>.

³⁷⁶ Obama Delivers Speech in Miami Encouraging Public-Private Partnerships, The National Council for Public-Private Partnerships (Arlington) 1 April 2013. Date of Access: 26 May 2013. <http://www.ncppp.org/obama-delivers-speech-in-miami-encouraging-public-private-partnerships/>.

³⁷⁷ Obama Delivers Speech in Miami Encouraging Public-Private Partnerships, The National Council for Public-Private Partnerships (Arlington) 1 April 2013. Date of Access: 26 May 2013. <http://www.ncppp.org/obama-delivers-speech-in-miami-encouraging-public-private-partnerships/>.

Therefore, the United States has been awarded +1 for its promotion of public-private initiatives and industrial energy efficiency as well as its support for domestic businesses and innovation.

Analyst: Junyeop Kim

European Union: +1

The European Union has fully complied with its commitment to promote investment to underpin demand, including support for small businesses and public-private partnerships.

On 22 May 2012, Olli Rehn, the Vice-President of the European Commission and member of the Commission responsible for Economic and Monetary Affairs and the Euro, gave a speech to the European Parliament that discussed the importance of attracting and promoting investment.³⁷⁸ He reiterated the fact that public and private investment is imperative for economic growth, explaining the necessity of attracting investment to those sectors. He also explained that risk sharing with private investors had to be undertaken by the European Investment Bank and the European Union in order to attract private investment.

On 7 June 2012, the International Finance Corporation and the European Investment Bank opened a forum to facilitate dialogue on improving access of financial services for small and medium businesses. This is a key priority for the European Union, as access to small-business investment is crucial for creating jobs and reinforcing the economy.³⁷⁹

On 12 July 2012, the European Commission announced the creation of a package intended to create durable regulatory guidance in broadband investment until 2020. The package includes tougher non-discrimination laws intended to encourage competition among broadband suppliers, stabilized copper prices, and flexibility on “next generation” pricing.³⁸⁰ The introduction of this package is intended to create a stable investment environment for the digital sector to facilitate the growth of crucial digital systems, like cloud computing, eHealth, and data-intensive businesses. The stabilized investment environment should encourage private investment in the crucial development of broadband infrastructure.

On 3 August 2012, the European Commission launched a public consultation aimed at exposing direct tax problems that arise in cross-border venture capitalist investments. Problems associated with the mismatched tax systems of the European Union member states compromise funding of small and medium-sized enterprises.³⁸¹ The European Commission hopes to mend these issues with a public consultation that calls on all interested parties, including businesses, tax professionals, and individuals, to make suggestions for reform.

³⁷⁸ Olli Rehn Vice-President of the European Commission and member of the Commission responsible for Economic and Monetary Affairs and the Euro Europe’s action plan for growth, employment and investment European Parliament Strasbourg, Europa (Brussels) 22 May 2012. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_SPEECH-12-378_en.htm?locale=en.

³⁷⁹ IFC, EIB Lead Annual Forum to Discuss Progress on the Financial Agenda for Small Businesses, Europa (Washington D.C.) 7 June 2012. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_BEI-12-72_en.htm?locale=en.

³⁸⁰ Enhancing Broadband Investment Environment, Europa (Brussels) 12 July 2012. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_SPEECH-12-552_en.htm?locale=en.

³⁸¹ Taxation: Commission Consults on Tax Obstacles to Cross-Border Venture Capital Investment, Europa (Brussels) 3 August 2013. Date of Access: 17 January 2013. http://europa.eu/rapid/press-release_IP-12-881_en.htm?locale=en.

The European small and medium enterprise umbrella organization, UEAPME, established a unitary system controlling legal and economic aspects of patent accreditation, translation and legal costs, and market competitiveness on 11 December 2012.³⁸²

On 9 January 2013, the European Commission published the Entrepreneurship 2020 Action Plan that discussed three “action pillars” which included: entrepreneurial education and training to support growth and business creation, creating an innovative environment, and providing role models for specific demographic groups.³⁸³

On 16 May 2013, the Business Alliance for a Transatlantic Trade and Investment Partnership (TTIP) was created between BUSINESSEUROPE, EUROCHAMBRES, the European Services Forum, the European Association of Craft, Small and Medium-Sized Enterprises, the Transatlantic Business Council, the Transatlantic Policy Network, the American Chamber of Commerce to the EU, AmChams in Europe, and the US Chamber of Commerce.³⁸⁴ The TTIP is described in the report as a key factor to increase jobs and economic growth for both continents as well as increase competitiveness of European small and medium enterprises.

The European Union has adopted new policies that promote investment, in addition to supporting small businesses. The European Union has also expressed the importance of public-private partnerships, and has previously created policies to that effect. The European Union is thus awarded a score of +1 for full compliance with this commitment.

Analyst: Julia Hein

³⁸² EU patent: SMEs welcome unitary system, urge Italy and Spain to join, UEAPME (Brussels) 11 December 2012. Date of Access: 26 May 2013.

http://www.ueapme.com/IMG/pdf/121211_pr_Community_patent.pdf.

³⁸³ Entrepreneurship 2020 Action Plan, European Commission (Brussels) 9 January 2013. Date of Access: 26 May 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0795:FIN:EN:PDF>.

³⁸⁴ Business Organisations Announce Alliance for a Transatlantic Trade and Investment Partnership, UEAPME (Brussels) 16 May 2013. Date of Access: 26 May 2013. http://www.ueapme.com/IMG/pdf/Business_Alliance_for_a_Transatlantic_Trade_and_Investment_Partnership_TTIP_.pdf.

4. Trade: Regulatory Coherence [12]

Commitment

“We support efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.”

2012 Camp David Declaration

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	+0.56		

Background

At the 2012 Camp David Summit, G8 member states underscored “the importance of open markets and a fair, strong, rules-based” approach to trade³⁸⁵ The G8 recognized that “international trade, investment and market integration” are imperative for the promotion of “strong, sustainable and balanced growth.”³⁸⁶

The G8 also acknowledged the need to extend this reasoning to the broader international community, and called on other countries outside of the G8 to incorporate these values into their own conduct of market initiatives.³⁸⁷ During the 2012 Camp David Summit, member countries committed to abstain from protectionist policies, and instead pursue “bilateral, plurilateral, and multilateral efforts, consistent with and supportive of the WTO framework, to reduce barriers to trade and investment and maintain open markets.”³⁸⁸

At the 2008 G8 Summit in Hokkaido, Tokyo, the G8 encouraged institutions like the World Bank, the International Monetary Fund (IMF), the World Trade Organization (WTO), the International Labour Organization (ILO), and the Organisation for Economic Co-operation and Development (OECD), to increase their cooperation with one another, and to create uniform standards.³⁸⁹

³⁸⁵ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 19 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

³⁸⁶ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

³⁸⁷ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

³⁸⁸ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

³⁸⁹ Hokkaido Official Documents: World Economy, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html>.

During the 2008 G8 Summit, members also agreed to “resist protectionist pressures.”³⁹⁰ At the 2010 G8 Summit in Muskoka, Canada, it was noted that along with “sustaining recovery from the global economic crisis,” it was imperative that member countries “continue to resist protectionist pressures and to promote liberalization of trade and investment through the national reduction of barriers, as well as through bilateral and regional negotiations.”³⁹¹

These sentiments were echoed during the 2011 G8 Summit in Deauville, France, with efforts targeting economic recovery and inclusion of several MENA (Middle East and North Africa) countries with initiatives such as the Japan-Arab Economic Forum and Canada’s bilateral Free Trade Agreement with Morocco.³⁹² Ultimately, the G8 affirmed, at the 2012 Camp David Summit, that member countries would “support efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.”³⁹³

Commitment Features

Recognizing that “unnecessary differences” provide for “overly burdensome regulatory standards that serve as significant barriers to trade,” the G8 committed at the 2012 Camp David Summit to create regulatory coherence and better align standards among themselves.³⁹⁴ Regulatory coherence includes measures that foster trading environments which are more “open, competitive, and innovative.”³⁹⁵ Additionally, regulatory coherence provides for greater confidence in the realm of trade, as “appropriate safeguards” are enforced.³⁹⁶ Therefore, regulatory coherence ensures that a “fair, strong, rules-based trading system” is upheld.³⁹⁷

In accompaniment with the G8 commitment toward regulatory coherence, an effort to better align standards was also included as a staple to further promote trade and growth.³⁹⁸ Different from promoting regulatory coherence, a better alignment of standards among G8 member states creates

³⁹⁰ Hokkaido Official Documents: World Economy, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-economy.html>.

³⁹¹ Muskoka Declaration: Recovery and New Beginnings, G8 Information Centre (Toronto) 26 June 2010. Date of Access: December 19, 2012. <http://www.g8.utoronto.ca/summit/2010muskoka/communique.html>.

³⁹² Trade: 2011 Deauville G8 Summit Final Compliance Report, G8 Information Centre (Toronto) 18 May 2012. Date of Access: December 19, 2012. <http://www.g8.utoronto.ca/evaluations/2011compliance-final/index.html>.

³⁹³ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

³⁹⁴ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 19 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

³⁹⁵ Strategic Framework for Regulatory Coherence in APEC, National Center for APEC (Seattle) 2012. Date of Access: 19 December 2012. <http://www.ncapec.org/docs/Publications/Strategic%20Framework%20for%20Regulatory%20Coherence%20in%20APEC.pdf>.

³⁹⁶ Strategic Framework for Regulatory Coherence in APEC, National Center for APEC (Seattle) 2012. Date of Access: 19 December 2012. <http://www.ncapec.org/docs/Publications/Strategic%20Framework%20for%20Regulatory%20Coherence%20in%20APEC.pdf>.

³⁹⁷ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 19 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

³⁹⁸ G8 Camp David Declaration: The Global Economy, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 19 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

transparency and an open-market trading system. By ensuring that all G8 member states operate under similar standards, “unnecessary differences” can be avoided.

Observing these commitment features, full compliance requires that members introduce initiatives and efforts that act towards creating regulatory coherence and a better alignment of standards to further promote trade and growth. However, members are able to receive a partial score in the event that they have introduced efforts toward either regulatory coherence or better alignment of standards. Finally, a negative score indicates no efforts in promoting regulatory coherence and better alignment of standards to further promote trade and growth.

Scoring

-1	Member does not introduce any efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.
0	Member has introduced efforts towards regulatory coherence or better alignment of standards to further promote trade and growth.
+1	Member has introduced initiatives and efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.

Lead Analyst: Remy Sansanwal

Canada: +1

Canada has fully complied with its commitment to support efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.

Between March and July 2012, the Canada-United States Regulatory Cooperation Council (RCC), which aims to better align regulatory approaches of both nations,³⁹⁹ presented the final Work Plans on the RCC’s Canadian and U.S. websites.⁴⁰⁰ The final Work Plans document regulatory cooperation activities including mutual recognition, joint standards, and collaborating on common approaches to regulation.⁴⁰¹ This progress demonstrates Canada’s compliance with the commitment to promote a better alignment of standards with the United States.

On 28 August 2012, Foreign Affairs Minister John Baird attended a consultation session in Ottawa to help the Canadian government refresh its Global Commerce Strategy (GCS) in order to better align Canada’s trade and investment objectives in priority markets in support of open trade and economic growth.⁴⁰² To further promote regulatory coherence, the Canadian government has eliminated more than 1,800 tariffs since 2009, which has made Canada the first tariff-free manufacturing zone in the G20.⁴⁰³

On 5 December 2012, Minister of International Trade Ed Fast explained at the Italian Chamber of Commerce in Canada that a successful conclusion to the Canada-EU trade negotiations would be

³⁹⁹ Regulatory Cooperation Council, Canada’s Economic Action Plan (Ottawa) 7 January 2013. Date of Access: 13 January 2012. <http://www.actionplan.gc.ca/en/content/regulatory-cooperation-council>.

⁴⁰⁰ 2012 Progress Report to Leaders, Canada’s Economic Action Plan (Ottawa) 7 January 2013. Date of Access: 13 January 2012. <http://www.actionplan.gc.ca/en/page/rcc-ccr/2012-progress-report-leaders>.

⁴⁰¹ 2012 Progress Report to Leaders, Canada’s Economic Action Plan (Ottawa) 7 January 2013. Date of Access: 13 January 2012. <http://www.actionplan.gc.ca/en/page/rcc-ccr/2012-progress-report-leaders>.

⁴⁰² Consultations on Next Phase of Government’s Pro-Trade Plan Take Place in Ottawa, Foreign Affairs and International Trade Canada (Ottawa) 28 August 2012. Date of Access: 13 January 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/08/27a.aspx?view=d.

⁴⁰³ Harper Government Continues Cross-Country Consultation on Refreshed Pro-Trade Plan for Jobs, Growth and Long-Term Prosperity, Foreign Affairs and International Trade Canada (Ottawa) 2 October 2012. Date of Access: 13 January, 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/10/02a.aspx?lang=eng&view=d.

integral to their trading partnership. The ongoing trade negotiations with the EU represent Canada's most significant trade initiative since NAFTA.⁴⁰⁴ The Canadian government demonstrates, through continuing talks with the EU, efforts to promote regulatory coherence with those nations.

On 27 December 2012, Minister of International Trade Ed Fast announced the key accomplishments for 2012. These include the launch of the first round of negotiations with Japan toward an economic partnership agreement and establishing a record number of trade missions with countries like Russia.⁴⁰⁵ As a result, efforts to promote regulatory coherence appear pervasive and include the majority of G8 countries.

On 5 February 2013, Foreign Affairs Minister John Baird announced that the federal government is tabling amendments to the Corruption of Foreign Public Officials Act to be presented in the Senate.⁴⁰⁶ Noting that one of Canada's top priorities involves "pursuing an aggressive, pro-trade agenda," the amendments would "deter and prevent Canadian companies from bribing foreign public officials" and help Canadian companies act in good faith while conducting business in international markets.⁴⁰⁷

On 1 April 2013, the Canada-Panama Free Trade Agreement entered into force benefiting various sectors including aerospace, pharmaceuticals, pulp and paper, and agriculture and agri-food that account for over 90 per cent of Canadian exports to Panama.⁴⁰⁸ Minister of International Trade Ed Fast noted that this agreement would immediately eliminate tariffs on exported goods in the above sectors.⁴⁰⁹

On 16 May 2013, in Dar es Salaam, Foreign Affairs Minister John Baird and Tanzania's Minister of Foreign Affairs and International Cooperation Bernard Membe signed the Canada-Tanzania Foreign Investment Promotion and Protection Agreement (FIPA).⁴¹⁰ This treaty was noted to "protect and promote investment" between the two countries through "legally binding provisions

⁴⁰⁴ Harper Government Highlights Benefits of Canada-EU Trade and Economic Agreement to Italian Business Community, Foreign Affairs and International Trade Canada (Ottawa) 5 December 2012. Date of Access: 13 January, 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/12/05a.aspx?lang=eng&view=d.

⁴⁰⁵ Harper Government Advances Pro-Trade Plan to Open New Markets in 2012, Foreign Affairs and International Trade Canada (Ottawa) 27 December 2012. Date of Access: 13 January, 2012. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/12/27a.aspx?lang=eng&view=d.

⁴⁰⁶ Strengthening Canada's Fight Against Foreign Bribery, Department of Foreign Affairs and International Trade Canada (Ottawa) 5 February 2013. Date of Access: 29 May 2013. <http://www.international.gc.ca/media/aff/news-communiqués/2013/02/05b.aspx?lang=eng>.

⁴⁰⁷ Strengthening Canada's Fight Against Foreign Bribery, Department of Foreign Affairs and International Trade Canada (Ottawa) 5 February 2013. Date of Access: 29 May 2013. <http://www.international.gc.ca/media/aff/news-communiqués/2013/02/05b.aspx?lang=eng>.

⁴⁰⁸ Minister Ablonczy Announces Latest Milestone in Pro-trade Plan to Open New Markets for Canadian Exports, Department of Foreign Affairs and International Trade (Ottawa) 17 March 2013. Date of Access: 29 May 2013. <http://www.international.gc.ca/wet30-1/state-etat/news-communiqués/2013/03/17a.aspx?lang=eng>.

⁴⁰⁹ Minister Ablonczy Announces Latest Milestone in Pro-trade Plan to Open New Markets for Canadian Exports, Department of Foreign Affairs and International Trade (Ottawa) 17 March 2013. Date of Access: 29 May 2013. <http://www.international.gc.ca/wet30-1/state-etat/news-communiqués/2013/03/17a.aspx?lang=eng>.

⁴¹⁰ Canada and Tanzania Sign Investment Treaty, Department of Foreign Affairs and International Trade (Ottawa) 16 May 2013. Date of Access: 29 May 2013. <http://www.international.gc.ca/wet30-1/aff/news-communiqués/2013/05/16a.aspx?lang=eng>.

and greater protection against discriminatory and arbitrary practices.”⁴¹¹ By aligning trade standards, “FIPA provides businesses with greater investment confidence.”⁴¹²

Overall, Canada has been successful in implementing initiatives toward the better alignment of standards with the U.S. and establishing and maintaining regulatory coherence with various countries in East Asia, South America, and Africa. Canada has been awarded a score of +1.

Analyst: Deron Fung

France: +1

France has fully complied with its commitment to support efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.

On 11 September 2012, Minister of Foreign Trade Nicole Bricq toured European cities to promote French trade policy. In Strasbourg, Minister Bricq called for “the adoption of the draft Regulation on reciprocal procurement under which companies can be on an equal footing in international competition.”⁴¹³ Furthermore, Minister Bricq introduced four “prerequisites” for acceptance of free trade negotiations: “positive impact on employment,” “reciprocity,” “gradual reduction of trade barriers for the most sensitive areas,” and “meet the highest social and environmental standards.”⁴¹⁴

In excerpts from the communiqué from the Council of Ministers’ meeting at the Embassy of France in Washington, D.C. on 12 September 2012, Minister Bricq noted that after a decade of economic deterioration, the French government’s goal was to restore balance of trade (excluding energy concerns) within the next five years.⁴¹⁵ Within the framework of the European Union, France noted its position to lead its European counterparts in regulating transparency and balanced rules for transnational companies.⁴¹⁶ Focusing more on bilateral trade agreements due to obstacles in negotiations within the World Trade Organization, France reiterated four conditions under which it would conduct negotiations for trade agreements in that agreements must: “clearly be conducive to job creation in France,” “deal with non-tariff barriers that particularly put French companies at a disadvantage,” “involve strict social and environmental requirements,” and

⁴¹¹ Canada and Tanzania Sign Investment Treaty, Department of Foreign Affairs and International Trade (Ottawa) 16 May 2013. Date of Access: 29 May 2013. <http://www.international.gc.ca/wet30-1/aff/news-communiqués/2013/05/16a.aspx?lang=eng>.

⁴¹² Canada and Tanzania Sign Investment Treaty, Department of Foreign Affairs and International Trade (Ottawa) 16 May 2013. Date of Access: 29 May 2013. <http://www.international.gc.ca/wet30-1/aff/news-communiqués/2013/05/16a.aspx?lang=eng>.

⁴¹³ Nicole Bricq pour l’adoption du projet de règlement sur la réciprocité dans l’accès aux marchés publics, Ministère du commerce extérieur (Paris) 11 September 2012. Date of Access: 14 March 2013. <http://www.commerce-exterieur.gouv.fr/nicole-bricq-pour-ladoption-projet-reglement-sur-reciprocite-dans-laces-aux-marches>.

⁴¹⁴ Nicole Bricq pour l’adoption du projet de règlement sur la réciprocité dans l’accès aux marchés publics, Ministère du commerce extérieur (Paris) 11 September 2012. Date of Access: 14 March 2013. <http://www.commerce-exterieur.gouv.fr/nicole-bricq-pour-ladoption-projet-reglement-sur-reciprocite-dans-laces-aux-marches>.

⁴¹⁵ Excerpts from the communiqué issued following the Council of Ministers’ meeting, Embassy of France in Washington (Washington, D.C.) 12 September 2012. Date of Access: 10 March 2013. <http://ambafrance-us.org/spip.php?article3858>.

⁴¹⁶ Excerpts from the communiqué issued following the Council of Ministers’ meeting, Embassy of France in Washington (Washington, D.C.) 12 September 2012. Date of Access: 10 March 2013. <http://ambafrance-us.org/spip.php?article3858>.

“involve gradual implementation and adequate temporary protection measures for the sensitive sectors of [French] economy.”⁴¹⁷

On 23 October 2012, Minister Bricq opened dialogue for the first time with many French non-governmental organizations (NGOs) regarding international trade issues. The meeting was focused on social and environmental responsibilities and transparency with the Minister making four commitments to: “organize a consultation meeting at least twice a year,” “maintain ongoing relationships and provide specific information for each NGO application,” “provide access to all documents, especially on free trade agreements (FTAs) and economic partnership agreements (EPAs),” and “take the proposal for action and reforms from NGOs into consideration and formulate concrete actions.”⁴¹⁸

On the issue of alignment of standards, in 31 January 2013, Minister Bricq and Professor Claude Revel presented their report at Bercy that identified seven priorities for strategic normative influence for France to lead by: “mobilizing enterprises in international normative institutions and aligning tax normalization for research”; promote three strategic concerns of “French requirements of social and environmental responsibility, intellectual property and reciprocity”; ensuring “technical cooperation and development assistance”; maintain “future standards in food markets, the sustainable city and ecological transition”; influence international free trade agreements, particularly that between the European Union and the United States; “establish an engineering professional influence through business intelligence and training institutes of administration and public schools”; and strengthen “the role given to standards in the management of economic intelligence to promote monitoring of information security.”⁴¹⁹

On 19 February 2013, Minister Bricq met with Danish Minister of Foreign Trade Pia Olsen Dyhr. Both Ministers expressed agreement in favor of reducing tariffs on environmentally friendly products to stimulate similar socially and environmentally-conscious policies from the European Union and the World Trade Organization.⁴²⁰

Following the Bercy Report, Minister Bricq reinforced the importance of French influence on free trade agreements, particularly the U.S.-Europe Trade Pact. Noting that the impending free trade agreement between the European Union and the United States would constitute over 40 per cent of entire world trade, Minister Bricq also noted the Japan-Europe free trade area.⁴²¹ This entire bloc, from Washington to Brussels to Tokyo could create more opportunities as well as reinforce

⁴¹⁷ Excerpts from the communiqué issued following the Council of Ministers’ meeting, Embassy of France in Washington (Washington, D.C.) 12 September 2012. Date of Access: 10 March 2013. <http://ambafrance-us.org/spip.php?article3858>.

⁴¹⁸ Dialogue renforcé avec les Organisations non gouvernementales françaises, Ministère du commerce extérieur (Paris) 24 October 2012. Date of Access: 12 March 2013. <http://www.commerce-exterieur.gouv.fr/dialogue-renforce-avec-organisations-non-gouvernementales-francaises>.

⁴¹⁹ Renforcer l’influence de la France sur les normes internationales, Ministère du commerce extérieur (Paris) 31 January 2013. Date of Access: 10 March 2013. <http://www.commerce-exterieur.gouv.fr/renforcer-influence-france-sur-normes-internationales-rapport-revel>.

⁴²⁰ Pour une meilleure prise en compte du développement durable dans les échanges commerciaux, Ministère du commerce extérieur (Paris) 19 February 2013. Date of Access: 10 March 2013. <http://www.commerce-exterieur.gouv.fr/echanges-commerciaux-entre-france-et-danemark>.

⁴²¹ France Seeks Slower Pace of Negotiations for a U.S.-Europe Trade Pact, The New York Times (New York) 25 March 2013. Date of Access: 28 March 2013. http://www.nytimes.com/2013/03/26/business/global/france-not-eager-for-us-europe-trade-agreement.html?_r=0.

common regulatory, alignment standards, and global trade rules “in the face of a rising China.”⁴²² Yet, Minister Bricq was firm to ask for slower considerations, pushing to exclude French “cultural industries” from the negotiations.⁴²³

Domestically, Minister Bricq must confront an industrial sector in favor of harmonizing regulations with the United States and an agricultural sector wary of American practices of genetic modifications as well as unsanitary and unethical methods of animal consumption.⁴²⁴ With the U.S.-EU free trade agreement being ratified as soon as 2014, Minister Bricq reassures “we will all win, provided we don’t rush.”⁴²⁵

Since the Camp David Summit in June 2012 and the subsequent appointment of Nicole Bricq as the Minister of Foreign Trade in the same month, France has not only invested in efforts to increase regulatory coherence and alignment of standards but also provides leadership for the European Union in certain relevant areas. Thus, France is awarded +1 as it is in full compliance.

Analyst: Sarah Danruo Wang

Germany: +1

Germany has fully complied with its commitment to support efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.

On 15 August 2013, the Federal Government revised the Foreign Trade and Payments Act by removing provisions that dealt with licensing requirements to conform to the EU Dual Use Regulation which would facilitate easier export of dual-use goods from German companies.⁴²⁶

On 23 October 2012, State Secretary in the Federal Ministry of Economics and Technology Anne Ruth Herkes met with Deputy Minister and Minister of Economy of the Republic of Moldova Valeriu Lazar to discuss bilateral economic relations. Part of talks dealt with the impending European Union Free Trade Agreement with the Republic of Moldova. State Secretary Herkes supported trade liberalization between the EU and the Republic of Moldova but maintained that

⁴²² France Seeks Slower Pace of Negotiations for a U.S.-Europe Trade Pact, The New York Times (New York) 25 March 2013. Date of Access: 28 March 2013.

http://www.nytimes.com/2013/03/26/business/global/france-not-eager-for-us-europe-trade-agreement.html?_r=0.

⁴²³ France Seeks Slower Pace of Negotiations for a U.S.-Europe Trade Pact, The New York Times (New York) 25 March 2013. Date of Access: 28 March 2013.

http://www.nytimes.com/2013/03/26/business/global/france-not-eager-for-us-europe-trade-agreement.html?_r=0.

⁴²⁴ France Seeks Slower Pace of Negotiations for a U.S.-Europe Trade Pact, The New York Times (New York) 25 March 2013. Date of Access: 28 March 2013.

http://www.nytimes.com/2013/03/26/business/global/france-not-eager-for-us-europe-trade-agreement.html?_r=0.

⁴²⁵ France Seeks Slower Pace of Negotiations for a U.S.-Europe Trade Pact, The New York Times (New York) 25 March 2013. Date of Access: 28 March 2013.

http://www.nytimes.com/2013/03/26/business/global/france-not-eager-for-us-europe-trade-agreement.html?_r=0.

⁴²⁶ Revision of the Foreign Trade and Payments Act approved by cabinet, Federal Ministry of Economics and Technology (Berlin) 15 August 2013. Date of Access: 28 May 2013.

http://www.bmw.de/EN/Press/press-releases_did=503734.html.

the Republic of Moldova must “maintain its reform efforts” to develop “an adaptation of its economic and legal framework conditions to EU standards.”⁴²⁷

French Minister of Foreign Trade Nicole Bricq and Germany’s Vice Chancellor and Federal Minister of Economics and Technology Dr. Philipp Rösler met on 18 February 2013 to discuss cooperation on trade policy. Both agreed in intensifying bilateral economic policy through fighting “unfair trade practices of third countries.”⁴²⁸

On 28 February 2013, the Federal Ministry of Economics and technology published its findings on the effects of the proposed EU-U.S. free trade agreement. In the report, it is noted that “a comprehensive and ambitious reduction of non-tariff trade barriers could lead to the creation of up to 110,000 jobs in Germany and up to 400,000 jobs in the EU as a whole” and “the USA could see the creation of up to 100,000 jobs.”⁴²⁹

With its support in various agreements and efforts towards global and continental regulatory coherence and better alignment of standards, Germany is awarded a score of +1.

Analyst: Laura Kim

Italy: -1

Although Italy has shown support for various international trade initiatives of the European Union, it has not commenced its own concrete steps to fulfill its trade commitments in supporting regulatory coherence and alignment of standards.

In the closing address at the World Economic Forum meeting on “Rebuilding Europe’s competitiveness” in Villa Madama in Rome on 30 October 2012, Italian Prime Minister Mario Monti emphasized the role of the European Union in leading international trade that is “free, fair and open” and further developing relations with China, Japan, Russia and the United States.⁴³⁰

On 29 November 2012, former Minister of Foreign Affairs Giulio Terzi di Sant’Agata, at the conference on “Lombardy’s Enterprises and Global Markets: how to create value,” listed some Italian strengths in trade (such as territorial capitalism and manufacturing heritage) and outlined the priorities for Italian policy on international trade calling for “a fairer playing field in the competition between enterprises and between-country systems” and “promoting partnerships with

⁴²⁷ State Secretary Herkes: EU Free Trade Agreement with the Republic of Moldova strengthens economic cooperation, Federal Ministry of Economics and Technology (Berlin) 23 October 2012. Date of Access: 28 May 2013. <http://www.bmwi.de/EN/Press/press-releases,did=521940.html>.

⁴²⁸ Nicole Bricq and Philipp Rösler agree on closer cooperation in the field of trade policy, Federal Ministry of Economics and Technology (Berlin) 18 February 2013. Date of Access: 28 May 2013. <http://www.bmwi.de/EN/Press/press-releases,did=553028.html>.

⁴²⁹ Minister Rösler: Comprehensive transatlantic free trade agreement would boost jobs and growth, Federal Ministry of Economics and Technology (Berlin) 28 February 2013. Date of Access: 28 May 2013. <http://www.bmwi.de/EN/Press/press-releases,did=554960.html>.

⁴³⁰ Closing address at the World Economic Forum meeting on “Rebuilding Europe’s competitiveness” (Rome, Villa Madama, 30 October 2012), Farnesina Ministry of Foreign Affairs (Rome) 30 October 2012. Date of Access: 19 March 2013. http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Interventi/2012/10/20121030_intervwefreb.htm?LANG=EN.

countries that share common values and interests such as the United States and emerging OECD members.”⁴³¹

Because Italy has offered diplomatic support for various European Union policies on international trade and has not outlined its own explicit policies on regulatory coherence and alignment of standards issues, it receives a score of -1.

Analyst: Sarah Danruo Wang

Japan: +1

Japan has fully complied with its commitments to maintain regulatory coherence and alignment of standards in promoting trade and growth.

Following the commencement of the Abe administration in December 2012, Minister of Economy, Trade and Industry Toshimitsu Motegi made his inaugural speech on 12 February 2013 indicating cross-border measures including tariffs to be one of the four major problems that Japanese companies are facing from international trade. Noting that Japan “has been lagging” in economic partnerships (free trade agreements and economic partnership agreements), one of Japan’s top priorities is to “speedily and vigorously conduct negotiations” on a free trade agreement with China and the Republic of Korea and a economic partnership with the European Union.⁴³²

Furthermore, the Ministry of Economy, Trade and Industry (METI) followed up with a report after the publication of the “2013 Report on Compliance by Major Trading Partners with Trade Agreements — WTO, FTA/EPAs, and BITs” by the World Trade Organization (WTO), prioritizing continued bilateral negotiation through the WTO surrounding international trade disputes, sustaining dialogue over issues already referred to the WTO Dispute Settlement Mechanism, as well as implementing new WTO recommendations for new issues outside of current international trade governance.⁴³³

With a more thorough analysis of Japan’s commitment to negotiating economic partnerships, on 26 November 2012 to 30 November 2012, Japan held its first round of negotiations for the Japan-Canada Economic Partnership Agreement in Tokyo following a preparatory meeting on 4 July 2012 in Ottawa.⁴³⁴ Chief delegates Japanese Ambassador for International Economic Affairs Jun Yokota and Canadian Assistant Deputy Minister for Trade Policy and Negotiations Ian Burney

⁴³¹ Minister Terzi’s speech at the conference on “Lombardy’s Enterprises and Global Markets: how to create value” (in Italian), Farnesina Ministry of Foreign Affairs (Rome) 29 November 2012. Date of Access: 19 March 2013.
http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Interventi/2012/11/20121129_ImpreseLombarde.htm?LANG=EN.

⁴³² Inaugural Message from Mr. Toshimitsu Motegi, Minister of Economy, Trade and Industry, Ministry of Economy, Trade and Industry (Tokyo) 12 February 2013. Date of Access: 15 March 2013.
<http://www.meti.go.jp/english/speeches/20130212.html>.

⁴³³ Public Release of the “2013 Report on Compliance by Major Trading Partners with Trade Agreements — WTO, FTA/EPAs, and BITs” and “METI Priorities Based on the Report”, Ministry of Economy, Trade and Industry (Tokyo) 22 April 2013. Date of Access: 22 April 2013.
http://www.meti.go.jp/english/press/2013/0422_01.html.

⁴³⁴ The First Round of Negotiations for the Japan-Canada Economic Partnership Agreement (EPA), Ministry of Economy, Trade and Industry (Tokyo) 30 October 2012. Date of Access: 20 March 2013.
http://www.meti.go.jp/english/press/2012/1030_04.html.

negotiated terms including on trade of goods and services, investment, and intellectual property rights.⁴³⁵

In Seoul, from 26 March 2013 to 28 March 2013, the first round of negotiations for the Free Trade Agreement among Japan, China and the Republic of Korea was held, represented by Deputy Minister for Foreign Affairs Koji Tsuruoka, Assistant Minister for FTA of Commerce of the People's Republic of China Yu Jianhua, and Deputy Minister for Trade Choi Kyonglim respectively.⁴³⁶ Preliminary discussions on scope and method of negotiations were commenced.⁴³⁷

From 15 April 2013 to 19 April 2013, the first round of negotiations on a Japan-EU Economic Partnership Agreement (EPA) was held in Brussels led by Special Representative of the Government of Japan in charge of the Japan-EU EPA negotiations Jun Yokota, Director-General for Trade Policy Hirofumi Katase, and Director for Asia and Latin America, Directorate General for Trade of the European Commission Mauro Petriccione and his colleagues.⁴³⁸ The negotiations included a number of mutual concerns such as: "including non-tariff barriers and the further opening of the Japanese public procurement market (particularly for Japan's railways and urban transport market)" and "covering the progressive and reciprocal liberalisation of trade in goods, services and investment, as well as rules on trade-related issues."⁴³⁹ To ensure sustained commitment, the mechanisms of the negotiation indicates that should Japan not remove tariff barriers, negotiations could be suspended after one year.⁴⁴⁰

Japan is also active in the activities of the World Trade Organization. Many of its METI priorities include resolving concerns or initiating resolutions to ongoing international trade disputes. Ongoing trade issues involve anti-dumping concerns over the People's Republic of China in autumn of 2011 to autumn of 2012 and WTO's December 2012 approval of Japanese concerns over Canada's local content requirement on renewable solar and wind powered electricity equipments.⁴⁴¹

On 21 August 2012, Japan with the United States and Mexico requested consultations with Argentina's import restrictions. Consultations were held on 20 September 2012 to 21 September

⁴³⁵ The First Round of Negotiations for the Japan-Canada Economic Partnership Agreement (EPA), Ministry of Economy, Trade and Industry (Tokyo) 30 October 2012. Date of Access: 20 March 2013. http://www.meti.go.jp/english/press/2012/1030_04.html.

⁴³⁶ First Round of Negotiations on a Free Trade Agreement (FTA) among Japan China and the ROK, Ministry of Economy, Trade and Industry (Tokyo) 28 March 2013. Date of Access: 22 April 2013. http://www.meti.go.jp/english/press/2013/0328_01.html.

⁴³⁷ First Round of Negotiations on a Free Trade Agreement (FTA) among Japan China and the ROK, Ministry of Economy, Trade and Industry (Tokyo) 28 March 2013. Date of Access: 22 April 2013. http://www.meti.go.jp/english/press/2013/0328_01.html.

⁴³⁸ First Round of Negotiations on a Japan-EU Economic Partnership Agreement (EPA), Ministry of Economy, Trade and Industry (Tokyo) 19 April 2013. Date of Access: 22 April 2013. http://www.meti.go.jp/english/press/2013/0419_02.html.

⁴³⁹ First Round of EU-Japan Trade Talks a Success, Europa (Brussels) 19 April 2013. Date of Access: 22 April 2013. http://europa.eu/rapid/press-release_MEMO-13-348_en.htm.

⁴⁴⁰ First Round of EU-Japan Trade Talks a Success, Europa (Brussels) 19 April 2013. Date of Access: 22 April 2013. http://europa.eu/rapid/press-release_MEMO-13-348_en.htm.

⁴⁴¹ Release of a WTO Panel Report on certain Local Content Requirements in the Feed-in Tariff Program in Ontario, Canada, Ministry of Economy, Trade and Industry (Tokyo) 19 December 2012. Date of Access: 20 March 2013. http://www.meti.go.jp/english/press/2012/1219_01.html.

2012 with a panel later established by the WTO with support from Japan, the United States, and Europe.⁴⁴²

Given Japan's initiative in opening dialogue for trade partnerships with its East Asian neighbors and European counterparts (dialogue for integrating trade norms and regulatory coherence) as well as its numerous recommendations for the establishment of panels to resolve international trade disputes in the World Trade Organization (enforcing alignment of international trade standards), Japan scores a +1 as it is in full compliance with its trade commitments.

Analyst: Sarah Danruo Wang

Russia: +1

Russia has fully complied with its commitment to support regulatory coherence and alignment of standards to promote trade and growth.

On 21 July 2012, Russian President Vladimir Putin signed the Federal Law "On Ratification of the Protocol on the Accession of the Russian Federation to the Marrakesh Agreement Establishing the World Trade Organisation of April 15, 1994."⁴⁴³ On 22 August 2012, Russia officially became a member of the WTO, thus acceding to the set of WTO agreements under GATT and GATS.⁴⁴⁴ Upon the accession Russia made a number of commitments to open up national market in accordance with the WTO rules. Pursuant to the documents on its accession to the WTO, Russia committed to lower barriers to trade in goods and services.⁴⁴⁵ The process of bringing Russian trade policy in compliance with the WTO standards constitutes the country's effort to promote regulatory coherence and better alignment of standards in trade.

On 17 January 2013, Russian Ministry of Economic Development published a collection of OECD documents translated into the Russian language. The publication's aim was to inform relevant Russian executive agencies and academic community of the progress in negotiations on Russian accession to the OECD, of specific features of the OECD agreements and their potential implications for Russia. The publication is a part of the process of Russian accession to the OECD.⁴⁴⁶

On 17 January 2013, Russian Prime Minister Dmitry Medvedev said that the accession to the Organization for Economic Cooperation and Development (OECD) is a priority of the country's economic policy. The Prime Minister said: "After our country joined the World Trade

⁴⁴² Japan requests the establishment of a panel under the WTO Agreement regarding import restrictions by Argentina, Ministry of Economy, Trade and Industry (Tokyo) 6 December 2012. Date of Access: 20 March 2013. http://www.meti.go.jp/english/press/2012/1206_01.html.

⁴⁴³ Law on ratification of the protocol on Russia's accession to the Marrakesh agreement establishing the WTO, President of Russia 21 July 2012. Date of Access: 4 January 2013. <http://eng.kremlin.ru/news/4208>.

⁴⁴⁴ Russian Federation, World Trade Organization. Date of Access: 4 February 2013. http://www.wto.org/english/thewto_e/acc_e/a1_russie_e.htm.

⁴⁴⁵ Russia's Accession to the WTO: Major Commitments, Possible Implications, International Trade Centre 2012. Date of Access: 4 February 2013. <http://www.intracen.org/uploadedFiles/Russia%20WTO%20Accession%20English.pdf>.

⁴⁴⁶ Collection of the OECD documents, Russian Ministry of Economic Development 17 January 2013. Date of Access: 8 February 2013. http://www.economy.gov.ru/minec/activity/sections/foreigneconomicactivity/economic_organization/doc2_0130117_07.

Organization, this accession [to the OECD] is our most important priority, which we take into account when we take our domestic decisions and amend our legislation.”⁴⁴⁷

Russia has taken efforts to support regulatory coherence and alignment of standards to promote trade and growth. Thus it is awarded a score of +1.

Analyst: Andrei Sakharov

United Kingdom: -1

The United Kingdom has started efforts with its commitment to support efforts towards regulatory coherence and alignment of standards in promotion of trade and growth, but no concrete actions have been observed.

In the Statistical bulletin for UK Trade in December 2012 and published on 7 February 2013, the deficit of GBP8.9 billion on goods was partially offset by a surplus of GBP5.7 billion on services.⁴⁴⁸ The end of the year summaries showed a “leveling” of a deficit on trade in goods and services at around GBP3.2 billion in December from November’s GBP3.6 billion.⁴⁴⁹

Amidst the talks for a transatlantic U.S.-EU free trade agreement, the UK, in March 2013, strengthened its economic and business ties with the United States, particularly with Texas. Not only is the United Kingdom the top “source country” for Texas’ top three sectors — software and IT, business services, and industrial equipment — but the United Kingdom can also gain access to Californian and Mexican markets through Texas.⁴⁵⁰ British companies such as Rolls-Royce, BP, and Aveva that operate out of Houston, Dallas, and Texas and BAE Systems have agreed to supply fuselages to Lockheed Martin’s F-35 fighter jet assembly until the 2030s, providing employment for over two thousand workers in Lancashire, UK.⁴⁵¹

Within negotiations for the the U.S.-EU free trade agreement, British Ambassador to the United States Peter Westmacott advocated the UK’s stance on promoting financial services to be a central component of the trade agreement. Aiming to “smooth out regulatory differences” between U.S.-EU trade areas in agriculture, chemicals, pharmaceuticals, and automobiles, Ambassador Westmacott noted the importance of New York and London as transatlantic partners in not only “finding common ground on regulatory and market access issues” but also encouraging banks and insurers to invest across the Atlantic rather than seek other financial and trade powerhouses around the world.⁴⁵²

As the negotiations for the U.S.-EU free trade agreement formally commences in July 2013, the UK hopes to influence the conversation during the G8 Summit in Lough Erne in June 2013.

⁴⁴⁷ OECD Accession Priority For Russia — Medvedev, RIA Novosti 17 January 2013. Date of Access: 8 February 2013. <http://en.rian.ru/russia/20130117/178841052.html>.

⁴⁴⁸ UK Trade, December 2012, Office for National Statistics (Newport, South Wales) 7 February 2013. Date of Access: 12 March 2013. <http://www.ons.gov.uk/ons/rel/uktrade/uk-trade/december-2012/stb-uk-trade—december-2012.html>.

⁴⁴⁹ UK Trade, December 2012, Office for National Statistics (Newport, South Wales) 7 February 2013. Date of Access: 12 March 2013. <http://www.ons.gov.uk/ons/rel/uktrade/uk-trade/december-2012/stb-uk-trade—december-2012.html>.

⁴⁵⁰ Texas and UK build closer economic ties, BBC (London) 24 March 2013. Date of Access: 22 April 2013. <http://www.bbc.co.uk/news/business-21868888>.

⁴⁵¹ Texas and UK build closer economic ties, BBC (London) 24 March 2013. Date of Access: 22 April 2013. <http://www.bbc.co.uk/news/business-21868888>.

⁴⁵² U.S., UK want financial services as part of trade pact, Reuters UK (London) 19 April 2013. Date of Access: 22 April 2013. <http://uk.reuters.com/article/2013/04/18/uk-usa-uk-trade-financial-idUKBRE93H1BD20130418>.

Prime Minister David Cameron, in an article published in the Wall Street Journal, indicated that the five weeks prior to the G8 Summit in Lough Erne would be crucial to “tackle the really tough regulatory issues so a product approved on one side of the Atlantic can immediately enter the market on the other” and to address the importance of transparency and fair rules in a global economy that would benefit both “rich economies and developing countries alike.”⁴⁵³

Although the United Kingdom has set a foundation, it has not explicitly set any concrete policies to ensure its commitment to enforcing regulatory coherence and alignment of trade standards.

Furthermore, much of its focus is on bilateral relations with the United States. Thus, the United Kingdom is awarded a score of -1.

Analyst: Sarah Danruo Wang

United States: +1

The United States has fully complied with its commitment to support efforts towards regulatory coherence and better alignment of standards to further promote trade and growth.

Between March and July 2012, the Canada-United States Regulatory Cooperation Council (RCC), which aims to better align regulatory approaches of both nations,⁴⁵⁴ rolled out and posted the final Work Plans on the RCC’s Canadian and U.S. websites.⁴⁵⁵ The final Work Plans document regulatory cooperation activities including mutual recognition, joint standards, and collaborating on common approaches to regulations.⁴⁵⁶ This progress demonstrates the United States’ compliance with the commitment to promote a better alignment of standards with Canada.

By June 2013, the United States and the European Union are aiming to negotiate a transatlantic free trade pact.⁴⁵⁷ This echoes the sentiments made by President Barack Obama in his State of the Union address earlier in the year as he endorsed open dialogue with the European Union.

Overall, the U.S. has been successful in implementing initiatives to achieve regulatory coherence and a better alignment of standards and is given the score of +1.

Analyst: Deron Fung

European Union: +1

The European Union has fully complied with its efforts to support regulatory coherence and better alignment of standards to further promote trade and growth.

In the Management Plan published in January 2013, Director General of Trade Jean-Luc Demarty noted priorities for 2013 including: “at the multilateral level, by removing trade barriers through

⁴⁵³ David Cameron: A British-American Tax and Trade Agenda, The Wall Street Journal U.S. Edition (New York City) 12 May 2013. Date of Access: 26 May 2013. <http://online.wsj.com/article/SB10001424127887324216004578478652537662348.html>.

⁴⁵⁴ Regulatory Cooperation Council, Canada’s Economic Action Plan (Ottawa) 7 January 2013. Date of Access: 13 January 2012. <http://www.actionplan.gc.ca/en/content/regulatory-cooperation-council>.

⁴⁵⁵ 2012 Progress Report to Leaders, Regulatory Cooperation Council (Ottawa) 7 January 2013. Date of Access: 18 January 2012. http://www.whitehouse.gov/sites/default/files/docs/pco_bnet-30471-v38-rcc-progress_report_-_dec_2012_final.pdf.

⁴⁵⁶ 2012 Progress Report to Leaders, Canada’s Economic Action Plan (Ottawa) 7 January 2013. Date of Access: 13 January 2012. <http://www.actionplan.gc.ca/en/page/rcc-ccr/2012-progress-report-leaders>.

⁴⁵⁷ EU, U.S. to start free trade talks, Reuters (New York) 13 February 2013. Date of Access: 26 March 2013. <http://www.reuters.com/article/2013/02/13/us-eu-us-trade-idUSBRE91C0OC20130213>.

enforcing WTO-rules in dispute settlement” and “creating the right conditions for trade including using trade diplomacy to secure the removal of identified trade barriers.”⁴⁵⁸

The ongoing discussions on the EU-U.S. Free Trade Agreement have revealed that both parties do not want to forego health and environmental regulations for a free trade bloc.⁴⁵⁹ Furthermore, both parties aim to seek a “living agreement” to avoid the establishment of future regulatory trade barriers to promote economic integration.⁴⁶⁰

Supporting its commitment to enforce WTO-rules and decisions, on 6 May 2013, the European Union supported the WTO ruling in support of clean energy in the case of Ontario’s Energy programme.⁴⁶¹ In late 2011, both the European Union and Japan challenged Canada’s discriminatory rules against imports that were in violation of WTO rules.⁴⁶² The WTO responded on 19 December 2012, ruling against Canada with the Appellate Body ruling again against Canada on 6 May 2013.⁴⁶³

On 16 May 2013, European businesses and organizations met at the European Business Summit to discuss the development of the Transatlantic Trade and Investment Partnership (TTIP).⁴⁶⁴ TTIP is anticipated to work as “a framework that would ensure coherence of regulatory standards between the EU and the United States” and aim to resolve or mitigate “the impact of regulatory differences.”⁴⁶⁵

On 28 May 2013, European Union Trade Commissioner Karel De Gucht planned to impose tariffs of 47 per cent on imported solar panels from China indicating a concern that cheaper solar panels sold at below the cost of production would be unfair to continental producers.⁴⁶⁶ Although France and Italy support the EU’s plans to impose such a tariff, other member states including

⁴⁵⁸ Management Plan 2013, European Commission (Brussels) January 2013. Date of Access: 28 May 2013. http://trade.ec.europa.eu/doclib/docs/2013/january/tradoc_150230.pdf.

⁴⁵⁹ Barroso says U.S., EU Trade Deal Won’t Eliminate Regulation, Bloomberg (New York) 12 April 2013. Date of Access: 28 May 2013. <http://www.bloomberg.com/news/2013-04-12/barroso-says-u-s-eu-trade-talks-won-t-imperil-essential-rules.html>.

⁴⁶⁰ Barroso says U.S., EU Trade Deal Won’t Eliminate Regulation, Bloomberg (New York) 12 April 2013. Date of Access: 28 May 2013. <http://www.bloomberg.com/news/2013-04-12/barroso-says-u-s-eu-trade-talks-won-t-imperil-essential-rules.html>.

⁴⁶¹ Ontario’s Energy programme: EU welcomes WTO ruling in support of clean energy, European Commission (Brussels) 6 May 2013. Date of Access: 28 May 2013. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=895>.

⁴⁶² Ontario’s Energy programme: EU welcomes WTO ruling in support of clean energy, European Commission (Brussels) 6 May 2013. Date of Access: 28 May 2013. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=895>.

⁴⁶³ Ontario’s Energy programme: EU welcomes WTO ruling in support of clean energy, European Commission (Brussels) 6 May 2013. Date of Access: 28 May 2013. <http://trade.ec.europa.eu/doclib/press/index.cfm?id=895>.

⁴⁶⁴ Business alliance set to drive EU-US trade deal, EurActiv (Brussels) 17 May 2013. Date of Access: 28 May 2013. <http://www.euractiv.com/specialreport-eps/business-alliance-set-drive-eu-u-news-519811>.

⁴⁶⁵ Business alliance set to drive EU-US trade deal, EurActiv (Brussels) 17 May 2013. Date of Access: 28 May 2013. <http://www.euractiv.com/specialreport-eps/business-alliance-set-drive-eu-u-news-519811>.

⁴⁶⁶ EU trade chief tells China he won’t yield on solar panels, Reuters (New York) 28 May 2013. Date of Access: 28 May 2013. <http://www.reuters.com/article/2013/05/28/us-eu-trade-china-idUSBRE94R0AZ20130528>.

Germany, Britain, Sweden and the Netherlands oppose duties worrying about market retaliation; this indicates potential policy incoherence and primacy of bilateral relations.⁴⁶⁷

The European Union has worked closely with international organizations such as the WTO to enforce trade standards and with the United States to establish trade regulations. The European Union is awarded a score of +1.

Analyst: Laura Kim

⁴⁶⁷ EU trade chief tells China he won't yield on solar panels, Reuters (New York) 28 May 2013. Date of Access: 28 May 2013. <http://www.reuters.com/article/2013/05/28/us-eu-trade-china-idUSBRE94R0AZ20130528>.

5. Food and Agriculture: L'Aquila Food Security Initiative [33]

Commitment

“We commit to fulfill outstanding L'Aquila financial pledges.”

2012 Camp David Declaration

Assessment

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			
France			+1
Germany			
Italy			
Japan			
Russia			
United Kingdom			
United States			+1
European Union			+1
Average Score		+1.00	

Background

The G8 members first recognized food security as a significant issue during the 2003 Evian Summit.⁴⁶⁸ At this time, member countries were primarily concerned with famine in Africa.⁴⁶⁹ The G8 made a more concerted effort to address broader food security issues at the 2008 Hokkaido Summit. The resultant Hokkaido Statement on Food Security urged the international community to confront food security due to the recent global rise in food prices as well as a lack of sufficient food supplies in many developing nations.⁴⁷⁰

The Hokkaido Statement also set forth a variety of policies intended to improve food security, which included reforms to the Food and Agriculture Organization (FAO) and the liberalization of food commodities.⁴⁷¹ G8 members also committed USD10 billion towards food security in January 2008.⁴⁷² During the 2009 L'Aquila Summit, G8 members announced the L'Aquila Food Security Initiative (AFSI), which committed USD20 billion over three years towards emergency food aid and initiatives that support sustainable agriculture.⁴⁷³

⁴⁶⁸ G8 Conclusions on Food and Agriculture 1975-2009, G8 Information Centre (Toronto) 11 November 2009. Date of Access: 2 November 2010. <http://www.g8.utoronto.ca/references/food-agriculture.pdf>.

⁴⁶⁹ Action Against Famine, Especially in Africa: A G8 Action Plan (Evian), G8 Information Centre (Toronto) 2003. Date of Access: 6 November 2010. <http://www.commit4africa.org/declarations/1077/-/%252FDevelopment%20partnerships>.

⁴⁷⁰ G8 Leaders Statement on Global Food Security, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 2 November 2010. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html>.

⁴⁷¹ G8 Leaders Statement on Global Food Security, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 2 November 2010. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html>.

⁴⁷² G8 Leaders Statement on Global Food Security, G8 Information Centre (Toronto) 8 July 2008. Date of Access: 2 November 2012. <http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html>.

⁴⁷³ “L'Aquila” Joint Statement on Global Food Security, G8 Information Centre (Toronto) 10 July 2009. Date of Access: 2 November 2012. <http://www.g8.utoronto.ca/summit/2009laquila/2009-food.pdf>.

Commitment Features

At the 2012 G8 Camp David Summit member countries expressed their commitment to disperse the remaining AFSI funding.⁴⁷⁴ Each G8 country's commitments are listed in Table 5-1.⁴⁷⁵ Only France, the United States and the European Union have outstanding financial contributions.

Table 5-1: Pledges to Food Security Made by G8 Countries

State	Period of Pledge	Total Pledge	Outstanding Contribution
France	2009-2011	USD2.161 billion	USD44.4 million
US	Fiscal 10/2009-09/2012	USD3.5 billion	USD659.4 million
EU	2010-2012	USD3.8 billion	USD79 million

* The pledged amounts are consistent with the exchange rates of July 2010.

Scoring

-1	Member does not distribute any of the funding it pledged towards the AFSI.
0	Member distributes some of the funding it pledged towards the AFSI, but does not meet its targeted/full pledge.
+1	Member meets or surpasses the funding it pledged towards the AFSI.

Lead Analyst: Taryn McKenzie-Mohr

France: +1

France has fully complied with its commitment to provide its remaining funds in the L'Aquila Food Security Initiative pledge of USD44.4 million towards sustainable agricultural development and emergency food aid.

On 15 November 2012, the French Development Agency's Deputy Director General Didier Mercier signed three new cooperation agreements with President Christian Adovelande of the West African Development Bank (BOAD).⁴⁷⁶ A credit line of EUR75 million has been extended to BOAD to refinance ongoing projects under the Regional Initiative for Sustainable Energy (IREN) of the Economic and Monetary Union (WAEMU).⁴⁷⁷ Also, a grant of EUR500 thousand has been approved. The funds allow for hydro-agricultural and agricultural development, as well as non-agricultural development throughout various countries in West Africa.⁴⁷⁸

As of 26 May 2013, the World Food Programme's "Contributions to WFP 2013" indicates that France has donated over USD11.8 million in 2013.⁴⁷⁹

⁴⁷⁴ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

⁴⁷⁵ Camp David Accountability Report, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-cdar.html>.

⁴⁷⁶ AFD and Bank West African Development Bank Sign conclude three new cooperation agreements, Agence Française de Développement (Paris) 16 November 2012. Date of Access: 17 January 2013. <http://www.afd.fr/lang/en/home/presse-afd/communiqués?actuCtnId=88917>.

⁴⁷⁷ AFD and Bank West African Development Bank Sign conclude three new cooperation agreements, Agence Française de Développement (Paris) 16 November 2012. Date of Access: 17 January 2013. <http://www.afd.fr/lang/en/home/presse-afd/communiqués?actuCtnId=88917>.

⁴⁷⁸ AFD and Bank West African Development Bank Sign conclude three new cooperation agreements, Agence Française de Développement (Paris) 16 November 2012. Date of Access: 17 January 2013. <http://www.afd.fr/lang/en/home/presse-afd/communiqués?actuCtnId=88917>.

⁴⁷⁹ Contributions to WFP 2013, World Food Programme (Rome) 26 May 2013. Date of Access: 29 May 2013. <http://www.wfp.org/about/donors/year/2013>.

Thus, France has been awarded a score of +1 for surpassing its commitment by donating at least USD44.4 million towards increasing sustainable agricultural development and emergency food aid.

Analyst: Kriti Bhatt

United States: +1

The United States has fully complied with its commitment to provide its remaining funds in the L'Aquila Food Security Initiative pledge of USD659.4 million towards sustainable agricultural development and emergency food aid.

On 21 May 2012, the United States Agency for International Development (USAID) committed to sending USD30 million worth of emergency food relief to South Sudan through the World Food Programme (WFP). The WFP has an emergency operation in the country in response to the approximately one million people who lack access to regular food based on a shortage of cereal, high food prices, and intergroup conflict.⁴⁸⁰

On 7 June 2012, Assistant Administrator for Democracy, Conflict and Humanitarian Assistance to USAID Nancy Lindborg announced that the United States would contribute USD56 million to the WFP's humanitarian efforts in the Sahel region of West Africa. The funds will be utilized to provide in-kind food aid and distribution as well as locally produced sorghum, a popular food in many local diets.⁴⁸¹

In the second L'Aquila Food Security Initiative meeting on December 2012 in Maputo, Mozambique, the United States noted that it had not only met its original USD3.5 billion pledge but also exceeded obligations by USD200 million for a total of USD3.7 billion.⁴⁸²

As of 26 May 2013, the World Food Programme's "Contributions to WFP 2013" indicates that the United States has donated over USD521.1 million in 2013.⁴⁸³

Thus, the United States has been awarded a score of +1 for surpassing its commitment by donating at least USD659.4 million towards increasing sustainable agricultural development and emergency food aid.

Analyst: Taryn McKenzie-Mohr

European Union: +1

The European Union has fully complied with its commitment to provide its remaining funds of USD79 million in the L'Aquila Food Security Initiative pledge towards sustainable agricultural development and emergency food aid.

⁴⁸⁰ U.S. Government Donates \$30 Million To WFP's Emergency Operation in South Sudan, United States Agency for International Development (Washington, D.C.) 21 May 2012. Date of Access: 27 January 2013. <http://www.usaid.gov/news-information/press-releases/us-government-donates-30-million-wfps-emergency-operation-south>.

⁴⁸¹ U.S. Increases Emergency Assistance To The Sahel, United States Agency for International Development (Washington, D.C.) 7 June 2012. Date of Access: 27 January 2013. <http://www.usaid.gov/news-information/press-releases/us-increases-emergency-assistance-sahel>.

⁴⁸² Feed the Future Meets 2009 L'Aquila Pledge, Feed the Future The U.S. Government's Global Hunger and Food Security Initiative (Washington, D.C.) 20 December 2012. Date of Access: 29 May 2013. <http://feedthefuture.gov/article/feed-future-meets-2009-l-aquila-pledge>.

⁴⁸³ Contributions to WFP 2013, World Food Programme (Rome) 26 May 2013. Date of Access: 29 May 2013. <http://www.wfp.org/about/donors/year/2013>.

On 21 June 2012, the European Union contributed USD6.5 million towards the Benefit-Sharing Fund of the International Treaty on Plant Genetic Resources for Food and Agriculture, an operation led by the Food and Agriculture Organization (FAO) at the Rio+20 United Nations Conference on Sustainable Development.⁴⁸⁴ The fund is designed to help farmers in developing countries manage crop diversity for food security and climate change adaptation.

On 1 October 2012, the European Union donated USD1.33 million to “Aquaculture for Food Security, Poverty Alleviation and Nutrition — AFSPAN,” a three-year project managed by FAO in partnership with global alliances of 20 development agencies, governments, and universities.⁴⁸⁵ The project aims at examining aquaculture to elaborate strategies for improving food and nutrition security and poverty alleviation.

On 22 October 2012, the European Union contributed US\$7.9 million to the World Food Programme under the Aid to Uprooted People Programme funding the project “Enhancing the Resilience of Internally Displaced Persons in Central Mindanao” for a period of two years.⁴⁸⁶ This initiative will allow for small granaries as well as food-and-cash-for-work activities that will be implemented for agricultural cooperatives, farmers, and fishermen.

As of 26 May 2013, the World Food Programme’s “Contributions to WFP 2013” indicates that the European Commission has donated over USD139.9 million in 2013.⁴⁸⁷

Thus, the European Union has been awarded a score of +1 for surpassing its commitment by donating at least USD79 million towards increasing sustainable agricultural development and emergency food aid.

Analyst: Monika Kolodziej

⁴⁸⁴ €5 Million To Help Farmers Maintain Crop Diversity, Food and Agriculture Organization of the United Nations and European Union Food Facility (Rome) 21 June 2012. Date of Access: 11 January 2013. <http://www.fao.org/news/story/en/item/149683/icode/>.

⁴⁸⁵ New Global Partnership To Promote Aquaculture in Fighting Hunger, Food and Agriculture Organization of the United Nations and European Union Food Facility (Rome) 1 October 2012. Date of Access: 11 January 2013. <http://www.fao.org/news/story/en/item/159323/icode/>.

⁴⁸⁶ EU Provides PHP312 Million To Deliver Peace Dividends For Conflict-Hit People In Mindanao, World Food Programme (Rome) 22 October 2012. Date of Access: 13 January 2013. <http://www.wfp.org/news/news-release/eu-provides-php312-million-deliver-peace-dividends-conflict-hit-people-mindanao>.

⁴⁸⁷ Contributions to WFP 2013, World Food Programme (Rome) 26 May 2013. Date of Access: 29 May 2013. <http://www.wfp.org/about/donors/year/2013>.

6. Food and Agriculture: Food Security [36]

Commitment

“We commit to launch a New Alliance for Food Security and Nutrition to accelerate the flow of private capital to African agriculture.”

2012 Camp David Declaration

Assessment

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

Background

Food security has featured prominently in past G8 agenda. At the 2002 Kananaskis Summit, in cooperation with African countries, the G8 pledged USD1.4 billion in long term agriculture and food security assistance for sub-Saharan Africa,⁴⁸⁸ and called to “improve the effectiveness and efficiency of ODA for agriculture, rural development and food security.”⁴⁸⁹ Primarily to address famine in Africa, at the 2003 Evian Summit, G8 leaders also called for the development of a long-term and integrated approach to solve food security in Africa, emphasizing agriculturally-oriented development initiatives.⁴⁹⁰

Furthermore, reacting to “a steep rise in global food prices,” at the 2008 Hokkaido Summit, the G8 undertook more concerted efforts to advance food security in Africa, committing USD10 billion “to support food aid, nutrition interventions, social protection activities, and measures to increase agricultural output in affected countries.”⁴⁹¹ In light of a continued food crisis, at the 2009 L’Aquila Summit, the G8 launched its most comprehensive and coordinated initiatives to promote food security, pledging, USD20 billion over a three-year timeframe to promote

⁴⁸⁸ Implementation Report

by Africa Personal Representatives to Leaders

on the G8 Africa Action Plan, G8 Information Centre, 1 June 2003. Date of Access: 27 December 2012

<http://www.g8.utoronto.ca/summit/2003evian/apr030601.html>.

⁴⁸⁹ G8 Africa Action Plan, G8 Information Centre (Toronto), 27 June 2002. Date of Access: 27 December 2012.

<http://www.g8.utoronto.ca/summit/2002kananaskis/africaplan.html>

⁴⁹⁰ Implementation Report

by Africa Personal Representatives to Leaders

on the G8 Africa Action Plan, G8 Information Centre, 1 June 2003. Date of Access: 27 December 2012

<http://www.g8.utoronto.ca/summit/2003evian/apr030601.html>.

⁴⁹¹ G8 Leaders Statement on Global Food Security, G8 Information Centre (Toronto), 8 July 2008. Date of Access: 27 December 27, 2012.

<http://www.g8.utoronto.ca/summit/2008hokkaido/2008-food.html>.

“sustainable agriculture development, while keeping a strong commitment to ensure adequate emergency food aid assistance.”⁴⁹²

More recently, at the 2012 Camp David Summit, G8 launched, in partnership with African leaders and private sector, the *New Alliance for Food Security and Nutrition* “to achieve sustained and inclusive agricultural growth and raise 50 million people out of poverty over the next 10 years.” G8 leaders also emphasized the “critical role played by smallholder farmers, especially women, in transforming agriculture and building thriving economies.”⁴⁹³

This multi-partner commitment stipulated different roles and responsibilities for the involved actors. African leaders are expected to “improve investment opportunities.” Alternatively, the private sector committed more than USD3 billion “to increase investments”; which so far includes 45 companies from various countries. G8 states on the other hand, “will support Africa’s potential for rapid and sustained agricultural growth, and ensure accountability for the New Alliance.”⁴⁹⁴

Although the New Alliance is a continuation of L’Aquila commitments, since G8 members are expected to disburse unfulfilled financial pledges, unlike previous strategies, it focuses on the mobilization of domestic and international private capital. It also outlines several focus areas: promotion of agricultural technical and infrastructural innovation to increase food productivity; reduction and management of agricultural risks; and improvement in nutritional outcomes and child stunting.⁴⁹⁵

Commitment Features

This commitment has two dimensions. On one level it focuses on the allocation of financial aid by G8 members and mobilization of financial support from the private sector to advance food security initiatives in Africa. On another level to “achieve sustained and inclusive agricultural growth,” the New Alliance for Food Security and Nutrition also emphasizes various target-areas: promote technical or infrastructural innovation to enhance agricultural productivity, reduce and manage agricultural risks and improve nutritional outcomes.⁴⁹⁶

As such, full compliance requires that the G8 member state (1) pledges new monies towards food security in Africa while continuing to fulfill outstanding L’Aquila financial commitments. (2) New monies can come directly from the member state or clearly mobilized from the private sector. (3) Moreover, the member state has to take direct steps to address all of the following

⁴⁹² L’Aquila Joint Statement on Global Food Security: L’Aquila Food Security Initiative (AFSI), G8 Information Centre (Toronto) 9 July 2009. Date of Access: 27 December 2012.
<http://www.g8.utoronto.ca/summit/2009laquila/2009-food.html>.

⁴⁹³ Fact Sheet: G8 Action on Food Security and Nutrition, G8 Information Centre (Toronto), 18 May 2012. Date of Access: 27 December 2012.
<http://www.g8.utoronto.ca/summit/2012campdavid/g8-food-security-factsheet.html>.

⁴⁹⁴ Five Questions about the New Alliance for Food Security and Nutrition, Feed the Future, The U.S Government’s Global Hunger and Food Security Initiative (Chicago), 23 May 2012. Date of Access: 27 December 2012.
<http://feedthefuture.gov/article/five-questions-about-new-alliance-food-security-and-nutrition>.

⁴⁹⁵ Fact Sheet: G8 Action on Food Security and Nutrition, G8 Information Centre (Toronto), 18 May 2012. Date of Access: 27 December 2012.
<http://www.g8.utoronto.ca/summit/2012campdavid/g8-food-security-factsheet.html>.

⁴⁹⁶ Fact Sheet: G8 Action on Food Security and Nutrition, G8 Information Centre (Toronto), 18 May 2012. Date of Access: 27 December 2012.
<http://www.g8.utoronto.ca/summit/2012campdavid/g8-food-security-factsheet.html>.

areas: promotion of agricultural innovation, reduction and management of risks, and improvement in nutritional outcomes.

Scoring

-1	G8 member neither allocates new monies nor fulfills outstanding L'Aquila financial pledges AND addresses none or one from the following areas: promotion of agricultural innovation, reduction and management of agricultural risks, and improvement in nutritional outcome.
0	G8 member does not allocate new monies towards the promotion of food security in Africa, but continues to fulfill outstanding L'Aquila financial pledges AND takes clear steps to address some of the following areas: promotion of agricultural innovation, reduction and management of agricultural risks, and improvement in nutritional outcome.
+1	G8 member allocates new monies towards the promotion of food security in Africa and continues to fulfill outstanding L'Aquila financial pledges AND takes clear steps to address all of the following areas: promotion of agricultural innovation, reduction and management of agricultural risks, and improvement in nutritional outcome

Lead Analyst: Laura Correa Ochoa

Canada: +1

Canada has fully complied with its commitment to promote food security in Africa. It has fulfilled outstanding L'Aquila pledges and has committed new monies towards the Alliance for Food Security and Nutrition, taking concrete steps to promote private investment, innovation, and nutritional outcomes.

On April 2011, Canada became the first G8 country to meet its L'Aquila pledges, totaling CAD1.18 billion.⁴⁹⁷ At the G8 Camp David Summit in May 2012, Prime Minister Stephen Harper announced Canada will allocate CAD219 million, over three years, towards the New Alliance for Food Security and Nutrition.⁴⁹⁸ Canada will specifically contribute to: (1) assisting African farmers improve the yield and sell of their crops; (2) implementing food security initiatives in Ghana and Ethiopia; and (3) developing a new Canadian-led initiative to support nutrition research and innovative technologies.⁴⁹⁹ As part of its commitment, Canada will contribute CAD71 million to Ghana's Medium Agriculture Sector Investment Plan (METASIP). METASIP is expected to alleviate 1.3 million Ghanaians out of poverty. The G8 plans on increasing innovation for sustainable food security and poverty reduction.⁵⁰⁰ Canada has also emphasized the role of women in sustainable agricultural development in post-2015 agenda and hopes coordinate and target their approach to gender equality and economic empowerment of rural women.⁵⁰¹

⁴⁹⁷ PM announces support to increase food security and nutrition in Africa, Office of the Prime Minister (Ottawa) 18 May 2012. Date of Access: 14 January 2013.

<http://www.pm.gc.ca/eng/media.asp?category=1&featureId=6&pageId=26&id=4806>

⁴⁹⁸ Food Security and Nutrition Project in Senegal, Office of the Prime Minister (Ottawa) 11 October 2012. Date of Access: 14 January 2013.

<http://www.pm.gc.ca/eng/media.asp?id=5085>

⁴⁹⁹ PM announces support to increase food security and nutrition in Africa, Office of the Prime Minister (Ottawa) 18 May 2012. Date of Access: 14 January 2013.

<http://www.pm.gc.ca/eng/media.asp?category=1&featureId=6&pageId=26&id=4806>

⁵⁰⁰ Ghana Wins Funds From G8 To Promote Agriculture, Government of Ghana

21 May 2012. Date of Access: 14 January 2013.

<http://www.ghana.gov.gh/index.php/component/content/article/96-top-headlines/13053-ghana-wins-funds-from-g8-to-promote-agriculture>

⁵⁰¹ Statement on Agriculture and Food Security to be delivered on November 1, 2012, Permanent Mission of Canada to the United Nations (Ottawa) 05 November 2012. Date of Access: 14 January 2013.

On 13 August 2012, CIDA announced that it allocated CAD17.5 million to the World Food Programme for Productive Safety Net. This is a multi-year award for fiscal years 2012-2013 to 2015-2016.⁵⁰² CIDA is also supporting WEP food assistance programs with a CAD58 million grant for several African countries in 2012, including Chad, the Democratic Republic of Congo, the Central African Republic, and Zimbabwe. WEP will respond to rapid-onset emergencies and crises in Africa.⁵⁰³

Comparably, On 20 August 2012, the Canadian International Development Agency has contributed CAD25 thousand to the World Food Programme-Institutional Support for Emergency Food Support in Africa, 60 per cent of funds will go to multiple countries in Africa. CIDA's support to the WFP will meet the food assistance needs of vulnerable people.⁵⁰⁴ In addition, and CAD1million for Emergency Airdrops of Food Assistance in South Sudan. This is a Multi-year award for fiscal years 2012-2013 to 2013-2014.⁵⁰⁵

Furthermore, on 11 September 2012, CIDA announced a donation of CAD25 million dollars for the World Food Programme (WEP) to provide students in 12 developing countries with school meals. The countries receiving the school meals are: Chad, Cote d'Ivoire, Ethiopia, Ghana, Mali, Mozambique, Niger, Senegal, Sierra Leone, Tanzania, Nepal, and Bolivia. Canada has also contributed CAD2 million for the Burkina Faso WFP for cereals and maize, which will benefit 1.1 million people who will receive a one-month ration.⁵⁰⁶

In addition, from September 16 to 18 2012, the Canadian International Development Agency (CIDA) in conjuncture with the Liu Institute at the University of British Columbia, the Asian Development Bank, and the Asia-Pacific Economic Cooperation forum, hosted a Symposium on Food Security in Asian and the Pacific, in Vancouver, British Columbia. CIDA allocated CAD69.5 thousand towards the Symposium and African countries represented 10 per cent of event participants.⁵⁰⁷

Comparably, on September 27 2012 Canada's Minister Fantino co-hosted with Executive Director of the United Nations Children's Fund (UNICEF) Anthony Lake the Scaling Up

http://www.canadainternational.gc.ca/prmny-mponu/canada_un-canada_onu/statements-declarations/ambassadors-ambassadeurs/20121101AgriFoodSec.aspx?view=d

⁵⁰² Disclosure of Grant and Contribution Awards Over \$25,000, Canadian International Development Agency (Ottawa) 1 January 2013. Date of Access: 18 January 2013.

<http://www.acdi-cida.gc.ca/acdi-cida/contributions.nsf/Eng/792F9EA580C2644085257AC60068D9DE>

⁵⁰³ Project profile for Emergency Food Support in Africa- World Food Programme 2012, Canadian International Development Agency (Ottawa) 18 December 2012. Date of Access: 14 January 2013.

<http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vLUWebProjEn/15A2883CA0A90D88852579AB003B3BB6?>

⁵⁰⁴ Project profile for World Food Programme — Institutional Support 2012, Canadian International Development Agency (Ottawa) 25 October 2012. Date of Access: 14 January 2013.

<http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/projEn/M013768001>

⁵⁰⁵ Disclosure of Grant and Contribution Awards Over \$25,000, Canadian International Development Agency (Ottawa) 18 January 2013. Date of Access: 18 January 2013.

<http://www.acdi-cida.gc.ca/acdi-cida/contributions.nsf/Eng/C6FA6BA348BDF5F985257AC60068D9EF>

⁵⁰⁶ Back To Class Coincides With Canadian Contribution To WFP School Meals, World Food Programme 11 September 2012. Date of Access: 14 January 2013.

http://www.wfp.org/blog/blog/back-class-coincides-canadian-contribution-wfp-school-meals?utm_source=Twitter&utm_medium=Twitter_Update&utm_campaign=Canada

⁵⁰⁷ Project profile for International Symposium on "Food Security and Asia and the Pacific: Key Policy Issues and Options", Canadian International Development Agency (Ottawa) 15 October 2012. Date of Access: 14 January 2013.

<http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vLUWebProjEn/7BF3F4B43F5C03DE85257A2D0035AC20>

Nutrition event at the United Nations General Assembly. World leaders reviewed the Scaling-Up Nutrition (SUN) initiative progress and set further commitments to fight undernutrition.⁵⁰⁸

On 11 October 2012, Prime Minister Harper announced Canada will contribute CAD20 million over a period of three years (2012-2015) to Senegal's Integrated Support to Food Security and Nutrition project. CIDA will support this project in collaboration with the World Food Programme (WFP), the Food and Agriculture Organization (FAO), and the United Nations Children's Fund (UNICEF), which aims at implementing "comprehensive and effective situational responses."⁵⁰⁹

Canada has also taken steps to work closely with the private sector to promote food security. At the June 2012 G-20 Summit in Los Cabos, Prime Minister Harper declared Canada's support for the AgResults, which is an innovative initiative which seeks to improve food security in developing countries in close cooperation with the private sector.⁵¹⁰ Canada is also partnering with Teck Resources and the Micronutrient Initiative, with the aim of "reducing child mortality by scaling up the use of zinc, combined with oral rehydration salts, to treat diarrhea, and by providing zinc supplementation for children over six months old." (citation) This partnership hopes to attract other stakeholders from the private sector and civil society to increase the scope and effectiveness of the initiative.⁵¹¹

On 5 February 2013, Julian Fantino, Minister of International Cooperation, spoke at the Saskatchewan and Global Food Security Forum. He welcomed the opportunity "to explore future partnerships that will not only benefit developing countries, but also Canada." He announced that on that day Canada was "formally adopting the Food Assistance Convention." The aim of this initiative is to guarantee as stable food supplies during humanitarian crisis. Fantino also noted that "with its extraordinary agricultural bounty and world-class expertise," Canada has an important role to play in improving food security worldwide. He further called upon small and large Canadian businesses to work with agencies like the World Food Programme.⁵¹²

On 24 May 2013, Julian Fantino also took part in a "round table in Rome to discuss global food security and nutrition, and the role of private sector partnerships." He reiterated Canada's goal to collaborate with the World Food Programme to "improve the efficiency and cost-effectiveness of food assistance provided by the WFP in the Horn of Africa." Canada also expressed its support to the In-ter-na-tional Fund for Agri-cul-tural Development's (IFAD) "Adaptation for Smallholder

⁵⁰⁸ Minister Fantino champions Canada's leadership at the United Nations General Assembly, Canadian International Development Agency (Ottawa) 29 September 2012. Date of Access: 5 February 2013.

<http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-928162249-RWB>

⁵⁰⁹ Food Security and Nutrition Project in Senegal, Office of the Prime Minister (Ottawa) 11 October 2012. Date of Access: 14 January 2013.

<http://www.pm.gc.ca/eng/media.asp?id=5085>

⁵¹⁰ Food Security and Nutrition Project in Senegal, Office of the Prime Minister (Ottawa) 11 October 2012. Date of Access: 14 January 2013.

<http://www.pm.gc.ca/eng/media.asp?id=5085>

⁵¹¹ Government of Canada, Teck and Micronutrient Initiative announce partnership to implement lifesaving zinc treatment, Micrinutrient Initiative (Ottawa). Date of Access: 5 February 2013.

<http://www.micronutrient.org/english/view.asp?x=752>

⁵¹² Speaking Notes for the Honourable Julian Fantino, Minister of International Cooperation, for Saskatchewan and Global Food Security Forum, Canadian International Development Agency (Ottawa), 5 February 2013. Date of Access: 29 May 2013.

<http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/NAT-269234-JVG>

Agricultural Program,” which aims to facilitate smallholder farmers access to “financial services and markets, to helping them adapt to and mitigate the effects of climate change.”⁵¹³

Canada also announced that it will invest CAN62.5 million “to make food more secure and nutritious in developing countries through its flagship Canadian International Food Security Research Fund (CIFSRF).” The fund aims to bring together the private, public and non-governmental sector to expand research and innovation.⁵¹⁴

Furthermore, on 25 May 2013, “Africa Day,” which celebrates the 50th anniversary of the founding of the Organization of African Unity, Canada reiterated its commitment to make “health and education, food security and nutrition, and sustainable economic growth as the keys to future African prosperity.”⁵¹⁵

Canada has been awarded a score of +1, for fulfilling its L’Aquila commitments, pledging new monies for the Food Security and Nutrition Alliance, and for taking substantive steps to work with the private sector to promote innovation and improve nutrition throughout the developing world.

Analyst: Jessica Boutros

France: 0

France has partially complied with its commitment to promote food security in Africa. Although France has taken steps to advance some aspects of the New Alliance for Food Security and Nutrition, primarily agricultural innovation and reduction and management of agricultural risks, there is no substantive evidence France has taken steps to allocate new monies or promote private investment, nor disburse outstanding L’Aquila pledges.

On 16 May 2012, Michel Laurent, President of the Research Institute for Development (IRD) and Dov Zerah, Chief Executive Officer of AFD, signed a three-year-agreement to cooperate on projects in the Global South. This framework agreement seeks to promote balance and equitable partnership relations based on reciprocal commitments to enhance research, training, innovation, and public policy development in the South. By signing this agreement, the signatories expressed their willingness to adhere to an ethic of partnership that aims to address critical issues concerning food security, vulnerability and social inequality, water resources, climate change, and natural hazards.⁵¹⁶

⁵¹³ Canada Leads Global Food Security Initiatives, Canadian International Development Agency (Ottawa), 24 May 2013. Date of Access: 20 May 2013.

<http://news.gc.ca/web/article-eng.do?nid=744789>.

⁵¹⁴ New Research Call from Canadian International Food Security Research Fund to Focus on Improving Food Production and Distribution, International Development Research Centre (Ottawa), 5 April 2013. Date of Access: 20 May 2013.

http://www.idrc.ca/EN/Programs/Agriculture_and_the_Environment/Canadian_International_Food_Security_Research_Fund/Pages/NewsDetails.aspx?NewsID=533

⁵¹⁵ Africa Day, Canadian International Development Agency (Ottawa), 25 May 2013. Date of Access: 29 May 2013.

<http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/NAD-524155223-RBA>.

⁵¹⁶ IRD and AFD Sign Framework Partnership Agreement to Combine their Expertise for the Benefit of Developing Countries, French Agency of Development (Paris) 21 May 2012. Date of Access: 17 February 2013.

[.http://www.afd.fr/cache/bypass/home/presseafd/communiqués/ctnscroll_ActualitesList/6_12?requestedYe ar=tech_year_2012#.URGkoR1EGSr](http://www.afd.fr/cache/bypass/home/presseafd/communiqués/ctnscroll_ActualitesList/6_12?requestedYe ar=tech_year_2012#.URGkoR1EGSr).

On 18 September 2012, the French President François Hollande and the Food and Agriculture Organization of the United Nations (FAO) Director, General José Graziano da Silva discussed creating a strategic food security stocks to grant emergency relief in a crisis, targeting the poor countries. Mr. Graziano da Silva also commanded France's role in promoting food security internationally and its efforts as chair of the Agricultural Market Information System (AMIS), established by the G20 in 2011. At the meeting they also stressed the need to cooperate in assisting Sahel countries "to prevent further crises and to reinforce the resilience of vulnerable populations there, with a special emphasis on promoting agricultural investments and supporting the livelihoods of pastoralists."⁵¹⁷

Moreover, during the Director-General's visit to Paris, FAO and France signed a four-year accord to strengthen cooperation. Accordingly, this agreement enhances cooperation and focuses on emerging food security and agricultural issues: the need to increase the participation of international and regional organizations, the scientific community, the private sector, civil society and non-governmental organizations.⁵¹⁸

On 15 October 2012 the French Agency for Development published its 2012-2016 Strategic Orientation Plan, which outlines the French government's commitment towards sustainable development and frames Sub-Sahara Africa and the Maghreb region as geographical priorities of its foreign aid developmental policy. The Plan specifically calls to "mobilize for food security, support sustainable urban development, infrastructure and targeted actions for education and health" in Sub-Sahara Africa.⁵¹⁹

France also plans to put agricultural aid to developing countries "at the forefront of multilateral action to achieve the UN goals of halving the number of people suffering from hunger by 2015." France has identified "the development of agricultural and food products...protection of natural resources and biodiversity (especially in forestry) and agricultural research" as part of its official development assistance program. Some of the outlined themes for the 2012-2014 period include: sustainable agriculture, energy and management of fisheries and forests.⁵²⁰

Furthermore, on 16 October 2012 G20 Ministers and Food and Agriculture Organization of the United Nations (FAO) met to address food price volatility. French Agriculture Minister Stéphane Le Foll, who moderated the meeting, calling for greater coordination for the implementation of global agricultural governance in "response to the global demand for food and the fight against

⁵¹⁷ Hollande, Graziano da Silva: International Coordination Helping to Stabilize Food Prices., Food and Agriculture Organization of the United Nations (Paris/Rome) 18 September 2012. Date of Access 18: February 2013

<http://www.fao.org/news/story/en/item/156553/icode/>

⁵¹⁸ Hollande, Graziano da Silva: International Coordination Helping to Stabilize Food Prices., Food and Agriculture Organization of the United Nations (Paris/Rome) 18 September 2012. Date of Access 18: February 2013

<http://www.fao.org/news/story/en/item/156553/icode/>

⁵¹⁹ AFD adopts its 2012-2016 Strategic Orientation Plan, French Agency of Development (Paris) 15 October 2012. Date of Access: 18 February 2013.

http://www.afd.fr/cache/bypass/lang/en/home/presse-afd/communiqués/ctnscroll_ActualitesList/6_6?requestedYear=tech_year_2012

⁵²⁰ Official Development Assistance, French Ministry of Agriculture, Food and Forestry (Paris) 15 June 2012. Date of Access: 18 February 2013.

<http://agriculture.gouv.fr/aides-publiques-au-developpement,10609>

the effects of volatility.”⁵²¹ Although the issues discussed affect food security policies towards Africa, they do not specifically pertain to the Alliance for Food Security and Nutrition.

France also participated in the Second Summit for World Food Security, held in Medellin, Colombia from 22 to 23 October 2012. The French Ministry of Foreign Affairs reiterated food security is one of its priorities and expressed its support for the “the emergence of a new form of global governance the area of food security.” The objective of the event was to promote “dialogue between local, national and international organizations on food security and propose common solutions, innovative and concrete” in the areas of governance systems, land ownership and food inputs and waste management.⁵²² However, France did not make any specific commitments that specifically advance the New Alliance for Food Security and Nutrition.

Moreover, the French Ministry of Agriculture, Food and Forestry in cooperation with several French and international institutions released the report “Water and Food Security: Facing Global Change: What Challenges, What solutions?” The report aims “to raise the awareness about critical “water field”, as an issue of food security.”⁵²³ The report emphasizes the role of innovation, calling “not only in technology and agronomics but also in terms of models of economic and ecological development supported by strategies, policies, institutions, organisations and processes.” According to the paper, water and food security also entails engaging “men and women, companies and rural communities to be enterprising, innovative and committed both individually and collectively in efforts to progress towards “sustainable agriculture”.”⁵²⁴ The report however, does not make direct commitments to the New Alliance for Food Security and Nutrition.

In a communiqué titled Every Geography, Goals, Priorities, Partners and Specific Tools, released on 2 May 2013, the French Agency of Development (AFD) outlined the advances made through France’s foreign assistance in the 2012 period. The report reiterated sub-Saharan Africa as one of France’s priorities, specifically in the field of agricultural and infrastructural development. It also emphasized the growing role of the private sector in France’s development related country interventions.⁵²⁵ Despite these advances, the report did not specify France’s contribution to the New Alliance for Food Security.

France has thus received a score of 0 for promoting agricultural innovation and reduction and management of agricultural risks in Africa. However, there is no evidence France made new financial commitments for the New Alliance nor disbursed outstanding L’Aquila pledges.

Analyst: Kasra Behnampour

⁵²¹ FAO Calls for Strengthened Food Security Governance, Food and Agriculture Organization of the United Nations (Rome) 16 October 2012. Date of Access: 18 February 2013.

<http://www.fao.org/news/story/en/item/162391/icode/>

⁵²² Second World Summit of Food Security (Medellin, 22 et 23 October 2012), French Ministry of Foreign Affairs (Paris) 24 October 2012. Date of Access: 18 February 2013.

<http://www.diplomatie.gouv.fr/fr/politique-etrangere-de-la-france/securite-alimentaire-mondiale-et-evenements-20567/2012-21568/article/deuxieme-sommet-des-regions-du>

⁵²³ Water and Food Security in a Changing World: Challenges and Solutions, French Ministry of Agriculture, Food and Forestry (Paris) 6 February 2013. Date of Access: 18 February 2013.

<http://agriculture.gouv.fr/L-eau-et-la-securite-alimentaire>

⁵²⁴ Water and Food Security Facing Global Change: What Challenges, What Solutions ?, French Ministry of Agriculture, Food and Forestry (Paris) August 2012. Date of Access: 18 February 2013.

http://agriculture.gouv.fr/IMG/pdf/Eau_et_securite_alimentaire_VA_31-07-2012_cle0e121e.pdf

⁵²⁵ Every Geography, Goals, Priorities, Partners and Specific Tools, French Agency of Development (Paris), 2 May 2013. Date of Access: 29 May 2013.

http://www.afd.fr/home/presse-afd/communiques?requestedYear=tech_year_2013

Germany: +1

Germany has fully complied with its commitment to promote food security in Africa. It has fulfilled outstanding L'Aquila financial pledges and has allocated new monies towards the New Alliance for Food Security and Nutrition in cooperation with the private sector, taking steps to promote innovation, the management of agricultural risks and the improvement of nutritional outcomes.

Germany provided EUR700 million in 2012 for food security through the Federal Ministry of Economic Cooperation and Development (BMZ).⁵²⁶ This amount included funding for agriculture and rural development and its part of the larger commitment made in L'Aquila. These efforts are focused on increasing yields and enhancing the value chain in rural areas. The Minister of Economic Cooperation and Development, Dirk Niebel has also assured that Germany will fulfill commitments made towards food security and rural development made at L'Aquila summit, totaling EUR2.1 billion.⁵²⁷ Niebel has also stressed that food security is a “multi-sector task,” involving not just food security, but also water and energy, to ensure sustainable agricultural practices in any food security strategy.⁵²⁸

In addition, the German Federal government has encouraged the mobilization of private capital to promote “promote development, reduce poverty and provide human dignity.”⁵²⁹ In an effort to integrate trade policies and development strategies, Niebel reiterated the importance of encouraging and facilitating new investments from German companies in developing countries, especially throughout Africa.⁵³⁰ In the context of the New Alliance for Food Security and Nutrition, a new initiative was launched on 6 June 6, 2012 between German Businesses and the German Development Ministry. The goal of the German Initiative for Agribusiness and Food Security in Emerging and Developing Countries (GIAF), as it is called, is to combat hunger and

⁵²⁶ Kofi Annan takes part in food security forum — BMZ provides 700 million euros a year for food security, Federal Ministry for Economic Cooperation and Development (Berlin) 12 November 2012. Date of Access: 15 January 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2012/December/20121211_pm_302_ernaehrung/index.html

⁵²⁷ Dirk Niebel: “Germany will meet L'Aquila G8 food security commitments”, Federal Ministry for Economic Cooperation and Development (Berlin) 18 May 2012. Date of Access: 27 January 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2012/May/20120518_pm_121_g8/index.html

⁵²⁸ Dirk Niebel notes that food security is a multi-sector task, Federal Ministry for Economic Cooperation and Development (Berlin) 26 June 2012. Date of Access: 16 January 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2012/June/20120626_pm_162_ernaehrungssicherung/index.html

⁵²⁹ Dirk Niebel says at World Bank meeting: “Private sector has crucial role in reducing poverty”, Federal Ministry for Economic Cooperation and Development (Tokyo). 13 October 2012. Date of Access: 26 January 2013

http://www.bmz.de/en/press/aktuelleMeldungen/2012/October/20121013_pm_245_privatsektor/index.html

⁵³⁰ More German companies to do business in Africa — Development Minister Dirk Niebel in talks with German-African Business Association, Federal Ministry for Economic Cooperation and Development (Berlin) 3 September 2012. Date of Access: 27 January 2013

http://www.bmz.de/en/press/aktuelleMeldungen/2012/September/20120903_pm_206_unternehmen/index.html

poverty in rural areas.⁵³¹ The GIAF initiative is active in Africa and Southeast Asia where it aims to improve the rice sector and rice-based nutrition.⁵³²

Moreover, on 19 November, 2012, State Secretary in the Federal Ministry for Economic Cooperation and Development, Hans-Jürgen Beerfeltz, State Secretary in the Federal Ministry for Economic Cooperation and Development, hosted a public event that discussed the role of small farmers in global security. The event was part of BoP sector dialogues, which are intended to promote “dialogue on inclusive business models.”⁵³³ The guide, “Growing Business with Smallholders,” was also launched at the event, offering “company representatives with practical guidance on how to develop successful business with smallholders” and increase agricultural productivity.⁵³⁴

On 1 January 2013, the German Federal Ministry for Economic Cooperation and Development also released the “Ten-point Programme for Rural Development and Food Security” which puts forth Germany’s agenda to tackle global hunger. Amongst these are: (1) a commitment to eliminate EU agricultural export subsidies; (4) the education and empowering of women; (5) facilitate access to markets, financial services and training; (6) and support fair and secure access to land.⁵³⁵

In conjunction with International Green Week in Berlin the German Government also participated in the Global Forum for Food and Agriculture on 10 June 2013. The event brought together members of the public, private and non-governmental sector “to discuss ways of investing sustainably in food security and rural development.” This year’s theme was “responsible investment.”⁵³⁶

On 30 April 2013 the German Development Minister Dirk Niebel will visit the three most important UN specialized agencies for rural development and food security in Rome. In conjuncture with IFAD’s President Kanayo F. Nwanz agreed to “sign a declaration of intent for the imple-men-ta-tion of a strategic partner-ship be-tween the BMZ and IFAD. This collaboration “will specifically promote the access of small farmers to markets for ag-ri-cul-tur-al products by

⁵³¹ German businesses and German Development Ministry jointly launch initiative to combat hunger and poverty in rural areas, Federal Ministry for Economic Cooperation and Development(Berlin) 6 June 2012. Date of Access: 26 January 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2012/June/20120606_pm_138_diae/index.html

⁵³² German initiative for food security is gaining momentum: strategic projects in Asia and Africa currently being planned, Federal Ministry for Economic Cooperation and Development (Berlin). 15 November 2012. Date of Access: 27 January 2013.

<http://www.research-in-germany.de/114792/2012-11-15-german-initiative-for-food-security-is-gaining-momentum-strategic-projects-in-asia-and-africa-currently-being-planned-,sourcePageId=12366.html>.

⁵³³ Beerfeltz: “We need small farmers in the fight against global hunger!”, Federal Ministry for Economic Cooperation and Development (Berlin) 19 November 2012. Date of Access: 5 February 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2012/November/20121119_pm_275_ernaehrung/index.html

⁵³⁴ Growing Business with Smallholders, a Guide to Inclusive Agribusiness, Agribusiness with Smallholders (Berlin). Date of Access: 5 February 2013.

<http://www.agribusiness-with-smallholders.net>

⁵³⁵ Ten-point Programme for Rural Development and Food Security, Federal Ministry of Economic Cooperation (Berlin), 1 January 2013. Date of Access: 29 May 2013.

http://www.bmz.de/en/zentrales_downloadarchiv/themen_und_schwerpunkte/laendliche_entwicklung/Ten-point_Programme_for_Rural_Development.pdf.

⁵³⁶ Focus on Food Security: BMZ at Green Week, Federal Ministry of Economic Cooperation (Berlin), 19 January 2013. Date of Access: 29 May 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2013/januar/20130119_pm_08_gruene_woche/index.html

de-vel-op-ing value chains, so that small farmers can produce more, in a sus-tain-able way, and increase their in-comes.” According to Dirk Niebel in order to overcome poverty and hunger “developing coun-tries [need] to have a bigger share in agricultural value creation.” He also remarked that Germany had pledged an additional EU14 million to the World Food Programme.⁵³⁷

Moreover, at the in-ter-na-tional Darfur Conference in Doha, Qata, on 8 May 2013, the German Government pledged EU16 million to develop projects in Darfur, which will focus on “on water management, sanitation and food security.”⁵³⁸

The German Federal Ministry of Education and Research is providing EU7.5 million over a period of five year to help fund the UrbanFoodPlus initiative. The project brings together “German agricultural scientists, economists, ethnologists and geographers are working together to boost the productivity of urban farming in Africa.”⁵³⁹ These efforts mark an important attempt to research and improve urban food production.

Furthermore, Germany has made food security the core goal of its Development Policy Strategy. “The key element is sustainably increasing productivity and pro-poor income in agriculture.” It specifically calls to use innovative cultivation strategies to “increase yields, the diversification of production, reduction of post-harvest losses and improving access to markets.” Additionally, according to this report, “realising the human right to food” involves cooperation between private and public sectors and civil society; “responsible energy crop cultivation”; ending processes of land grabbing; the promotion of gender equality and integration of marginalized groups; “prioritizing smallholder farm development”; and embedding agricultural development “within a comprehensive rural strategy.”⁵⁴⁰

Germany is thus awarded a score +1 for taking steps to meet its L’Aquila pledges and promoting private investment to fulfill the New Alliance for Food Security and Nutrition in Africa, promoting agricultural innovation and of nutritional improvements.

Analyst: Kevin Parra Duque

Italy: -1

Italy has not complied with its commitment to advance food security in Africa. There is no evidence Italy continues to fulfill outstanding L’Aquila pledges and has not taken substantive steps to either allocate new monies nor promote private investment, as stipulated by the New Alliance for Food Security and Nutrition.

⁵³⁷ Dirk Niebel Visits UN Organisations in Rome, Federal Ministry of Economic Cooperation (Berlin), 30 April 2013. Date of Access: 29 May 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2013/april/130430_pm_86_Dirk-Niebel-visits-UN-organisations-in-Rome/index.html.

⁵³⁸ Federal Government Pledges 16 Million Euros at Darfur Conference,

Federal Ministry of Economic Cooperation (Berlin), 8 April 2013. Date of Access” 29 May 2013.

http://www.bmz.de/en/press/aktuelleMeldungen/2013/april/130408_pm_61_Federal-Government-pledges-16-million-euros-at-Darfur-Conference/index.html.

⁵³⁹ German Academics Unite to Deliver Urban Food Security in Africa, Wired (London), 8 May 2013. Date of Access: 29 May 2013.

<http://www.wired.co.uk/news/archive/2013-05/8/urban-agriculture>.

⁵⁴⁰ Promoting Sustainable Agriculture,

Development Policy Strategy Federal Ministry of Economic Cooperation (Berlin), March 2013. Date of Access: 29 May 2013.

http://www.bmz.de/en/publications/type_of_publication/strategies/Strategiepapier332_03_2013.pdf.

Italy took steps to “improve food security and nutritional quality” in Egypt. Italian Ambassador, Claudio Pacifico, signed a food security agreement on “Improving Household and Nutrition Security” with the Egyptian Agricultural Minister for Agriculture, Mohamed Reda Ismail, and the United Nations Food and Agricultural Organisation Representative, Moujahed Achouri. The agreement is worth around US\$3 million dollars (please put this in currency format and numbers under ten are written) and is part of Italy’s development partnership with Egypt, established since May 2010.⁵⁴¹ As such the allocation of these funds do not constitutes new financial commitments towards the New Alliance.

On 23 August 2012, Italian ambassador in Cairo, Claudio Pacifico, reported that Italy will deliver the second installment of food aid for approximately 600,000 inhabitants of the Beni Suef governorate, totaling US\$2.6 million. This donation is part of “long-term collaboration between the Italian government and the UN World Food Programme (WFP)”. Italian aid for 2012, amounted to over US\$170 million, primarily in “the sectors of nutrition and food security.”⁵⁴² However, it is not clear this efforts are specifically directed at meeting unmet L’Aquila pledges.

Furthermore, from 15-20 October 2012, Italy hosted the 39th Session of the Committee on World Food Security (CFS). The CFS called for the establishment of “principles for responsible agricultural investment” and “to promote investments in agriculture that contribute to food security and nutrition.”⁵⁴³ The CFS also called for the implementation of the Global Strategic Framework for Food Security and Nutrition (GSF), which seeks to “provide an overarching framework and a single reference document with practical guidance on core recommendations for food security and nutrition strategies.”⁵⁴⁴

On 16 October 2012 on World Food Day, at the “Nourish the Earth. Cultivate the Future” conference organized by Italy, Foreign Minister Giulio Terzi declared that food security is an “an Italian foreign policy priority.”⁵⁴⁵ Opening the conference a day before, Foreign Ministry Secretary General Michele Valensis, maintained, that an increase in productive food and agricultural investments, “the use of adequate technologies in African countries” and “proper nutrition” were key to the alleviation of hunger. (citation) He further announced that Italy will lead these efforts and find concrete solutions ahead of the 2015 Expo.⁵⁴⁶ At the conference a new

⁵⁴¹Cooperation: Egypt — Food Security for the Most Vulnerable, Italian Ministry of Foreign Affairs (Rome) 29 May 2012. Date of Access: 5 February 2013.
http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/05/20120529_egproglim.htm?LANG=EN

⁵⁴² Cairo: Italy Sends Food Aid to Egypt, Italian Ministry of Foreign Affairs (Rome) 23 August 2012. Date of Access: 5 February 2013.
http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/08/20120823_IlCairo.htm

⁵⁴³ Responsible Agricultural Investment: The Way Forward, Food and Agriculture Organization of the United Nations (Rome) 20 October 2012. Date of Access: 5 February 2013.
<http://www.fao.org/docrep/meeting/026/me550E.pdf>

⁵⁴⁴ Global Strategic Framework for Food Security and Nutrition (First Version), Food and Agriculture Organization of the United Nations (Rome) 20 October 2012. Date of Access: 5 February 2013.
http://www.fao.org/fileadmin/user_upload/bodies/CFS_sessions/39th_Session/39emerg/ME498E_CFS_2012_39_5_Add_1_Rev_1.pdf

⁵⁴⁵ World Food Day: Food Security is a Priority for Italy, Says Terzi, Italian Ministry of Foreign Affairs (Rome) 16 October 2012. Date of Access” 5 February 2013.
http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/10/20121016_GMA.htm?LANG=EN

⁵⁴⁶ World Food Day: Valensise Comments on Italy’s Role in the Governance of World Food Security, Italian Ministry of Foreign Affairs (Rome) 15 October 2012. Date of Access” 5 February 2013.

initiative to combat world hunger was launched called “Growth,” which aims to collect funds “via text message for the communities of the Mwingi district of Kenya suffering from drought.”⁵⁴⁷

Moreover, on 16 October 2012 the Italian Embassy in Washington hosted a round table to discuss “challenges posed by demographic pressures on sustainability,” which would be a central theme at the Expo Milano 2015, as Ambassador Claudio Bisognero noted.⁵⁴⁸

Italy has taken some steps to promote private investment in Africa, however these efforts are not directly connected with the the New Alliance. At a meeting entitled “Italy-Uganda: Partners in Business,” the Italian government promoted investment in Uganda, “in the fields of infrastructure, energy, agri-food industry and Oil & Gas.”⁵⁴⁹

Moreover, in response to the refugee and food crisis in Mali, on 23 January 2013 the Italian government reported Italy was providing “logistic support and trainers.” However, this does not fall under the parameters set out by the New Alliance, since the main focus is Italy’s continued commitment to fight terrorism and to ensure the stability of the Sahel region.⁵⁵⁰

Additionally, in a speech dedicated to Africa Day, 29 May 2013, Minister of Foreign Affairs Emma Bonino reiterated that cooperation with Africa is one of Italy’s priorities. She specifically emphasized the key role that Italian business have to play.⁵⁵¹ However, Italy did not make explicit commitments towards the New Alliance.

Although Italy has made public pronouncements to advance food security in Africa and has allocated some funds, it has received a score of -1 since it has failed to disburse outstanding L’Aquila financial pledges and there is no evidence it has allocated new monies towards the New Alliance to promote agricultural innovation, reduction and management of agricultural risks, and improvement in nutritional outcome.

Analyst: Laura Correa Ochoa

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/10/20121015_Giornat_a_mondiale_alimentazione.htm?LANG=EN.

⁵⁴⁷ World Food Day: Foreign Ministry Committed to Fighting Hunger, Italian Ministry of Foreign Affairs (Rome) 12 October 2012. Date of Access” 5 February 2013.

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/10/20121012_Alimentazione.htm?LANG=EN

⁵⁴⁸ Growth and food: Round Table in Washington, Italian Ministry of Foreign Affairs (Rome) 16 October 2012. Date of Access” 5 February 2013.

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/10/20121016_Washington.htm?LANG=EN.

⁵⁴⁹ Uganda: Italian companies to explore potential of the country, Italian Ministry of Foreign Affairs (Rome) 10 December 2012. Date of Access: 5 February 2013.

http://www.esteri.it/MAE/IT/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/12/20121210_Uganda.htm?LANG=IT.

⁵⁵⁰ MALI — EU: food crisis. Italy to supply logistic support and trainers, Italian Ministry of Foreign Affairs (Rome) 25 January 2013. Date of Access: 5 February 2013.

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2013/01/20130125_mali_crisi_alimentare.htm?LANG=EN.

⁵⁵¹ Minister Bonino’s speech for the Africa Day celebrations, Italian Ministry of Foreign Affairs (Rome), 29 May 2013. Date of Access: 29 May 2013.

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Interventi/2013/05/20130529_intervento_ministro_bonino.htm

Japan: 0

Japan has partially complied with its commitment to improve food security in Africa. Although it has taken steps to meet outstanding L'Aquila financial pledges, it is not clear it has committed new monies directed towards the New Initiative for Food Security and Nutrition. Its efforts have also primarily focused on nutritional outcomes, and not on promoting innovation or reducing agricultural risks.

On 29 May 2012, Japan donated USD6.5 million to the World Food Programme (WFP) to help fight hunger in Kenya.⁵⁵² The donation was aimed at supporting WFP initiatives across the country, such as school meals, drought recovery, and refugee programs.⁵⁵³ Speaking on the aid Japanese Ambassador to Kenya, Toshihisa Takata stated, "Japan is pleased to be able to help people in need of food assistance and will continue to support activities that improve food security."⁵⁵⁴

Furthermore, on 31 May 2012, the Japan International Cooperation Agency (JICA) signed a memorandum of understanding with United States Aid and Ajinomoto Co on improving child nutrition in Ghana.⁵⁵⁵ Ajinomoto will produce "Koko Plus," a nutritional supplement meant to improve the nutritional intake of Ghanaian children.⁵⁵⁶ Through the memorandum, JICA agreed to provide assistance to develop a business plan for this supplement within Ghana through the Preparatory Survey for Base of the Pyramid Business Promotion.⁵⁵⁷

On 18 July 2012, JICA signed a memorandum of understanding with the WFP on assistance for a drought relief project on the outskirts of Gode in Somali Region.⁵⁵⁸ The signing of the memorandum will allow the WFP to provide support for the implementation of JICA projects in the region, such as supplying water trucks for emergency water supply.⁵⁵⁹

⁵⁵² Japan Donates US\$6.5 Million To WFP To Fight Hunger in Kenya, World Food Programme (Rome) 29 May 2012. Date of Access: 16 January 2012.

<http://www.wfp.org/news/news-release/japan-donates-us65-million-wfp-fight-hunger-kenya>

⁵⁵³ Japan Donates US\$6.5 Million To WFP To Fight Hunger in Kenya, World Food Programme (Rome) 29 May 2012. Date of Access: 16 January 2012.

<http://www.wfp.org/news/news-release/japan-donates-us65-million-wfp-fight-hunger-kenya>

⁵⁵⁴ Japan Donates US\$6.5 Million To WFP To Fight Hunger in Kenya, World Food Programme (Rome) 29 May 2012. Date of Access: 16 January 2012.

<http://www.wfp.org/news/news-release/japan-donates-us65-million-wfp-fight-hunger-kenya>

⁵⁵⁵ USAID, JICA and Ajinomoto Signed Memorandum of Understanding on Weaning Child Nutrition Improvement in Ghana, Japanese International Cooperation Agency (Tokyo) 31 May 2012. Date of Access: 16 January 2012.

http://www.jica.go.jp/english/news/press/2012/120531_01.html

⁵⁵⁶ USAID, JICA and Ajinomoto Signed Memorandum of Understanding on Weaning Child Nutrition Improvement in Ghana, Japanese International Cooperation Agency (Tokyo) 31 May 2012. Date of Access: 16 January 2012.

http://www.jica.go.jp/english/news/press/2012/120531_01.html

⁵⁵⁷ USAID, JICA and Ajinomoto Signed Memorandum of Understanding on Weaning Child Nutrition Improvement in Ghana, Japanese International Cooperation Agency (Tokyo) 31 May 2012. Date of Access: 16 January 2012.

http://www.jica.go.jp/english/news/press/2012/120531_01.html

⁵⁵⁸ Memorandum Signed with the World Food Programme, Japan International Cooperation Agency (Tokyo) 19 July 2012. Date of Access: 15 January 2013.

http://www.jica.go.jp/english/news/press/2012/120719_02.html

⁵⁵⁹ Memorandum Signed with the World Food Programme, Japan International Cooperation Agency (Tokyo) 19 July 2012. Date of Access: 15 January 2013.

http://www.jica.go.jp/english/news/press/2012/120719_02.html

On 4 December 2012, Japan signed a JPY250 million food assistance agreement with the WFP to aid the people of the Republic of South Sudan.⁵⁶⁰ The aid will be used to purchase food needed for WFP programs in South Sudan, where the agency is attending to the needs of various “food insecure” people across the country.⁵⁶¹

On 14 December 2012, Japan signed a JPY690 million food aid agreement with Liberia.⁵⁶² The agreement is aimed at boosting food security through the production of rice in the country’s 15 counties.⁵⁶³ Japanese Ambassador to Liberia, Naoto Nikai stressed food security as being vital to Liberia’s recovery, and added that addressing this issue will help to make rice more available and affordable in Liberia.⁵⁶⁴

On 25 December 2012, Japan signed JPY490 million agreement with Ethiopia, aimed at funding food security programs for underprivileged farmers.⁵⁶⁵ Speaking on the grant, Japanese ambassador to Ethiopia, Hiroyuki Kishino stated that the aid was part of its support for the Growth and Transformation Plan, which has set a projected average annual growth rate for agriculture of about 8.6% for five years from 2010-2011.⁵⁶⁶

On 7 March 2013, Japan pledged US\$5.6 million for a drought relief program in Zimbabwe. Over 1.4 million people are expected to benefit.⁵⁶⁷ Likewise, on 15 April 2013 Japan donated US\$25 million to support the activities of the World Food Programme (WFP) in Yemen, which will benefit over one million people. The funds will be used to buy 29,000 tons of food supplies.⁵⁶⁸ Additionally, on 25 April 2013 Japan also contributed over US\$2.3 million to the WFP to “help

⁵⁶⁰ Japan Contributes Over \$3 Million In Food Assistance For Vulnerable People In South Sudan, United Nations World Food Programme (Rome) 14 December 2012. Date of Access: 15 January 2012. <http://www.wfp.org/stories/japan-contributes-over-3-million-food-assistance-vulnerable-people-south-sudan>

⁵⁶¹ Japan Contributes Over \$3 Million In Food Assistance For Vulnerable People In South Sudan, United Nations World Food Programme (Rome) 14 December 2012. Date of Access: 15 January 2012. <http://www.wfp.org/stories/japan-contributes-over-3-million-food-assistance-vulnerable-people-south-sudan>

⁵⁶² Liberia: U.S.\$8.5 Million Agreement Signed, AllAfrica (Monrovia) 14 December 2012. Date of Access: 15 January 2013. <http://allafrica.com/stories/201212141013.html>

⁵⁶³ Liberia: U.S.\$8.5 Million Agreement Signed, AllAfrica (Monrovia) 14 December 2012. Date of Access: 15 January 2013. <http://allafrica.com/stories/201212141013.html>

⁵⁶⁴ Liberian, Japanese Governments Sign US\$33.5 Million Food Aid, Energy Agreements, Ministry of Foreign Affairs (Monrovia) 14 December 2012. Date of Access: 15 January 2013. http://www.mofa.gov.lr/press.php?news_id=742

⁵⁶⁵ Japan Extends 105 Million Birr for Underprivileged Farmers, Embassy of Japan in Ethiopia (Addis Ababa) 25 December 2012. Date of Access: 16 January 2013. http://www.et.emb-japan.go.jp/art_eco88.html

⁵⁶⁶ Japan Extends 105 Million Birr for Underprivileged Farmers, Embassy of Japan in Ethiopia (Addis Ababa) 25 December 2012. Date of Access: 16 January 2013. http://www.et.emb-japan.go.jp/art_eco88.html

⁵⁶⁷ Japan Unveils US\$5.6 Million In Support Of Drought Relief Programme In Zimbabwe, World Food Programme (Rome), 7 March 2013. Date of Access: 29 May 2013. <http://www.wfp.org/news/news-release/japan-unveils-us56-million-support-drought-relief-programme-zimbabwe>

⁵⁶⁸ Japan Donates US\$25 Million To Support WFP In Yemen, Enough To Feed More Than One Million, World Food Programme (Rome), 15 April 2013. Date of Access: 29 May 2013. <http://www.wfp.org/news/news-release/japan-donates-us25-million-support-wfp-yemen-enough-feed-more-one-million>

protect vulnerable people in Lesotho from hunger.” The money is estimated will benefit 125,000 “of the most needy” through the Cash Assets programme, “which addresses land and soil degradation and also enables recipients to buy their own food from the local market, thus stimulating the local economy.”⁵⁶⁹ Nevertheless, both of these contribution are more in tune with humanitarian relief efforts than with the long-term objectives of the New Alliance for Food Security.

The Japanese International Cooperation Agency (JICA) is also supporting Smallholder Horticulture Empowerment project (SHEP) in Ethiopia, which helps farmers have access to market and agricultural information. “ About 2,500 farmers were encouraged to do market surveys and their own, decide which produce to grow based on the surveys, and make plans for planting, harvesting and other activities all by themselves.” The aim of the initiative is to shift from a mindset of “grow and sell” to “grow to sell.” In light of its success, the Ministry of Agriculture in Kenya plans to make SHEP available to about 20,000 farmers in five years. JICA also plans to expand this strategy to ten other African countries.⁵⁷⁰

Thus, Japan has been awarded a score of 0 for continuing to fulfill outstanding L’Aquila financial pledges and making efforts to improve nutritional outcome.

Analyst: Khalid Mahdi

Russia: 0

Russia has partially complied with its commitment on food and agriculture.

Russia has taken actions to promote food security in Africa.

On 27 July 2012,⁵⁷¹ Russia made a contribution of wheat flour worth USD2 million to the UN World Food Programme (WFP) to provide assistance to vulnerable people in Kenya, including the drought-affected poor and refugees.⁵⁷² This initiative addressed nutritional outcomes in the country.

On 17 October 2012, director of the International Organizations Department of the Russian Ministry of Foreign Affairs Vladimir Sergeev announced to the UN General Assembly that Russia wrote off USD20 billion of African debts and donated USD50 million to the World Bank trust fund to help poorest countries of the continent.⁵⁷³ Mr. Sergeev also mentioned that Russia concluded agreements with Zambia and Tanzania, which involve funding projects in agriculture,

⁵⁶⁹ Japan Donation Helps Boost Food Security in Lesotho, World Food Programme (Rome),25 April 2013.

Date of Access: 29 May 2013.

<http://www.wfp.org/news/news-release/japan-donation-helps-boost-food-security-lesotho-0>

⁵⁷⁰ Shifting from “Grow And Sell” to “Grow To Sell”, Japan International Cooperation Agency (Tokyo), 22 May 2013. Date of Access: 29 May 2013.

http://www.jica.go.jp/english/news/field/2013/130522_01.html.

⁵⁷¹ On Russian Food Aid Delivery to Republic of Kenya, Russian Ministry of Foreign Affairs 31 July 2012. Date of Access: 11 February 2013.

http://www.mid.ru/bdomb/brp_4.nsf/fa711a859c4b939643256999005bcbbc/10a9d0b154cd7ef044257a4c0057ab21!OpenDocument.

⁵⁷² Russian Contribution Of Wheat Flour Worth US\$2 Million To Help WFP Fight Hunger In Kenya, World Food Programme (Rome) 30 July 2012. Date of Access: 30 January 2013.

<http://www.wfp.org/news/news-release/russian-contribution-wheat-flour-worth-us2million-help-wfp-fight-hunger-kenya>.

⁵⁷³ Russia writes off USD20 billion of African debts, UN News Center (New York) 17 October 2012. Date of Access: 30 January 2012. <http://www.un.org/russian/news/story.asp?newsID=18470#.UQo6Ph1g9lc>.

education and medicine out of the written off sum of the debt.⁵⁷⁴ As no information on the details of these projects has been found, they can not be attributed to any of the areas specified in the guidelines.

On 4 September 2012, the official ceremony of handing over of Russian food assistance to the Government of Djibouti took place in the country's capital. Djibouti received 840 metric tons of food. This amount would provide monthly food supply to 23 thousand people, which is approximately 20 percent of the country's citizens affected by a major drought in the African Horn region. The food was procured by means of Russian contribution to the WFP, which amounted to USD1 million.⁵⁷⁵ This action addressed nutritional outcomes in the country.

On 22 November 2012, the Government of Russian Federation issued a decree allocating USD15 million over the years 2012-2014 (USD3 million in 2012, USD6 million in 2013, and USD6 million in 2014) towards creating sustainable school meals systems in Deauville Partnership countries,⁵⁷⁶ thus addressing nutritional outcomes.

Russia has taken actions to promote food security in Africa, addressing only nutritional outcomes. Thus, it gets a score of 0.

Analyst: Andrei Sakharov

United Kingdom: +1

The UK has fully complied with its commitment towards food security in Africa, via the New Alliance. It continues to fulfill outstanding L'Aquila pledges (UK has fulfilled all pledges) and allocating new monies towards the promotion of food security in Africa, promoting agricultural innovation, reduction and management of agricultural risks, and improvement in nutritional outcome.

The UK has disbursed all of their L'Aquila financial pledges,⁵⁷⁷ but also allocated funds to provide aid to the Sahel region of West Africa. The aid has the ability to help livestock support through the assistance of the International Committee of the Red Cross.⁵⁷⁸

The UK's "first contribution to the New Alliance for Food and Nutrition Security will include its first ever support to the World Bank's Global Agriculture and Food Security Programme (GAFSP) fund, helping it to expand agricultural investment in low-income countries." In 2015, the UK's African Free Trade Initiative is expected to cut border-crossing times between Eastern

⁵⁷⁴ Russia slashes African debt and increases aid, Russia Today 17 October 2012. Date of Access: 30 January 2013. <http://rt.com/business/news/russia-africa-debt-writeoff-705/>.

⁵⁷⁵ Press release on Russian food aid to Djibouti, Russian Ministry of Foreign Affairs (Moscow) 10 September 2012. Date of Access: 11 February 2013. http://www.mid.ru/brp_4.nsf/newline/A5D2340EDB4B003844257A750056A22F.

⁵⁷⁶ Decree on Russia's voluntary target contribution to the World Food Programme fund towards financing expenditures, related to project on the development and implementation of sustainable school meals systems in Deauville Partnership countries, Government of the Russian Federation (Moscow) 22 November 2012. Date of Access: 11 February 2013. <http://www.government.ru/gov/results/21596/>.

⁵⁷⁷ Camp David Accountability Report, U.S Department of State (Washington) 8 May 2012. Date of Access: 14 January 2013. <http://www.state.gov/documents/organization/189889.pdf>

⁵⁷⁸ West Africa: Food aid for a half million people in Sahel, Department for International Development (London) 20 December 2012. Date of Access: 22 January 2013. <http://www.dfid.gov.uk/News/Latest-news/2012/West-Africa-lifesaving-food-aid-for-half-a-million-people-in-the-Sahel/>

and Southern Africa, but also increase cross border food trade in staples such as maize by 15 per cent thus making food more readily available and helping farmers to increase their profits.⁵⁷⁹

Additionally, the UK is aiming through the International Climate Fund to provide UK3 billion to contribute to private investments in Africa and help finance low-carbon energy projects. In accordance with the private sector commitment, nineteen British companies will be involved in the investment in solar, wind, and geothermal power.⁵⁸⁰ This project will partly address drought issues in Tanzania.⁵⁸¹

On 23 January 2013, Prime Minister David Cameron addressed the anti-hunger IF campaign declaring: “the UK will continue to lead in 2013, using a special event before our G8 summit to drive further global action to reduce hunger and malnutrition. We will also drive forward progress on the G8 New Alliance on Food Security and Nutrition. I want to see scientific innovation, better accountability by governments, the private sector doing more, and greater co-operation between governments, civil society and business.”⁵⁸²

In compliance with the private sector commitment of the New Alliance on Food Security and Nutrition, the UK is working with corporations to help African farmers to get more products on supermarket shelves in Europe. New grants from the food retail industry challenge fund will help British businesses to work with African farmers trading ethical goods such tea, coffee and flowers.⁵⁸³ Furthermore, the funding will provide farmers in the Democratic Republic of Congo the ability to improve coffee quality and gain access to more markets. The farmers in Kenya will benefit via methods to reduce water usage and the development of new export crops.⁵⁸⁴

International Development Secretary Justine Greening said International Development Secretary Justine Greening said, “By helping African communities to support themselves in the long-term, they will be able to break their dependence on aid. I am delighted that successful British businesses, such as Sainsbury’s, The Eden Project, and Taylors of Harrogate are helping African

⁵⁷⁹ Britain allies with Africa for greater food security, UK Representation to the EU Brussels 18 May 2012. Date of Access: 22 January 2013.

<http://ukeu.fco.gov.uk/en/news/?view=News&id=766003682>

⁵⁸⁰ UK To Invest £3 Billion to support renewable energy in Africa, ClimateAction 4 October 2012. Date of Access: 22 January 2013.

http://www.climateactionprogramme.org/news/uk_to_invest_3_billion_to_support_renewable_energy_in_africa/

⁵⁸¹ UK To Invest £3 Billion to support renewable energy in Africa, ClimateAction 4 October 2012. Date of Access: 22 January 2013.

http://www.climateactionprogramme.org/news/uk_to_invest_3_billion_to_support_renewable_energy_in_africa/

⁵⁸² David Cameron’s message to anti-hunger IF campaign. British Prime Minister’s Office (London) 23 January 2013. Date of Access: 22 January 2013.

<http://www.number10.gov.uk/news/if-campaign/>

⁵⁸³ Fair trade: UK helps Africa’s farmers reap rewards of trade, Department for International Development (London) 24 October 2012. Date of Access: 22 January 2013.

<http://www.dfid.gov.uk/News/Latest-news/2012/Fair-trade-UK-helps-Africas-farmers-to-trade-their-way-out-of-poverty/>

⁵⁸⁴ Fair trade: UK helps Africa’s farmers reap rewards of trade, Department for International Development (London) 24 October 2012. Date of Access: 22 January 2013.

<http://www.dfid.gov.uk/News/Latest-news/2012/Fair-trade-UK-helps-Africas-farmers-to-trade-their-way-out-of-poverty/>

farmers and suppliers thrive — this scheme is good for businesses moving into new markets, and good for Africa.”⁵⁸⁵

Consistent with the New Alliance’s goal of incorporating the private sector on 29 January 2013, the UK Government launched the Trade and Global Value Chains (TGVC) initiative to be piloted in Bangladesh, South Africa and Kenya. The goal is to establish partnerships “between food and clothing retailers, local charities and governments to help farmers and workers employed by suppliers that operate in global supply chains.”⁵⁸⁶

On 7 April 2013 the UK reiterated its support to break Darfur’s dependency on aid. International Development Minister Lynne Featherstone in particular urged “donors to follow our lead and tackle the root causes of conflict and poverty.” The project includes a GBP67 million package directed at Darfur. It is intended to “reduce long term reliance on emergency assistance by 2015” by “helping communities to grow their own food, or giving them the skills that will enable them to work and access to local markets.”⁵⁸⁷

Similarly, the UK will also help prevent food shortages in Mali and West African Sahel region. The UK128 million package will work for three years and help at least 350,000 people attain sustainable access to food, in part by providing “seeds, tools and livestock support for families to restart their livelihoods.”⁵⁸⁸

The Head of Department for International Development Tanzania, Marshall Elliott also delivered a speech on the importance of food fortification. He commanded the Tanzanian government for fulfilling its commitment to make food fortification mandatory. Through a private-public partnership the UK hopes to reach “expect to be able to reach up to 23 million Tanzanians with fortified oil and flour, and contribute to the reduction of micronutrient deficiencies that impair health.”⁵⁸⁹

United Kingdom is thus awarded a score of +1 for its sustained commitment to the New Initiative for Food Security and Nutrition, promoting private investment and agricultural innovation and improving nutritional outcomes.

Analyst: Jay Thakore

⁵⁸⁵ Fair trade: UK helps Africa’s farmers reap rewards of trade, Department for International Development (London) 24 October 2012. Date of Access: 22 January 2013.

<http://www.dfid.gov.uk/News/Latest-news/2012/Fair-trade-UK-helps-Africas-farmers-to-trade-their-way-out-of-poverty/>

⁵⁸⁶ Trade: UK to Work With Businesses to Improve Livelihoods, Department of International Development (London), 29 January 2013. Date of Access: 29 May 2013.

<https://www.gov.uk/government/news/trade-uk-to-work-with-businesses-to-improve-livelihoods>

⁵⁸⁷ Featherstone: Breaking Darfur’s Dependency on Aid, Department of International Development (London), 7 April 2013. Date of Access: 29 May 2013. <https://www.gov.uk/government/news/featherstone-breaking-darfur-s-dependency-on-aid>

⁵⁸⁸ Greening: We Must Break the Cycle of Food Shortages in Western Africa, Department of International Development (London), 15 May 2013. Date of Access: 29 May 2013.

<https://www.gov.uk/government/news/greening-we-must-break-the-cycle-of-food-shortages-in-western-africa>.

⁵⁸⁹ Head of DFID Tanzania Welcomes Launch of Food Fortification, Department of International Development (London), 16 May 2013. Date of Access: 29 May 2013.

<https://www.gov.uk/government/speeches/head-of-dfid-tanzania-welcomes-launch-of-food-fortification>.

United States: +1

The United States has been awarded a score of +1 for taking midterm steps to fulfil its commitment to mobilize financial support from the private sector to promote food security in Africa and to fulfill key provisions of the New Alliance for Food Security and Nutrition.

On 24 January 2013, as part of the United States (U.S.) commitment to contribute to the New Alliance for Food Security and Nutrition, the U.S Agency for International Development (USAID) signed a “Memorandum of Understanding (MOU)” with Ethiopia and DuPont to augment the output of maize in Ethiopia.⁵⁹⁰ They will achieve this by increasing and improving “hybrid maize seed, seed distribution, and post-harvest storage.”⁵⁹¹

Furthermore, on 17 January 2013, USAID also signed an MOU with Nigeria to mobilize private capital to promote technical assistance and financial opportunities in an effort to stimulate Nigerian agricultural production.⁵⁹² The purpose of the partnership is to improve rural livelihoods, specifically targeting marginalized communities.⁵⁹³

On 16 January 2013, the U.S. formed a partnership with India to supply Liberia, Kenya, and Malawi with technical expertise to improve productivity in the agricultural sector.⁵⁹⁴ The National Institute of Agricultural Extension Management (NIAEM) and USAID organized the training programme around free market incentives to maximize efficiency and competitiveness in the world market.⁵⁹⁵

On 14 November 2012, USAID and Fintrac Inc. sponsored Feed the Future’s new Partnering for Innovation programme, which seeks to enhance the productivity of smallholder farming in developing countries, including African countries, by engaging the private sector and improving

⁵⁹⁰ USAID, Dupont work with Government of Ethiopia to Improve Food Security, United States Agency for International Development (Washington) 24 Jan 2013. Date of Access: 2 Feb 2013.
<http://www.usaid.gov/news-information/press-releases/usaaid-dupont-work-government-ethiopia-improve-food-security>

⁵⁹¹ USAID, Dupont work with Government of Ethiopia to Improve Food Security, United States Agency for International Development (Washington) 24 Jan 2013. Date of Access: 2 Feb 2013.
<http://www.usaid.gov/news-information/press-releases/usaaid-dupont-work-government-ethiopia-improve-food-security>

⁵⁹² USAID and Nigerian Government Partner to Increase Private Financing for Nigerian Agriculture, United States Agency for International Development (Washington) 17 Jan 2013. Date of Access: 2 Feb 2013.
<http://www.usaid.gov/news-information/press-releases/usaaid-and-nigerian-government-partner-increase-private-financing>

⁵⁹³ USAID and Nigerian Government Partner to Increase Private Financing for Nigerian Agriculture, United States Agency for International Development (Washington) 17 Jan 2013. Date of Access: 2 Feb 2013.
<http://www.usaid.gov/news-information/press-releases/usaaid-and-nigerian-government-partner-increase-private-financing>

⁵⁹⁴ India, Us team up for agri extension training in Africa, the Hindu Business Line (Chennai) 16 Jan 2013. Date of Access: 2 Feb 2013.
<http://www.thehindubusinessline.com/news/feed-the-future-programme/article4311829.ece>

⁵⁹⁵ India, Us team up for agri extension training in Africa, The Hindu Business Line (Chennai) 16 Jan 2013. Date of Access: 2 Feb 2013.
<http://www.thehindubusinessline.com/news/feed-the-future-programme/article4311829.ece>

the technology available to smallholders.⁵⁹⁶ The purpose of the new technologies is to facilitate innovative strategies to promote a progressive agricultural sector.⁵⁹⁷

On 26 September 2012, the US and other G8 members formed a partnership with Burkina Faso, Ivory Coast, and Mozambique in an effort to expand and advance the New Alliance for Food Security and Nutrition by engaging the African private sector to invest in agricultural production.⁵⁹⁸ This programme is part of a wider strategy to engage the private sphere to enhance agricultural production possibilities.⁵⁹⁹

In addition, on 20 August 2012, the U.S. initiated workshops in Ethiopia, Ghana, and Tanzania in an effort to implement key provisions of the New Alliance for Food Security and Nutrition Cooperation Framework.⁶⁰⁰ The workshops aim to align the private and public sectors so that new efforts are congruent with any existing food security initiatives.⁶⁰¹

On 25 July 2012, the U.S. initiated a programme through Feed the Future that would give 58 Tanzanians an opportunity to pursue Masters or PhD degrees in agriculture and nutrition at various universities around the world, including in the U.S. and Tanzania.⁶⁰² The purpose of the programme is to improve agricultural production, provide advanced technical expertise, and enhance local knowledge to facilitate sustainable development and promote a progressive agricultural sector.⁶⁰³

⁵⁹⁶ New Feed the Future Program Supports Transformational Approaches to Agriculture-led Growth, United States Agency for International Development (Washington) 14 Nov 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/new-feed-future-program-supports-transformational-approaches>

⁵⁹⁷ New Feed the Future Program Supports Transformational Approaches to Agriculture-led Growth, United States Agency for International Development (Washington) 14 Nov 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/new-feed-future-program-supports-transformational-approaches>

⁵⁹⁸ G8 and African Leaders Announce Expansion and Progress of the New Alliance for Food Security and Nutrition, United States Agency for International Development (Washington) 26 Sept 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/g8-and-african-leaders-announce-expansion-and-progress-new-alliance>

⁵⁹⁹ G8 and African Leaders Announce Expansion and Progress of the New Alliance for Food Security and Nutrition, United States Agency for International Development (Washington) 26 Sept 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/g8-and-african-leaders-announce-expansion-and-progress-new-alliance>

⁶⁰⁰ Advancing the New Alliance for Food and Nutrition, United States Agency for International Development (Washington) 20 Aug 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/advancing-new-alliance-food-security-and-nutrition>

⁶⁰¹ Advancing the New Alliance for Food and Nutrition, United States Agency for International Development (Washington) 20 Aug 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/advancing-new-alliance-food-security-and-nutrition>

⁶⁰² 58 Tanzanians off to the United States to Study Agriculture, the Daily News (Dar es Salaam) 25 July 2012. Date of Access: 2 Feb 2012.

<http://dailynews.co.tz/index.php/local-news/7824-58-tanzanians-off-to-united-states-to-study-agriculture>

⁶⁰³ 58 Tanzanians off to the United States to Study Agriculture, the Daily News (Dar es Salaam) 25 July 2012. Date of Access: 2 Feb 2012.

<http://dailynews.co.tz/index.php/local-news/7824-58-tanzanians-off-to-united-states-to-study-agriculture>

On 15 July 2012, USAID announced that it would distribute six new aid packages to poor and marginalized communities in Malawi in an effort to promote self-sufficient agricultural production.⁶⁰⁴ This effort also aims to improve production opportunities and efficiency in agriculture.⁶⁰⁵

On 12 June 2012, USAID in cooperation with Vodafone and TechnoServe launched a new programme that aims to improve agricultural productivity and rural incomes to foster food security in Kenya, Mozambique, and Tanzania, reaching approximately half a million smallholders.⁶⁰⁶ The programme is also part of a larger move towards engaging the private sector to maximize efficiency and increase access to global markets.⁶⁰⁷ This new method advances “mobile phone-enabled solutions to improve supply chain efficiency and increase farmers’ ability to access secure, timely payments and other financial services.”⁶⁰⁸

USAID also partnered with the Swedish International Cooperation Agency (SIDA), Duke Energy, the U.S. Department of Agriculture (USDA), the Overseas Private Investment Corporation (OPIC), and the African Development Bank (AfDB) to address energy deficits in the developing world, which limits smallholder farmers’ capacity to optimize agricultural productivity.⁶⁰⁹ The new programme aims to implement sustainable and renewable energy sources in the developing world, including Africa, to maximize agricultural production.⁶¹⁰

On 31 March 2013 U.S. Ambassador Deborah Malac visited the site of an agribusiness in Bong County, Liberia. She emphasized the key role of women in rebuilding Liberia’s agricultural sector. USAID’s Food and Enterprise Development Project (FED), with other partners and the

⁶⁰⁴ USAID supports Malawi’s agri-sector, Face of Malawi (Lilongwe) 15 July 2012. Date of Access: 2 Feb 2013.

<http://www.faceofmalawi.com/2012/07/usaidsupports-malawis-agri-sector/>

⁶⁰⁵ USAID supports Malawi’s agri-sector, Face of Malawi (Lilongwe) 15 July 2012. Date of Access: 2 Feb 2013.

<http://www.faceofmalawi.com/2012/07/usaidsupports-malawis-agri-sector/>

⁶⁰⁶ New Farmer Alliance to Improve Incomes and Food Security in Africa, United States Agency for International Development (Washington) 12 June 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/new-farmer-alliance-improve-incomes-and-food-security-africa>

⁶⁰⁷ New Farmer Alliance to Improve Incomes and Food Security in Africa, United States Agency for International Development (Washington) 12 June 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/new-farmer-alliance-improve-incomes-and-food-security-africa>

⁶⁰⁸ New Farmer Alliance to Improve Incomes and Food Security in Africa, United States Agency for International Development (Washington) 12 June 2012. Date of Access: 2 Feb 2013.

<http://www.usaid.gov/news-information/press-releases/new-farmer-alliance-improve-incomes-and-food-security-africa>

⁶⁰⁹ Launch of Powering Agriculture: an Energy Grand Challenge for Development, United States Agency for International Development (Washington) 12 June 2012. Date of Access: 2 Feb 2012.

<http://www.usaid.gov/news-information/press-releases/launch-powering-agriculture-energy-grand-challenge-development>

⁶¹⁰ Launch of Powering Agriculture: an Energy Grand Challenge for Development, United States Agency for International Development (Washington) 12 June 2012. Date of Access: 2 Feb 2012.

<http://www.usaid.gov/news-information/press-releases/launch-powering-agriculture-energy-grand-challenge-development>

country's public are currently working to increase agricultural investments. This strategy focuses on cultivating four high-nutrient commodities: rice; cassava; vegetables; and goats.⁶¹¹

On 16 April 2013 the United States participated in Hunger, Nutrition and Climate Justice Conference, held in Dublin. The aim of the conference was to design a “post-2015 Development Agenda.”⁶¹²

On 3 May 2013, the y, Rajiv Shah, the Administrator of the U.S. Agency for International Development (USAID) in conjunction with Donald Kaberuka, the President of the African Development Bank (AfDB); and Gunilla Carlsson, the Swedish Minister for International Development Cooperation, announced the creation of the Agriculture Fast Track. This is a “a \$25 million dollar first-of-its-kind fund that will spur greater private investment in agriculture infrastructure projects in Sub-Saharan Africa.” The U.S committed US15 million and Sweden the remaining US10 million to be managed by the African Development Bank. This is also part of the United States contribution to the New Alliance for Food Security.⁶¹³

Thus, the United States has been awarded a score of +1 for taking midterm steps to fulfill its commitment to mobilize financial support from the private sector to promote food security in Africa and to fulfill key provisions of the New Alliance for Food Security and Nutrition.

Analyst: Halah Akash

European Union: +1

The European Union (EU) has complied with its commitment to improving food security in Africa. The EU has been rewarded a score of +1 for its continual allocation of financial aid to promote food security by addressing the promotion of agricultural innovation, reduction and management of agricultural risks, and improvement in nutritional outcome. The European Union has also fulfilled its pledge to support agriculture and food security made at the 2009 L'Aquila G8 Summit.⁶¹⁴

On 21 June 2012, the EU contributed EUR5 million toward the Benefit-sharing Fund of the International Treaty on Plant Genetic Resources for Food and Agriculture, which aims to assist farmers in developing countries sustain crop diversity and adapt to climate change effects that threaten food security.⁶¹⁵

⁶¹¹ iberia: ‘Feed the Future’ — U.S. Ambassador Malac Tours Agrobusiness in Bong County, All Africa (Washington, D.C.) 31 March 2013. Date of Access: 29 May 2013.

<http://allafrica.com/stories/201304011212.html>.

⁶¹² Special Representative for Global Food Security Jonathan Shrier (Acting) Participates in Hunger, Nutrition and Climate Justice Conference in Dublin, U.S Department of State (Washington), 16 April 2013. Date of Access: 29 May 2013.

<http://www.state.gov/r/pa/prs/ps/2013/04/207607.htm>.

⁶¹³ New Fund to Spur Investment in African Agriculture Infrastructure, Feed the Future (Washington, D.C.) 9 May 2013. Date of Access: 29 May 2013.

<http://feedthefuture.gov/article/new-fund-spur-investment-african-agriculture-infrastructure>.

⁶¹⁴ Food Security: EU Supports G8 Initiative for a “New Alliance” with Partner Countries, Donors and the Private Sector, European Union (Brussels) 18 May 2012. Date of Access: 16 January 2013.

http://europa.eu/rapid/press-release_IP-12-490_en.htm.

⁶¹⁵ €5 Million to Help Farmers Maintain Crop Diversity, Food and Agriculture Organization of the United Nations (Rome) 21 June 2012. Date of Access: 16 January 2013.

http://www.fao.org/europeanunion/un-news/news-stories-eu/detail-news/en/c/150259/?no_cache=1.

On 2 August 2012, EU Commissioner for International Cooperation, Humanitarian Aid and Crisis Response Kristalina Georgieva signed the new Food Assistance Convention to reaffirm the EU's continued commitment to fighting world hunger.⁶¹⁶

On 1 October 2012, the EU launched a three-year initiative to investigate the role of aquaculture in improving food security in low-income food-deficit countries including major aquaculture countries in Africa. The project aims to develop tools and policies conducive in "improving the impact of aquaculture on food and nutrition security and poverty alleviation."⁶¹⁷

On 4 October 2012, EU Commissioner for Development Andris Piebalgs and the President of the International Fund for Agricultural Development (IFAD), Kanayo F. Nwanze, signed a partnership agreement that will strengthen the relationship between the EU and the IFAD.⁶¹⁸ The partnership will "address challenges in sustainable agriculture and food and nutrition security, in order to reduce poverty in rural communities in developing countries" in addition to "developing technologies for sustainable agricultural intensification and promoting innovative rural financing mechanisms."⁶¹⁹

On 17 October 2012, EU Commissioner for Development, Andris Piebalgs, and the President of Malawi, Joyce Banda, signed an agreement that will allow the EU to launch a government programme aimed at strengthening agricultural productivity in Malawi to help the country reach its Millennium Development Goals.⁶²⁰ The programme will also seek to increase maize yields and increase irrigation capacities for farmers.⁶²¹ A social programme will also be created to alleviate poverty and hunger for some of the most vulnerable and poor families.⁶²²

On 29 November 2012, the European Commission allocated EUR67.3 million to support Mozambique's efforts to improve food security and reduce chronic malnutrition as part of a larger effort to achieving the Millennium Development Goals.⁶²³ Funds contributed to the programme

⁶¹⁶ Commissioner Georgieva Signed the New Food Assistance Convention, European Commission (Brussels) 2 August 2012. Date of Access: 16 January 2013.
http://ec.europa.eu/echo/news/2012/20120802_en.htm.

⁶¹⁷ New Global Partnership to Promote Aquaculture in Fighting Hunger, Food and Agriculture Organization of the United Nations (Rome) 1 October 2012. Date of Access: 16 January 2013.
<http://www.fao.org/news/story/en/item/159323/icode/>.

⁶¹⁸ The EU and the International Fund for Agriculture Development Sign a Partnership to Improve Sustainable Agriculture, European Union (Brussels) 4 October 2012. Date of Access: 16 January 2013.
http://europa.eu/rapid/press-release_IP-12-1065_en.htm.

⁶¹⁹ The EU and the International Fund for Agriculture Development Sign a Partnership to Improve Sustainable Agriculture, European Union (Brussels) 4 October 2012. Date of Access: 16 January 2013.
http://europa.eu/rapid/press-release_IP-12-1065_en.htm.

⁶²⁰ EU and Malawi to Work Together to Help the Poorest and Improve Agricultural Production, European Union (Brussels) 17 October 2012. Date of Access: 16 January 2013.
http://europa.eu/rapid/press-release_IP-12-1103_en.htm.

⁶²¹ EU and Malawi to Work Together to Help the Poorest and Improve Agricultural Production, European Union (Brussels) 17 October 2012. Date of Access: 16 January 2013.
http://europa.eu/rapid/press-release_IP-12-1103_en.htm.

⁶²² EU and Malawi to Work Together to Help the Poorest and Improve Agricultural Production, European Union (Brussels) 17 October 2012. Date of Access: 16 January 2013.
http://europa.eu/rapid/press-release_IP-12-1103_en.htm.

⁶²³ New EU Support for Mozambique to Fight Hunger and Chronic Malnutrition, European Union (Brussels) 29 November 2012. Date of Access: 16 January 2013.
http://europa.eu/rapid/press-release_IP-12-1285_en.htm.

will go towards helping improve agricultural and fisheries production and increasing the ease of access to food for vulnerable groups like women and children.⁶²⁴

The EU has also taken steps to address maternal and child nutrition. On 12 March 2013 the EU adopted a new policy, set out in the Communication “Enhancing Maternal and Child Nutrition in external assistance: an EU policy framework.” This strategy aims to tackle both humanitarian crisis and the root causes of under-nourishment. It specifically aims “to reduce the number of underfive’s that are stunted and to reduce the number of underfive’s that suffer from wasting (low weight for height).”⁶²⁵

To achieve this the EU plans to “promote breastfeeding and other behaviour changes, provide essential micronutrients such as iron, and support activities such as deworming and supplementary and therapeutic feeding.” “Investment in rural development, sustainable agriculture, public health, water and sanitation, social protection and education” would also be implemented.⁶²⁶

On 10 April 2013 Andris Piebalgs, European Commissioner for Development delivered a speech at the Agribusiness Forum in Brussels. He called to increase investments in agriculture to support small farmers and domestic investors. According to him, the EU believes that social and ecologically sustainable “agriculture-based inclusive growth is crucial to poverty alleviation and wealth creation.” This however needs to attract “responsible private investment” as outlined by the Comprehensive Africa Agriculture Development Programme, run by the New Partnership for Africa’s Development and the African Union, also highlights the importance of attracting responsible private investment into the sector and putting quality control systems in place.⁶²⁷ This framework is consistent with the New Alliance for Food call to integrate private investment.

On 15 April 2013 Andris Piebalgs, also delivered a speech at the “Conference on Hunger, Nutrition, Climate Justice ‘A New Dialogue: Putting People at the Heart of Global Development,” held in Dublin, Ireland. He urged world leaders to “step-up” their efforts to meet the MDG’s. In terms of food and nutrition he emphasized the need to develop a “post-MDG agenda.” He reiterated that the EU has already taking step to adopt a “ new policy framework on nutrition, with specific targets on stunting reduction.”⁶²⁸

Additionally, on 26 April 2013 members of the European Commission and the African Union Commission met in Addis Ababa, Ethiopia. High on the agenda were issues of food security

⁶²⁴ New EU Support for Mozambique to Fight Hunger and Chronic Malnutrition, European Union (Brussels) 29 November 2012. Date of Access: 16 January 2013. http://europa.eu/rapid/press-release_IP-12-1285_en.htm.

⁶²⁵ EU Action on Nutrition in Development Cooperation, European Commission (Brussels), 3 March 2013. Date of Access: 29 May 2013. http://europa.eu/rapid/press-release_MEMO-13-205_en.htm.

⁶²⁶ Commission (Brussels), 13 March 2013. Date of Access: 29 March 2013. http://europa.eu/rapid/press-release_IP-13-221_en.htm.

⁶²⁷ Speech: Making Agricultural Development in Africa a Good Business, European Commission (Brussels), 10 April 2013. Date of Access: 29 May 2013. http://europa.eu/rapid/press-release_SPEECH-13-298_en.htm.

⁶²⁸ Speech: 1,000 Days to Step-up Our Efforts Towards the MDGs, European Commission (Brussels) 15 April 2013. Date of Access: 29 May 2013. http://europa.eu/rapid/press-release_SPEECH-13-314_en.htm.

and disaster resilience. The meeting emphasized the need for continental, regional and national coordination, especially with issues of trade, agriculture and raw materials.⁶²⁹

The EU has been rewarded a score of +1 for complying with the G8 commitment. The EU has fulfilled pledges made in the 2009 L'Aquila G8 Summit and has played a sustained role in promoting agricultural innovation, reduction and management of agricultural risks, and improvement in nutritional outcome.

Analyst: Kelvin Chen

⁶²⁹ European and African Union Commissions Meet to Pave the Way for Next Africa-EU Summit, European Commission (Brussels), 24 April 2013. Date of Access: 29 May 2013. http://europa.eu/rapid/press-release_IP-13-353_en.htm.

7. Non-Proliferation: Non-Proliferation Treaty [75]

Commitment

“We reaffirm our unconditional support for all three pillars of the NPT — disarmament, non-proliferation, and the peaceful uses of nuclear energy (non-proliferation).”

*G8 Declaration on Non-proliferation and Disarmament for 2012*⁶³⁰

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		+1	

Background

The “Treaty on the Non-proliferation of Nuclear Weapons” (NPT) was introduced in 1968 through the United Nations with the primary aim of preventing the spread of nuclear weapons and its associated technology, promoting full disarmament of nuclear weapons (as well as “general and complete disarmament) and promoting the peaceful use of nuclear technology. 190 countries are currently signatories to the NPT, and the treaty’s period has been extended indefinitely as of 1995.⁶³¹ The operation of the NPT has been reviewed regularly at conferences held at five-year intervals.⁶³²

Since then the G8 has committed itself to the NPT several times. The 2002 Kananaskis Summit introduced the “G8 Global Partnership Against the Spread of Weapons of Weapons and Materials of Mass Destruction,” which intended to raise USD20 billion to support cooperative projects aimed at non-proliferation over ten years,⁶³³ which it has successfully completed as of 2012.⁶³⁴

⁶³⁰ Group of Eight Declaration of Non-proliferation and Disarmament for 2012, G8 Research Group, (Toronto) 21 May 2012. Date of Access: 8 November 2012.

<http://www.g8.utoronto.ca/summit/2012campdavid/g8-npt.html>

⁶³¹ Treaty on the Non-Proliferation of Nuclear Weapons (NPT), United Nations Office for Disarmament Affairs, (New York). Date of Access: 8 November 2012.

<http://www.un.org/disarmament/WMD/Nuclear/NPT.shtml>

⁶³² Final Documents of the NPT Review Conference, United Nations Office for Disarmament Affairs (New York) 2010. Date of Access: 8 November 2012.

<http://www.un.org/en/conf/npt/2010/>

⁶³³ The Kananaskis Summit Chair’s Summary, Government of Canada, (Ottawa) 24 October 2008. Date of Access: 8 November 2012.

http://www.canadainternational.gc.ca/g8/summit-sommet/2002/chairs_summary-conclusion_presidence.aspx?La&view=d

⁶³⁴ G8 Global Partnership Against the Spread of Materials and Weapons of Mass Destruction, U.S. Department of State (Washington D.C.) 24 January 2012. Date of Access: 17 December 2012.

<http://www.state.gov/t/isn/rls/rm/182390.htm>

The 2007 Heiligendamm Summit introduced the G8's adoption of the International Atomic Energy Agency (IAEA)'s verification standard in regards to the peaceful use of nuclear energy.⁶³⁵

The 2012 Camp David Summit introduced a commitment to the Action Plan outlined in the 2010 NPT Review Conference Documents. The Action Plan laid out commitments such as upholding the entry into force of the Comprehensive Test Ban Treaty (CTBT),⁶³⁶ placing fissile materials stores under the standards of the IAEA,⁶³⁷ extrabudgetary contributions to IAEA projects over five years⁶³⁸ as well as the implementation of the 1995 Resolution on the Middle-East, assuring non-proliferation and disarmament in the region.⁶³⁹ At the Camp David Summit several similar commitments were explicitly stated, namely to uphold the basic obligations to the CTBT, promoting the universality of the NPT and promoting nuclear-weapon-free zone treaties.⁶⁴⁰

Commitment Features

Compliance is based on fulfilling the commitments made to the 2010 NPT Review Conference Action Plan, based on the three pillars of the NPT:

- Disarmament
- Non-proliferation
- The peaceful use of nuclear materials

Disarmament efforts include the promotion and establishment of nuclear-weapons-free zones, the enforcement of the CTBT, and submission of fissile material stores to IAEA supervision. Non-proliferation efforts focus on restricting the trade of fissile materials while halting the development of nuclear weapons. Lastly, each G8 member has committed to the peaceful use of nuclear materials which includes a USD100 million allocation to IAEA projects over five years from 2010.⁶⁴¹

⁶³⁵ Heiligendamm Statement on Non-Proliferation, G8 Research Group, (Toronto) 8 June 2007. Date of Access: 8 November 2012.

<http://www.g8.utoronto.ca/summit/2007heiligendamm/g8-2007-nonprolif.html>

⁶³⁶ 2010 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons: Final Document — Volume I, United Nations Office for Disarmament Affairs, (New York) 2010. Date of Access: 8 November 2012.

http://www.un.org/ga/search/view_doc.asp?symbol=NPT/CONF.2010/50%20%28VOL.I%29

⁶³⁷ 2010 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons: Final Document — Volume I, United Nations Office for Disarmament Affairs, (New York) 2010. Date of Access: 8 November 2012.

http://www.un.org/ga/search/view_doc.asp?symbol=NPT/CONF.2010/50%20%28VOL.I%29

⁶³⁸ 2010 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons: Final Document — Volume I, United Nations Office for Disarmament Affairs, (New York) 2010. Date of Access: 8 November 2012.

http://www.un.org/ga/search/view_doc.asp?symbol=NPT/CONF.2010/50%20%28VOL.I%29

⁶³⁹ 2010 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons: Final Document — Volume I, United Nations Office for Disarmament Affairs, (New York) 2010. Date of Access: 8 November 2012.

http://www.un.org/ga/search/view_doc.asp?symbol=NPT/CONF.2010/50%20%28VOL.I%29

⁶⁴⁰ Group of Eight Declaration of Non-proliferation and Disarmament for 2012, G8 Research Group, (Toronto) 21 May 2012. Date of Access: 8 November 2012.

<http://www.g8.utoronto.ca/summit/2012campdavid/g8-npt.html>

⁶⁴¹ 2010 Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons: Final Document — Volume I, United Nations Office for Disarmament Affairs, (New York) 2010. Date of Access: 8 November 2012.

http://www.un.org/ga/search/view_doc.asp?symbol=NPT/CONF.2010/50%20%28VOL.I%29

Scoring

-1	Member takes no action to address any of the three pillars of the NPT (disarmament, non-proliferation or peaceful use).
0	Member takes action that addresses one or two pillars of the NPT (disarmament, non-proliferation or peaceful use).
+1	Member takes action that addresses all three pillars of the NPT (disarmament, non-proliferation and peaceful use).

Lead Analyst: Guillaume Kishibe

Canada: +1

Canada has fully complied with its commitment to the Non-Proliferation Treaty and has upheld the three pillars of the NPT: (1) non-proliferation, (2) peaceful use of nuclear materials and (3) disarmament.

On 28 May 2012, Canada modified its trade agreement with Colombia by adding Article 2202, a clause that states nuclear explosive devices or materials are not subject to the free trade agreement.⁶⁴²

On 4 June 2012 Terry Jamieson, Vice-President of the Technical Support Branch of the Canadian Nuclear Safety Commission (CNSC), delivered a speech on anti-terrorist measures to the Special Senate Committee on Anti-Terrorism. Jamieson stated that Canada has enough regulatory and cadre basis to guarantee the non-proliferation of nuclear materials from Canada and the safety of Canada's nuclear materials. Moreover, Canadian teams are regularly among the winners in North American competitions among nuclear security officers. In addition, Canada is ready to fulfill provisions proposed in Nuclear Terrorism Act passed in 2011.⁶⁴³

On 15 June 2012, the Minister of Foreign Affairs John Baird urged the representatives of all key countries going to Moscow for a meeting with Iranian representatives later that month to encourage sanctions until Iran ceases its nuclear program.⁶⁴⁴

On 19 July 2012, the Minister of Foreign Affairs signed an additional protocol to the Canada-China Nuclear Cooperation Agreement. This protocol allows Canadian companies to export more uranium to China in order to satisfy its energy needs, promoting peaceful economic uses of nuclear materials.⁶⁴⁵

On 27 July 2012, the CNSC and the China Atomic Energy Authority signed a bilateral Administrative Arrangement to "the Protocol to the Agreement Between the Government Of Canada and the Government Of The People's Republic Of China for Co-operation in the Peaceful

⁶⁴² Canada-Colombia Free Trade Agreement, Foreign Affairs and International Trade Canada (Ottawa) 28 May 2012. Date of Access: 5 January 2013. <http://www.international.gc.ca/trade-agreements-accords-commerciaux/agr-acc/colombia-colombie/chapter22-chapitre22.aspx?lang=eng&view=d>.

⁶⁴³ Speech delivered by Terry Jamieson, Vice-President of the Technical Support Branch, before the Special Senate Committee on Anti-Terrorism, Canadian Nuclear Safety Commission (Ottawa) 4 June 2012. Date of Access: 5 January 2013. <http://nuclearsafety.gc.ca/eng/mediacentre/presentations/supporting-materials/vp-terry-jamieson-speech-to-senate-committee-june-04-2012.cfm>.

⁶⁴⁴ Baird urges tough stand on Iran as nuclear talks loom, The Globe and Mail (Toronto) 15 June 2012. Date of Access: 10 January 2013. <http://m.theglobeandmail.com/news/politics/baird-urges-tough-stand-on-iran-as-nuclear-talks-loom/article4265107/?service=mobile>.

⁶⁴⁵ Canada and China Enhance Nuclear Cooperation, Foreign Affairs and International Trade Canada (Ottawa) 19 July 2012. Date of Access: 7 January 2013. <http://www.international.gc.ca/media/aff/news-communications/2012/07/19a.aspx?lang=eng&view=d>.

Uses of Nuclear Energy.” The arrangement allows Canadian exporters to ship uranium ore concentrates to China. The arrangement also includes verification standards for the peaceful use of uranium.⁶⁴⁶

On 27 September 2012, John Baird stated in a Joint Ministerial Statement that Canada has finished a contribution arrangement with the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO) to provide Canadian radiation detection equipment for on-site inspections.. The statement also reiterated Canada’s support for the Comprehensive Nuclear Test Ban Treaty, called on states that have not done so to ratify the Treaty and demanded that North Korea cease further nuclear tests.⁶⁴⁷

On 6 November 2012, Canada and India reached an agreement on nuclear trade. The agreement allows for the export of Canadian nuclear materials to India, while also placing Indian nuclear sites under inspection by the IAEA in order to ensure the use of these materials remains peaceful in nature.⁶⁴⁸

On 11 December 2012, the Foreign Minister expanded economic sanctions against an additional 98 entities associated with Iran due to its refusal to comply with its international obligations or cooperate with the IAEA.⁶⁴⁹

On 23 January 2013, Minister Baird urged North Korea to abandon its nuclear weapons program and stated that Canada was prepared to take further actions if the program was not halted. Mr. Baird also welcomed new sanctions from the United Nations Security Council against North Korea.⁶⁵⁰

Mr. Baird repeated his condemnation of North Korean nuclear tests on 12 February 2013, and stated that Canada along with its partners will continue to take all actions necessary in preventing North Korea’s aggressive nuclear policy.⁶⁵¹

Thus, because Canada has upheld all three pillars of the Nuclear Non-Proliferation Treaty, it has been awarded a score of +1.

Analyst: Volodimir Sukhodolskiy

⁶⁴⁶Canadian and Chinese Nuclear Regulators Sign Administrative Arrangement, Canadian Nuclear Safety Commission (Ottawa) 27 July 2012. Date of Access: 10 January 2013.

http://nuclearsafety.gc.ca/eng/mediacentre/releases/news_release.cfm?news_release_id=419.

⁶⁴⁷Address by Minister Baird at Friends of Comprehensive Nuclear-Test-Ban Treaty Ministerial Meeting, Foreign Affairs and International Trade Canada (Ottawa) 27 September 2012. Date of Access: 19 January 2013. <http://www.international.gc.ca/media/aff/speeches-discours/2012/09/28a.aspx?view=d>.

⁶⁴⁸Canada, India reach agreement on nuclear trade, The Globe and Mail (Toronto) 6 November 2012. Date of Access: 5 January 2013.

<http://m.theglobeandmail.com/news/world/canada-india-reach-agreement-on-nuclear-trade/article4959269/?service=mobile>.

⁶⁴⁹Baird expands sanctions against Iran, Foreign Affairs and International Trade Canada (Ottawa) 11 December 2012. Date of Access: 13 January 2013. <http://www.international.gc.ca/wet30-1/aff/news-communiqués/2012/12/11a.aspx?lang=eng>.

⁶⁵⁰Baird urges north Korea to abandon Nuclear weapons program, Foreign Affairs and International Trade Canada (Ottawa), 23 January 2013, Date of access 29 of May 2013

<http://www.international.gc.ca/media/aff/news-communiqués/2013/01/23a.aspx?lang=eng>

⁶⁵¹Canada Unequivocally Condemns North Korean Nuclear Test Foreign Affairs and International Trade Canada (Ottawa) 12 February 2013

<http://www.international.gc.ca/media/aff/newscommuniqués/2013/02/12a.aspx?lang=eng>

France: +1

France has fully complied with its commitment to implement the Non-Proliferation Treaty (NPT). It has addressed all three pillars of the NPT.

France has shown a commitment to non-proliferation. In September 2012, Foreign Minister Laurent Fabius agreed with German Foreign Minister Guido Westerwelle who stated Iran had showed “no constructive will” in negotiations with other world powers.⁶⁵² France then joined Germany and Britain in urging the European Union to impose new sanctions on Iran over its nuclear program.

France has also shown a commitment to the peaceful use of nuclear energy. On 29 November 2012, the IAEA Press Release of the Safety Review at Gravelines Nuclear Power Plant concluded that nuclear safety experts “noted a series of good practices.”⁶⁵³ The IAEA identified a number of safety recommendations, to which the “Gravelines management expressed determination to address all areas identified for improvement.” The IAEA is expected to schedule a follow-up review in 18 months.

In December 2012, France, the United States, China, Germany and Russia announced possible negotiations with Iran towards its nuclear program. The negotiations would set limits on the Iranian nuclear program in return for lifting sanctions. The negotiations began in early 2013, but have been largely unsuccessful due to Iran’s impending election. Several rounds of talks between France, United States, Russia, China, Britain and Germany have failed to reach an agreement.⁶⁵⁴

In a CNN interview on 11 March 2013, French Foreign Minister Laurent Fabius addressed concerns over North Korea’s nuclear program. He stated, “We have to be very serious about it, and to take sanctions, and to say to North Korea that we cannot accept its behaviour.”⁶⁵⁵

France has played an active role in encouraging and interacting with other countries to take action against North Korea’s behaviour. In April 2013, French Foreign Minister Laurent Fabius met with Chinese President Xi Jinping and Foreign Minister Wang Yi in Beijing, to discuss growing tensions between China, France and North Korea. In a statement to the media at the French embassy in Beijing, Fabius stated that “France would like to do what it can, even if we are far away. We are looking for a peaceful solution.”⁶⁵⁶

Furthermore, on 8 May 2013, Fabius agreed with Japan Foreign Minister Fumio Kishida’s statement that North Korea should not be allowed to possess nuclear weapons.⁶⁵⁷

⁶⁵² UK, France and Germany call for tighter Iran sanctions, BBC News (London) 7 September 2012. Date of Access: 5 January 2013.

<http://www.bbc.co.uk/news/world-europe-19526674>.

⁶⁵³ IAEA Concludes Safety Review at Gravelines Nuclear Power Plant, France, International Atomic Energy Agency (Vienna) 29 November 2012. Date of Access: 5 January 2013.

<http://www.iaea.org/newscenter/pressreleases/2012/prn201230.html>.

⁶⁵⁴ Iran’s presidential candidates clash over nuclear approach, Reuters (Dubai) 28 May 2013. Date of Access: 29 May 2013. <http://ca.reuters.com/article/topNews/idCABRE94R0RJ20130528>

⁶⁵⁵ Laurent Fabius discusses North Korea, Syria and Mali on CNN, CNN News (CNN), French Embassy in the United Kingdom (London) 11 March 2013. Date of Access: 29 May 2013. <http://www.ambafrance-uk.org/Laurent-Fabius-discusses-North>.

⁶⁵⁶ North Korea has nothing to gain from “provocation”- French FM, (TVC News) 12 April 2013. Date of Access: 29 May 2013. <http://tvnews.tv/?q=article/north-korea-has-nothing-gain-provocation-french-fm>

⁶⁵⁷ Japan, France agree that N Korea must not be allowed to have nuclear weapons, JDP (Japan) 8 May 2013. Date of Access: 29 May 2013. <http://japandailynews.com/japan-france-agree-that-n-korea-must-not-be-allowed-to-have-nuclear-weapons-0828441>

France has also shown a commitment to the peaceful use of nuclear materials. On 3 May 2013, French firm Areva and Japanese Mitsubishi Heavy Industries signed a \$22 billion dollar contract to build Turkey's second nuclear power plant. Construction is set to begin in 2017, and expected to be fully operational in 2023.⁶⁵⁸

On 18 May 2013, French Defense Minister Jean-Yves Le Drian addressed the failure of negotiations and IAEA's reports of increased uranium in Iran, stating that "now more than ever we have a responsibility to defeat this strategy of procrastination and concealment to ensure nuclear nonproliferation."⁶⁵⁹

France has taken actions in addressing all three pillars of NPT. Thus, France has been awarded a score of +1.

Analyst: Christine Jacob

Germany: +1

Germany has fully complied with its commitment to implement each of the three pillars of the Non-Proliferation Treaty: (1) non-proliferation, (2) disarmament, and (3) the peaceful uses of nuclear energy.

On 29 August 2012 Foreign Minister Westerwelle attended a nuclear disarmament conference in Kazakhstan.⁶⁶⁰ There he re-affirmed a commitment to a nuclear weapon free world and congratulated Central Asia on becoming a nuclear weapon free region.⁶⁶¹ He reaffirmed the importance of a comprehensive nuclear test ban as a means to a reduction in nuclear weapons.

From 17-21 September 2012, Germany participated in the 56th General Conference of the International Atomic Energy Agency. Parliamentary Secretary of State Anne Ruth Herkes issued a statement reaffirming Germany's intention to phase out the use of electricity produced by nuclear power plants.⁶⁶² The plan also emphasised safe interim storage and final disposal of radioactive waste.⁶⁶³ Germany also announced that it would continue to fund national support programmes for IAEA safeguards.⁶⁶⁴ Germany also supported and applied the IAEA Action Plan

⁶⁵⁸ Japan signs Turkey nuclear deal, BBC News (BBC) 3 May 2013. Date of Access: 29 May 2013. <http://www.bbc.co.uk/news/business-22398356>

⁶⁵⁹ France: West should sanction Iran 'decisively', Jerusalem Post (Reuters) 18 May 2013. Date of Access: 29 May 2013. <http://www.jpost.com/International/France-West-should-place-decisive-sanctions-against-Iran-313517>

⁶⁶⁰ Foreign Minister Westerwelle advocates nuclear disarmament in Astana, Federal Foreign Office (Berlin) 29 August 2012. Date of Access: 11 January 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2012/120829-BM_Astana.html

⁶⁶¹ Foreign Minister Westerwelle advocates nuclear disarmament in Astana, Federal Foreign Office (Berlin) 29 August 2012. Date of Access: 11 January 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2012/120829-BM_Astana.html

⁶⁶² Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

⁶⁶³ Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

⁶⁶⁴ Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

on Nuclear Safety and emphasised its firm commitment to international collaboration on reactor safety.⁶⁶⁵

The statement released at the IAEA General Conference also called for Iran to work with the IAEA to build confidence regarding the peaceful nature of their nuclear weapons programme.⁶⁶⁶ Germany has placed emphasis on negotiating a solution but is prepared to further pressure Iran stating that “we are not prepared to accept an Iran with nuclear weapons.”⁶⁶⁷ Germany also presented concern over the nuclear weapons programme in the Democratic People’s Republic of Korea.⁶⁶⁸ Germany emphasised its goal of a completely denuclearised Korean peninsula and called for IAEA inspectors to be re-admitted.⁶⁶⁹

On 27 September 2012 German foreign ministers along with the foreign ministers from the United Kingdom, China, France, Russia and the United States (P5) met to discuss “the need for Iran to take action urgently” with regards to its nuclear programme.⁶⁷⁰ A desire for a diplomatic solution was announced along with an expressed need for Iran to be “transparent and cooperative.”⁶⁷¹

On 15 March 2013 Foreign Minister Guido Westerwelle made a speech during the Bundestag debate on the Annual Disarmament Report. In his speech he reiterated that arms-control and non-proliferation continue to be a focal point in German foreign policy, commenting on the connection between peace and non-proliferation, especially the non-proliferation of weapons of mass destruction.⁶⁷² He also condemned the nuclear tests carried out by North Korea and reiterated the position that Germany cannot accept Iran acquiring nuclear weapons. He reaffirmed

⁶⁶⁵ Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013.

<http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

⁶⁶⁶ Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

⁶⁶⁷ Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

⁶⁶⁸ Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

⁶⁶⁹ Statement by Parliamentary Secretary of State Anne Ruth Herkes, Federal Ministry of Economics and Technology, 56th General Conference of IAEA (Vienna) 17-21 September 2012. Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/germany.pdf>

⁶⁷⁰ Concern about Iran’s nuclear programme, Federal Foreign Office (Berlin) 25 September 2012. Date of Access: 11 January 2013. http://www.auswaertiges-amt.de/EN/AAmt/BM-Reisen/2012/09_NewYork/120925_VN_Iran_E3_3.html

⁶⁷¹ Concern about Iran’s nuclear programme, Federal Foreign Office (Berlin) 25 September 2012. Date of Access: 11 January 2013. http://www.auswaertiges-amt.de/EN/AAmt/BM-Reisen/2012/09_NewYork/120925_VN_Iran_E3_3.html

⁶⁷² Speech by Foreign Minister Guido Westerwelle during the Bundestag debate on the Annual Disarmament Report, Federal Foreign Office (Berlin) 15 March 2013. Date of Access: 28 May 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2013/130315-BM_JAB.html

Germany's commitment to remain open to negotiations with Iran and North Korea while applying pressure to both.⁶⁷³

On 9 April 2013, Minister Westerwelle acknowledged that the last E3+3 conference made no progress with regards to Iran's nuclear programme but that Germany would still remain committed to the process of non-proliferation.⁶⁷⁴ He encouraged looking ahead to the next NPT Review Conference in 2015, hoping that it will provide an avenue to address some of the issues hindering the negotiations and commented on the need to start negotiating the details of a Treaty banning the production of fissile materials.⁶⁷⁵

Thus, Germany has received a score of +1 for addressing each of the three pillars of the Non-Proliferation Treaty.

Analyst: Elizabeth Yando

Italy: +1

Italy has fully complied with its commitments to the Non-Proliferation Treaty. It has acted on one of three pillars of the NPT: promoting the peaceful use of nuclear materials.

On 24 July 2012, Italy took its nuclear waste to France in order for it to be processed before being brought back to Italy where it will be stored.⁶⁷⁶

On 1 May 2013, as part of the Second Meeting of the 2013 NPT Preparatory Committee, Italy reaffirmed their commitment to the inalienable right of all parties to the Treaty to develop and research nuclear energy for peaceful purposes.⁶⁷⁷

On 12 October 2012, Italy started its work on decommissioning the TrinoVercellese commercial nuclear power plant. Its decommissioning will cost EUR234 million and is expected to take twelve years. EUR86 million have already been spent on Trino's clean up: EUR34 million were spent on activities dealing with decommission and EUR52 million were put towards storing its nuclear waste.⁶⁷⁸

On 03 December 2012, during the 67th session of United Nations General Assembly, Italy voted in favor of resolution 67/39 convening a high level meeting of the General Assembly on nuclear disarmament to be held on 26 September 2013. Italy also voted in favor of UNGA resolution

⁶⁷³ Speech by Foreign Minister Guido Westerwelle during the Bundestag debate on the Annual Disarmament Report, Federal Foreign Office (Berlin) 15 March 2013. Date of Access: 28 May 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2013/130315-BM_JAB.html

⁶⁷⁴ Speech by Federal Foreign Minister Guido Westerwelle at the meeting of the Non-Proliferation and Disarmament Initiative in Dan Haag, Federal Foreign Office (Berlin) 9 April 2013. Date of Access: 28 May 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2013/130409-BM_NPDI.html

⁶⁷⁵ Speech by Federal Foreign Minister Guido Westerwelle at the meeting of the Non-Proliferation and Disarmament Initiative in Dan Haag, Federal Foreign Office (Berlin) 9 April 2013. Date of Access: 28 May 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2013/130409-BM_NPDI.html

⁶⁷⁶ Convoy taking Italian spent-nuclear fuel to France: reports, Expatica (Haarlem) 24 July 2012. Date of Access: 8 January 2013. http://www.expatica.com/fr/news/french-news/convoy-taking-italian-spent-nuclear-fuel-to-france-reports_238702.html.

⁶⁷⁷ Italy's Statement Under Cluster 3, 2013 NPT Preparatory Committee, 1 May 2013. Date of Access: 10 June 2013. http://www.reachingcriticalwill.org/images/documents/Disarmament-fora/npt/prepcom13/statements/1May_Italy.pdf

⁶⁷⁸ Decommissioning starts on Italian reactor, World Nuclear News (London) 12 October 2012. Date of Access: 7 January 2013. http://www.world-nuclear-news.org/WR-Decommissioning_starts_on_Italian_reactor-1210124.html

67/53 on a Treaty banning the production of fissile material for nuclear weapons or other nuclear explosive devices.⁶⁷⁹

On 8 April 2013, the Ministry of Foreign Affairs in cooperation with the IEAE and the Abdus Salam International Centre for Theoretical Physics opened the Third International School on Nuclear Security in the city of Trieste. The program aims at providing young professionals from developing countries the knowledge to improve nuclear national security.⁶⁸⁰

On 17 April 2013, Giuseppe Nucci, the CEO of Sogin, a state-owned firm charged with the environmental cleanup of nuclear sites, stated that the decommissioning of nuclear power plants is considered a priority for the present government. The number of authorizations Sogin has obtained from the Italian government has readily increased, but the physical space to store nuclear waste is not readily available.

Thus, Italy was awarded score of +1 because it has complied with each pillars of the NPT.

Analyst: Volodymyr Sukhodolskiy

Japan: +1

Japan has fully complied with its commitment to the Nuclear Non-Proliferation Treaty. In order to earn this assessment, Japan has taken considerable action with regards to three pillars of the 2010 Nuclear Proliferation Treaty Review Conference Action Plan which include disarmament, non-proliferation, and the peaceful use of nuclear materials.

On 31 December 2012, Japan's Foreign Minister Fumio Kishida stated that his Liberal Democratic Party has no intention to change the course of Japan's policies regarding nuclear weapons. These prohibit the possession, manufacturing and storage of nuclear weapons within Japanese territory.⁶⁸¹

On 17 September 2012, Parliamentary Senior Vice-Minister for Foreign Affairs Ryuji Yamane, acting as the head of Japan's delegation to the 56th General Conference of the IAEA, made it clear that Japan was committed to promoting the peaceful use of nuclear technology by using the IAEA as a forum to "disseminate accident-related information, [and] use lessons derived from the accident for enhanced global nuclear safety and security."⁶⁸² Moreover, Mr. Yamane offered continuing assistance to the IAEA during the proceedings which includes a co-sponsored event

⁶⁷⁹ General and Complete Disarmament: High-level Meeting of General Assembly on Nuclear Disarmament, UN General Assembly (New York), 12 December 2012. Date of Access: 10 June 2013.

https://gafc-vote.un.org/UNODA/vote.nsf/91a5e1195dc97a630525656f005b8adf/428160c57731c5cb85257ad4007a84ab?OpenDocument&ExpandSection=3#_Section3

⁶⁸⁰ Third International School on Nuclear Security Opens in Trieste, *IAEA Division of Public Information* (New York). 8 April 2013 Date of access 27 May 2013
<http://iaea.org/newscenter/news/2013/ictptrieste3.html>

⁶⁸¹ No plans to revise Japan's nuclear weapons principles, says new foreign minister, *The Japan Daily Press* (Nagoya) 31 December 2012. Date of Access: 7 January 2013.
<http://japandailypress.com/no-plans-to-revise-japans-nuclear-weapons-principles-says-new-foreign-minister-3120691> .

⁶⁸² Statement by Mr. Ryuji YAMANE, International Atomic Energy Agency Policy (Vienna) 17 September 2012.

Date of Access: 7 January 2013.

<http://www.iaea.org/About/Policy/GC/GC56/Statements/japan.pdf>

with the IAEA called the “Fukushima Ministerial Conference on Nuclear Safety.”⁶⁸³ Yamane also stated that “Japan has made extra-budgetary contributions to the total amount of EUR13 million to assist the IAEA in its efforts for implementing the Action Plan.”⁶⁸⁴ This example of Japanese support and commitment to the IAEA was also stated at the First Preparatory Committee for the 2015 Review Conference for the NPT by Ambassador Toshiro Ozawa.⁶⁸⁵

On 17 October 2012, Japan’s representative at the General Assembly’s First Committee publicized Japan’s intention to submit another draft resolution on nuclear disarmament with an “emphasis on concrete and practical measures to be taken by the international community to advance nuclear disarmament.”⁶⁸⁶ The resolution is called the “United action towards the elimination of nuclear weapons.”⁶⁸⁷ Moreover during the thematic debate, Japan confirmed its commitment to both the Comprehensive Test Ban Treaty and offered a further framework to build off the Fissile Material Cut-off Treaty.⁶⁸⁸ During the debate Japan highlighted its commitment to the peaceful use of nuclear technology by expounding its view that the Democratic People’s Republic of Korea (DPRK) abandon all its nuclear weapons programs and comply with the 2005 joint statement of the Six-Party Talks.⁶⁸⁹

On 22 October 2012, Japan’s parliamentary senior vice foreign minister Kazuya Shinba publically announced Japan’s decision to not take part in the initiative announced by Swiss Ambassador Benno Laggner at the First Committee of the UN General Assembly due to its potential inconsistency with Japan’s national security policy.⁶⁹⁰ The purpose of this initiative was to intensify the effort to outlaw nuclear weapons.⁶⁹¹

⁶⁸³ Statement by Mr. Ryuji YAMANE, International Atomic Energy Agency Policy (Vienna) 17 September 2012.

Date of Access: 7 January 2013.

<http://www.iaea.org/About/Policy/GC/GC56/Statements/japan.pdf>

⁶⁸⁴ Statement by Mr. Ryuji YAMANE, International Atomic Energy Agency Policy (Vienna) 17 September 2012.

Date of Access: 7 January 2013.

<http://www.iaea.org/About/Policy/GC/GC56/Statements/japan.pdf>

⁶⁸⁵ First Preparatory Committee for the 2015 Review Conference for the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), Permanent Mission of Japan to International Organizations in Vienna (Vienna/Austria) 7 May 2012. Date of Access: 7 January 2013.

<http://www.vie-mission.emb-japan.go.jp/Statements/s20120507.html>

⁶⁸⁶ As First Committee Begins Focused Debate on Nuclear Weapons, United Nations General Assembly (New York) 17 October 2012. Date of Access: 7 January 2013.

<http://www.un.org/News/Press/docs/2012/gadis3460.doc.htm>.

⁶⁸⁷ As First Committee Begins Focused Debate on Nuclear Weapons, United Nations General Assembly (New York) 17 October 2012. Date of Access: 7 January 2013.

<http://www.un.org/News/Press/docs/2012/gadis3460.doc.htm>.

⁶⁸⁸ Statement by H.E. Mr. Mari Amano, Government of Japan (New York) 17 October 2012.

Date of Access: 7 January 2013.

<http://www.disarm.emb-japan.go.jp/statements/Statement/121017UNGA.htm>.

⁶⁸⁹ Statement by H.E. Mr. Mari Amano, Government of Japan (New York) 17 October 2012.

Date of Access: 7 January 2013.

<http://www.disarm.emb-japan.go.jp/statements/Statement/121017UNGA.htm>.

⁶⁹⁰ Beyond Nuclear Non-Proliferation Newsletter for Strengthening Awareness of Nuclear Abolition with October 2012 Articles, Inter Press Service (Rome) October 2012. Date of Access: 7 January 2013.

http://www.nuclearabolition.net/documents/BEYOND_NUCLEAR_NON-PROLIFERATION_Newsletter_10-2012.pdf.

⁶⁹¹ Aim for nuclear disarmament, The Japan Times Online (Tokyo) 27 October 2012 Date of Access: 7 January 2013.

However, on 2 April 2013, Japan's Permanent Representative to the Conference on Disarmament in Geneva Mari Amano, announced its intention not to sign the Nuclear Treaty Joint Statement which enjoyed the support of 74 countries and was the result of the Conference on Disarmament to review the NPT. Representative Amano stated that he did not sign the Joint Statement because it is "irreconcilable with Japan's security policy."⁶⁹²

Moreover on 14 April 2013, it was reported that Japan's Foreign Minister Fumio Kishida reiterated the view that North Korea cannot be allowed to possess nuclear weapons after a meeting with the United States' Secretary of State John Kerry.⁶⁹³

During the meeting between the Prime Ministers of Japan and India on 29 May 2013, the two Prime Ministers confirmed that the two countries would accelerate negotiations for the early conclusion of a bilateral agreement for cooperation in the peaceful uses of nuclear energy.

Furthermore, on 3 May 2013 Japan's Prime Minister Shinzo Abe and Turkish Prime Minister Erdogan expressed the granting of the exclusive right of negotiations to Japan regarding the construction of Sinop Nuclear Power Plant, which was the first such deal Japan had concluded since Fukushima Daichi.⁶⁹⁴

On 26 May 2013, Prime Minister Abe further pledged to resume operation of domestic nuclear power plants reversing its prior commitment to decommission all such facilities.^{695, 696}

Thus for its actions which focus on addressing the three pillars of the Non-Proliferation Treaty Japan has received a score of +1.

Analyst: Akbar Khurshid

Russia: +1

Russia has fully complied with the commitment on non-proliferation. It has addressed all three pillars of the Non Proliferation Treaty: (1) disarmament, (2) non-proliferation (3) peaceful use of nuclear materials.

Russia has taken actions to encourage the non-nuclear weapon states not to accept or pursue destructive nuclear ambitions.

On 24-25 October 2012, Russia's officials participated in the plenary meeting of the Missile Technology Control Regime, which is aimed at "countering the proliferation of missiles capable

<http://info.japantimes.co.jp/rss/eo20121027a1.html>.

⁶⁹² Japan Refuses to Sign Nuclear Treaty Joint Statement. Japan CRUSH (Geneva) 27 April 2013. Date of Access: 28 May 2013. <http://www.japancrush.com/2013/stories/japan-refuses-to-sign-nuclear-treaty-joint-statement.html>

⁶⁹³ Japan, US agree North Korea must not have nuclear weapons. World News on NBCNews (Beijing) 14 April 2013. Date of Access: 28 May 2013. <http://worldnews.nbcnews.com/news/2013/04/14/17745795-japan-us-agree-north-korea-must-not-have-nuclear-weapons?lite>

⁶⁹⁴ Turkey, Japan ink \$22 billion nuclear power plant contract. PressTV (Ankara) 4 May 2013. Date of Access: 28 May 2013. <http://www.presstv.ir/detail/2013/05/04/301680/turkey-japan-sign-22-bln-nuclear-deal/>

⁶⁹⁵ Abe to pledge resumption of Japan nuclear plants. Market Watch The Wall Street Journal (Tokyo) 26 May 2013. Date of access: 28 May 2013. <http://www.marketwatch.com/story/abe-to-pledge-resumption-of-japan-nuclear-plants-2013-05-26>

⁶⁹⁶ Japan seeks to reverse commitment to phase out nuclear power. The Guardian (Tokyo) 11 January 2013. Date of Access: 28 May 2013. <http://www.guardian.co.uk/environment/2013/jan/11/japan-reverse-nuclear-phase-out>

of delivering weapons of mass destruction.”⁶⁹⁷ They presented information on the changes in the Russian export control legislation and on the missile programs of several countries in order to “make information exchange more balanced.”⁶⁹⁸

In 2012 Russia transferred USD685,000 and EUR972,000 to the Preparatory Commission of the Comprehensive Test Ban Treaty (CTBT),⁶⁹⁹ which is “an interim organization tasked with building up the verification regime of the CTBT in preparation for the Treaty’s entry into force as well as promoting the Treaty’s universality.”⁷⁰⁰

Russia has taken actions to share expertise, technology, and equipment, to states seeking peaceful nuclear energy.

On 23 May 2012, OECD Secretary-General Angel Gurría, First Deputy Minister of Foreign Affairs of Russia Andrey Denisov and Deputy Director-General of the Russian State Atomic Energy Corporation ROSATOM Nikolay Spasskiy officially exchanged letters to formalise the accession of Russia to the OECD Nuclear Energy Agency (NEA) and its Data Bank. On 1 January 2013, Russia became the 31st member country of the NEA,⁷⁰¹ which is a specialized agency within the OECD aimed at assisting “its member countries in maintaining and further developing [...] the scientific, technological and legal bases required for a safe, environmentally friendly and economical use of nuclear energy for peaceful purposes.”⁷⁰²

According to the Russian Government decision of 3 November 2011, Russia allocated almost RUB40 million (about US\$1.3 million) for the Technical Cooperation Fund of the International Atomic Energy Agency (IAEA) in 2012 and 2013 annually.⁷⁰³ IAEA Technical Cooperation Department “helps to transfer nuclear and related technologies for peaceful uses.”⁷⁰⁴

According to the Russian Government decision of 28 December 2011, Russia allocated almost RUB7.8 million (about USD260,000) for financing of the national program of scientific and technical support of the IAEA safeguards in 2012 and 2013 annually.⁷⁰⁵

Russia has taken actions aimed at advancing nuclear disarmament.

⁶⁹⁷ MTCR Chair’s Statement on the Plenary Meeting of the Missile Technology Control Regime Berlin, Germany, Missile Technology Control Regime (Berlin) 24-26 October 2012. Date of Access: 6 February 2013. <http://www.mtcr.info/english/MTCR-Berlin-Plenary-Chair-Statement.pdf>.

⁶⁹⁸ Missile Technology Control Regime (Information), Russian Ministry of Foreign Affairs 30 January 2013. Date of Access: 6 February 2013. <http://www.mid.ru/bdomp/ns-dvbr.nsf/c6bc9d5640647382432569ea003613d9/39ab563438eef9b1c32576f8002b1332>.

⁶⁹⁹ On the Comprehensive Test Ban Treaty (CTBT), Russian Ministry of Foreign Affairs 31 January 2013. Date of Access: 6 February 2013. <http://www.mid.ru/bdomp/ns-dvbr.nsf/548ea5465ee751a9432569ea0036129c/fe7d1d0cf5a9e76443256c4e004c1ea6>.

⁷⁰⁰ Establishment, Purpose and Activities, CTBT. Date of Access: 6 February 2013. <http://www.ctbto.org/the-organization/ctbto-preparatory-commission/establishment-purpose-and-activities/>.

⁷⁰¹ Russian Federation to Join the OECD Nuclear Energy Agency, OECD Nuclear Energy Agency (Moscow) 23 May 2012. Date of Access: 6 February 2013. <http://www.oecd-nea.org/press/2012/2012-03.html>.

⁷⁰² The Nuclear Energy Agency, OECD Nuclear Energy Agency (Paris) 29 January 2013. Date of Access: 6 February 2013. <http://www.oecd-nea.org/nea/>.

⁷⁰³ Executive Order No. 1932-r of 3 November 2011, Government of Russia (Moscow) 3 November 2011. Date of Access: 15 February 2012. <http://government.ru/gov/results/17020/>.

⁷⁰⁴ About Technical Cooperation, International Atomic Energy Agency (Vienna) 13 February 2013. Date of Access: 15 February 2013. <http://www-tc.iaea.org/tcweb/abouttc/default.asp>.

⁷⁰⁵ Executive Order No. 1932-r of 28 December 2011, Government of Russia (Moscow) 28 December 2011. Date of Access: 27 April 2012. <http://government.ru/gov/results/17645/>.

Russia and US continued to implement the Treaty on Measures for the Further Reduction and Limitation of Strategic Offensive Arms (New START). On 11-21 September 2012, the fourth session of the Bilateral Consultative Commission took place in Geneva. The parties discussed “practical issues connected with the treaty implementation.”⁷⁰⁶

On 19 February 2013, Russia and US, in the framework of the New START, decided that the two countries would exchange, in 2013, “telemetric information on one launch of an ICBM or SLBM conducted by each Party during the period from January 1, 2012, to December 31, 2012.”⁷⁰⁷

Russia has taken actions addressing each of the three pillars of the NPT. Thus, Russia has been awarded a score of +1.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to implement each of the three pillars of the Non-Proliferation Treaty: (1) non-proliferation, (2) disarmament, and (3) the peaceful uses of nuclear energy.

On 19 September 2012 during the 56th IAEA General Conference, the UK representative issued a statement outlining the state’s relevant policies. It announced the creation of an independent statutory body called the Office for Nuclear Regulation (ONR) which will address nuclear safety, security, safeguard implementation, and radioactive material transportation.⁷⁰⁸ The UK also pledged GBP2 million to the Nuclear Security Fund.⁷⁰⁹ The statement also called on Iran and the Democratic People’s Republic of Korea to cooperate with the IAEA with regards to their respective nuclear programmes.⁷¹⁰

On 19 June 2012 Foreign Secretary William Hague issued a statement after the conclusion of the E3+3 talks saying “the E3+3 is united in reiterating that the onus is on Iran, which stands in contravention of six UNSCRs, to take concrete steps to reassure the international community about its intentions.”⁷¹¹ He commented that the E3+3 are committed to a peaceful, negotiated

⁷⁰⁶ New START Bilateral Consultative Commission Meeting, Russian Ministry of Foreign Affairs (Moscow) 25 September 2012. Date of Access: 30 April 2013.

http://www.mid.ru/BDOMP/Brp_4.nsf/arh/14903DF831D1919744257A8400414BB8.

⁷⁰⁷ Bilateral Consultative Commission Decision on the Number of Launches of ICBMs and SLBMs Conducted in 2012, on Which an Exchange of Telemetric Information Will Be Carried Out in 2013, Russian Ministry of Foreign Affairs 19 February 2013. Date of Access: 30 April 2013.

http://www.mid.ru/bdomp/brp_4.nsf/e78a48070f128a7b43256999005bcbb3/a15eb25e92cb883b44257b180023a5d8

⁷⁰⁸ Statement by Susan le Jeune d’Allegeershecque, Permanent Representative of the United Kingdom to the IAEA, Govern of the Board, 56th General Conference of IAEA (Vienna) 17-21 September 2012., Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/uk.pdf>

⁷⁰⁹ Statement by Susan le Jeune d’Allegeershecque, Permanent Representative of the United Kingdom to the IAEA, Govern of the Board, 56th General Conference of IAEA (Vienna) 17-21 September 2012., Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/uk.pdf>

⁷¹⁰ Statement by Susan le Jeune d’Allegeershecque, Permanent Representative of the United Kingdom to the IAEA, Govern of the Board, 56th General Conference of IAEA (Vienna) 17-21 September 2012., Date of Access: 11 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/uk.pdf>

⁷¹¹ Foreign Secretary statement on conclusion of E3+3 talks, Foreign and Commonwealth Office (London) 19 June 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/foreign-secretary-statement-on-conclusion-of-e3-3-talks>

solution but that Iran must take steps to reassure the international community of its intentions with regards to its nuclear programme.⁷¹²

From 15-17 October 2012 IAEA Director General Yukiya Amano visited the UK to discuss nuclear issues.⁷¹³ The visit addressed the work of the IAEA, nuclear programmes of concern, and the UK's plans for nuclear builds and IAEA safeguards.⁷¹⁴

On 14 September 2012 the International Atomic Energy Agency (IAEA) passed a resolution sponsored by the United Kingdom, the United States, China, Russia, France and Germany (P5+1) which called on Iran to cooperate urgently with the IAEA on the matter of Iran's disputed nuclear programme.⁷¹⁵ The Foreign Office Minister stated that the P5+1 would continue to negotiate a solution with Iran, but would be prepared to increase international pressure until Iran showed concrete proof of compliance with its international obligations and cooperation with the IAEA.⁷¹⁶

On 17 September 2012 the United Kingdom along with the other four permanent members of the UN Security Council as well as Mongolia adopted a declaration on Mongolia's nuclear-weapon-free status.⁷¹⁷ Foreign Office Minister Alistair Burt stated this commitment "marks a further milestone in the UK's commitment to support nuclear non-proliferation and disarmament."⁷¹⁸

On 12 February 2013 Foreign Secretary William Hague condemned a recent North Korean nuclear test. In response to the report of the test he stated "I strongly condemn this development, which is a violation of UN Security Council Resolutions 1718, 1874 and 2087. North Korea's development of its nuclear and ballistic missile capabilities poses a threat to international and regional security."⁷¹⁹

On 15 April 2013 Foreign Secretary William Hague released a Foreign Office update on North Korea. In this statement he commented on and supported UN Security Council Resolution 2094 which intends to enhance the means to address North Korea's proliferation. He stated that UN

⁷¹² Foreign Secretary statement on conclusion of E3+3 talks, Foreign and Commonwealth Office (London) 19 June 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/foreign-secretary-statement-on-conclusion-of-e3-3-talks>

⁷¹³ IAEA Director visits the UK, Foreign and Commonwealth Office (London) 17 October 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/iaea-director-visits-the-uk>

⁷¹⁴ IAEA Director visits the UK, Foreign and Commonwealth Office (London) 17 October 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/iaea-director-visits-the-uk>

⁷¹⁵ Foreign Office Minister: "IAEA board resolution sends clear message to Iran," Foreign and Commonwealth Office (London) 14 September 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/foreign-office-minister-iaea-board-resolution-sends-clear-message-to-iran>

⁷¹⁶ Foreign Office Minister: "IAEA board resolution sends clear message to Iran," Foreign and Commonwealth Office (London) 14 September 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/foreign-office-minister-iaea-board-resolution-sends-clear-message-to-iran>

⁷¹⁷ Foreign Office Minister welcomes declaration on Mongolia's Nuclear-Weapons-Free Status, Foreign and Commonwealth Office (London) 17 September 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/foreign-office-minister-welcomes-declaration-on-mongolias-nuclear-weapon-free-status>

⁷¹⁸ Foreign Office Minister welcomes declaration on Mongolia's Nuclear-Weapons-Free Status, Foreign and Commonwealth Office (London) 17 September 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/foreign-office-minister-welcomes-declaration-on-mongolias-nuclear-weapon-free-status>

⁷¹⁹ Foreign Secretary condemns North Korean nuclear test, Foreign and Commonwealth Office (London) 12 February 2013. Date of Access: 28 May 2013. <https://www.gov.uk/government/news/foreign-secretary-condemns-reports-of-north-korean-nuclear-tests>

Security Council Resolution 2094 makes clear that the UN Security council would take “further significant measures”⁷²⁰ should North Korea choose not to engage constructively with the international community.⁷²¹

Thus, the UK has received a score of +1 for addressing each of the three pillars of the Non-Proliferation Treaty.

Analyst: Elizabeth Yando

United States: +1

The United States has complied with its commitment to implementing the Non-Proliferation Treaty. It has addressed each of the three pillars of the Non Proliferation Treaty: (1) disarmament, (2) non-proliferation and (3) the peaceful use of nuclear materials.

At the Nunn-Lugar Cooperative Threat Reduction Symposium on the 3 December 2012, President Barack Obama stated that “with your Nuclear Threat Initiative, you helped us ratify the New START treaty, rally the world to secure nuclear materials, strengthen the global nonproliferation regime, and create an international fuel bank for peaceful nuclear power.”⁷²² This statement reiterates the United States commitment to non-proliferation and the ongoing support of nuclear security.

On 3 December 2012, President Barack Obama also addressed Russia’s unwillingness to renew the Nunn-Lugar Cooperative Threat Reduction Program due to differing interests by stating “let’s continue the work that’s so important to the security of both our countries.”⁷²³ This statement reinforces the United States commitment to disarmament of nuclear weapons by working with other world powers to establish nuclear free zones.

In September 2012, The Nuclear Regulatory Commission (NRC) issued a license to General Electric and Hitachi Global Laser Enrichment to be the first to build a uranium enrichment plant in the United States for laser technology.⁷²⁴ In a statement from the GE -Hitachi Nuclear Energy, “the company has worked with the NRC, the US Departments of State and Energy as well as independent nonproliferation experts for several years to ensure the security of this technology

⁷²⁰ Foreign Office update on North Korea, Foreign and Commonwealth Office (London) 15 April 2013. Date of Access 28 May 2013. <https://www.gov.uk/government/speeches/foreign-office-update-on-north-korea>

⁷²¹ Foreign Office update on North Korea, Foreign and Commonwealth Office (London) 15 April 2013. Date of Access 28 May 2013. <https://www.gov.uk/government/speeches/foreign-office-update-on-north-korea>

⁷²² Remarks by President Obama at the Nunn-Lugar Cooperative Threat Reduction Symposium, The National War College (Washington, D.C.) 3 December 2012. Date of Access: 5 January 2013. <http://www.whitehouse.gov/the-press-office/2012/12/03/remarks-president-nunn-lugar-cooperative-threat-reduction-symposium>.

⁷²³ Remarks by President Obama at the Nunn-Lugar Cooperative Threat Reduction Symposium, The National War College (Washington, D.C.) 3 December 2012. Date of Access: 5 January 2013. <http://www.whitehouse.gov/the-press-office/2012/12/03/remarks-president-nunn-lugar-cooperative-threat-reduction-symposium>.

⁷²⁴ Uranium Plant Using Laser Technology Wins U.S. Approval (New York) 27 September 2012. Date of Access: 5 January 2013. http://www.nytimes.com/2012/09/28/business/energy-environment/uranium-plant-using-laser-technology-wins-us-approval.html?_r=0

and has met — and in many cases exceeded — all regulations pertaining to safeguarding this technology.”⁷²⁵ The license allows uranium to be enriched to 8 per cent.

In December 2012, the United States, Britain, China, France, Germany and Russia announced a possible negotiation with Iran about its nuclear program.⁷²⁶ In a statement from a senior administration official in December 2012, “our assessment is that it is possible that they are ready to make a deal, the pressure is on.” According to United States officials, the negotiations would set limits on aspects of the Iranian nuclear program in return for a reduction in sanctions.⁷²⁷ The negotiations began in early 2013 and have been largely unsuccessful. In May 2013, President Barack Obama addressed IAEA reports that Iran was making progress in their nuclear program and enriching larger amounts of uranium. In a statement issued in the Atlantic Magazine, President Barack Obama stated “It will not be tolerable to a number of states in that region for Iran to have a nuclear weapon and them not to have a nuclear weapon. Iran is known to sponsor terrorist organizations, so the threat of proliferation becomes that much more severe.”⁷²⁸

On 12 April 2013, Secretary of State John Kerry addressed North Korea’s nuclear program stating, “North Korea will not be accepted as a nuclear power.”⁷²⁹ In a joint statement released by the United States and South Korea, “The United States stands vigilantly by the Republic of Korea’s side, and is prepared for and capable of defending and protecting itself and its allies.”⁷³⁰

On 24 April 2013, the United States rejected South Korea’s demands to lift the ban on uranium enrichment signed in 1972. In a statement from Secretary of State John Kerry on April 12 in Seoul, “We are at a delicate moment with respect to the situation with the North, and we are also dealing with Iran and are very concerned at this time about not having any ingredients that could alter our approach with respect to either of those.”⁷³¹ The treaty was set to expire in March 2014, but has been deferred until 2016.

On 9 May 2013, the United States imposed sanctions on companies aiding Iran’s nuclear program in an effort to slow nuclear production as negotiations to seek a solution between Iran, the United States and its allies has largely failed. Ed Royce, Chairman of the House Foreign Affairs Committee addressed the sanctions, stating “with Iran’s nuclear program marching steadily forward, we need to work as quickly as possible to eliminate any sources of funding for the

⁷²⁵ Uranium Plant Using Laser Technology Wins U.S. Approval (New York) 27 September 2012. Date of Access: 5 January 2013. http://www.nytimes.com/2012/09/28/business/energy-environment/uranium-plant-using-laser-technology-wins-us-approval.html?_r=0

⁷²⁶ New nuclear talks with Iran may be possible in coming weeks, U.S. says (Washington) 14 December 2012. Date of Access: 5 January 2013.

http://www.washingtonpost.com/world/national-security/new-nuclear-talks-with-iran-said-to-be-imminent/2012/12/14/8f02b5bc-462c-11e2-8061-253bccfc7532_story.html.

⁷²⁷ New nuclear talks with Iran may be possible in coming weeks, U.S. says (Washington) 14 December 2012. Date of Access: 5 January 2013. http://www.washingtonpost.com/world/national-security/new-nuclear-talks-with-iran-said-to-be-imminent/2012/12/14/8f02b5bc-462c-11e2-8061-253bccfc7532_story.html.

⁷²⁸ In interview, Obama says he’s not bluffing on Iran (Washington) 2 March 2013. Date of Access: 29 May 2013.

<http://www.washingtontimes.com/news/2012/mar/2/interview-obama-says-hes-not-bluffing-iran/?page=all>

⁷²⁹ Nuclear North Korea unacceptable, Kerry says (CNN) 12 April 2013. Date of Access: 29 May 2013. <http://www.cnn.com/2013/04/12/world/asia/koreas-tensions>

⁷³⁰ Nuclear North Korea unacceptable, Kerry says (CNN) 12 April 2013. Date of Access: 29 May 2013. <http://www.cnn.com/2013/04/12/world/asia/koreas-tensions>

⁷³¹ South Korea and U.S. Fail to Reach Deal on Nuclear Energy (Seoul) 24 April 2013. Date of Access: 29 May 2013. http://www.nytimes.com/2013/04/25/world/asia/south-korea-and-us-fail-to-reach-nuclear-energy-deal.html?_r=0

regime.”⁷³² In addition to sanctions, the Senate introduced the Iran Sanctions Loophole Elimination Act, intended to deny Iran Iranian funds stored in banks worldwide.⁷³³

In May 2013, in New Delhi, India, United States Undersecretary of Political Affairs Wendy Sherman, praised India for reducing Iranian oil imports and supporting American sanctions. “I think that India has really made a tremendous progress in reducing the level of its importation of Iranian oil.”⁷³⁴ India’s compliance indicate the United States are successful in mobilizing countries against nuclear programs and taking actions to deter Iran and other countries that pursue them.

The United States has taken actions in addressing each of the three pillars of the NPT. Thus, the United States has been awarded a score of +1.

Analyst: Christine Jacob

European Union: +1

The European Union has earned a score of +1 for its commitment to the Non-Proliferation Treaty. The EU has earned this grade by supporting all three pillars set out in the Treaty of the Non-Proliferation of Nuclear Weapons (NPT). These pillars are disarmament, non-proliferation and peaceful use.

In a speech delivered on 17 October 2012 to the First Committee of the 67th session of the General Assembly concerning Nuclear Weapons, Minister Counsellor Andras Kos outlined the on the EU’s position. The EU is committed to: (1) “ensuring the best safety, security, and non-proliferation conditions by countries wishing to develop in a responsible way”⁷³⁵; (2) the EU sees itself upholding implementing and strengthening the existing treaties; (3) welcoming the forward looking Action Plan that was the result of the NPT Review Conference; (4) concerned over the Iranian claim to peaceful use of nuclear energy; (5) strong condemnation of the DPRK’s attempted launch of a ballistic weapon on 13 April; (6) strong support for the International Atomic Energy Agency (IAEA); (7) support for the value of the Comprehensive Test Ban Treaty; (8) the increasing importance for the need to establish Nuclear Weapon Free Zones (NWFZs).⁷³⁶

On 15 October 2012, the EU indicated their “serious and deepening concern over Iran’s nuclear programme and the urgent need for Iran to comply with all its international obligations” and thus strengthened sanctions on Iran.⁷³⁷ This comes in spite of the 19 September 2012 claims by Iranian

⁷³² U.S. Imposes Sanctions on Those Aiding Iran (New York) 9 May 2013. Date of Access: 29 May 2013. <http://www.nytimes.com/2013/05/10/world/middleeast/us-imposes-sanctions-on-those-aiding-iran.html?adxnml=1&adxnmlx=1369833006-DqcURcGuziz1XDzcEkxzw>

⁷³³ U.S. Imposes Sanctions on Those Aiding Iran (New York) 9 May 2013. Date of Access: 29 May 2013. <http://www.nytimes.com/2013/05/10/world/middleeast/us-imposes-sanctions-on-those-aiding-iran.html?adxnml=1&adxnmlx=1369833006-DqcURcGuziz1XDzcEkxzw>

⁷³⁴ US official praises India for supporting sanctions against Iran by reducing oil imports (New Delhi) 24 May 2013. Date of Access: 29 May 2013. http://articles.washingtonpost.com/2013-05-24/world/39486669_1_india-s-oil-imports-iranian-oil

⁷³⁵ EU Statement- United Nations 1st Committee Nuclear Weapons, European Union at the United Nations (New York) 17 October 2012. Date of Access: 9 January 2013. http://www.eu-un.europa.eu/articles/en/article_12738_en.htm

⁷³⁶ EU Statement- United Nations 1st Committee Nuclear Weapons, European Union at the United Nations (New York) 17 October 2012. Date of Access: 9 January 2013. http://www.eu-un.europa.eu/articles/en/article_12738_en.htm

⁷³⁷ Iran: EU strengthens sanctions over lack of progress in nuclear talks, European Union at the United Nations (New York) 15 October 2012. Date of Access: 9 January 2013. http://www.eu-un.europa.eu/articles/en/article_12707_en.htm

diplomat Saeed Jalili that he and the EU's Foreign Policy Chief Catherine Ashton had a constructive meeting.⁷³⁸ These sanctions are aimed at Iran's nuclear and ballistic programmes as well as sources of revenue that go into funding these projects.⁷³⁹

The EU also participated in the 56th General Conference of the IAEA on 17 September 2012. There the EU specifically outlined commitments to: (1) a 5 and 6 November follow up seminar on the creation of a WMD free zone in the Middle East; (2) an explicit mention that the IAEA is the principle organization to assure compliance with international non-proliferation and disarmament; (3) the desire to create a long term agreement with Iran that takes into account the IAEA Board of Governors Resolutions; (4) the continued cooperation between the IAEA and the EU's Regional System for Accountancy and Control (EURATOM Safeguards); (5) the need for the IAEA to continue disseminating information about the Fukushima Daiichi incident; (6) funding opportunities made available by the EU to promote the peaceful use of nuclear energy.⁷⁴⁰

As of 6 April 2013, negotiations between Iran and six world powers fell through with the European Union's Foreign Policy Chief declaring the disagreement remained substantial.⁷⁴¹ The main priority for the EU during these negotiations was to ensure that Tehran limit its production of the highest grade uranium enrichment stockpile, material that can be diverted and weaponized.⁷⁴²

On 24 April 2013, the Head of the Permanent Delegation of the European Union to the United Nations released a statement titled Cluster I, which was the result of the Second session of the Preparatory Committee to the NPT. This statement reaffirmed the EU's commitment to the NPT, welcomed the considerably higher levels of transparency, approved of the creation of the START Treaty, agreed with the need for nuclear powers to protect non-nuclear states, promoted the Comprehensive Nuclear-Test-Ban, and condemned the DPRK for continued Nuclear testing.⁷⁴³

From 22 April 2013 to 3 May 2013, the EU has helped to host the Second Meeting of the Preparatory Committee for the Review Conference of the Parties to the Treaty of Non-

⁷³⁸EU's Ashton had "constructive" meeting with Iran's Jalili in Istanbul: Spokesman, Payvand Iran News (Mountain View) 19 September 2012. Date of Access: 9 January 2013.

<http://www.payvand.com/news/12/sep/1160.html>.

⁷³⁹EU Imposes New Sanction on Iran, BBC News Middle East (London) 15 October 2012.

Date of Access: 9 January 2013.

<http://www.bbc.co.uk/news/world-middle-east-19947507>.

⁷⁴⁰European Union Statements on the occasion of the 56th general conference of the IAEA, International Atomic Energy Agency (Vienna) 17 September 2012. Date of Access: 9 January 2013.

<http://www.iaea.org/About/Policy/GC/GC56/Statements/eu.pdf>.

⁷⁴¹Nuclear Talks with Iran Have Failed, EU Says. The Blaze (Almaty) 6 April 2013. Date of Access: 28 May 2013.

<http://www.theblaze.com/stories/2013/04/06/nuclear-talks-with-iran-have-failed-eu-says/>

⁷⁴²Nuclear Talks with Iran Have Failed, EU Says. The Blaze (Almaty) 6 April 2013. Date of Access: 28 May 2013.

<http://www.theblaze.com/stories/2013/04/06/nuclear-talks-with-iran-have-failed-eu-says/>

⁷⁴³European Union Statement by Ms Mariangela Zappia, Head of the Permanent Delegation of the European Union to the United Nations, Second Session of the Preparatory Committee to the NPT Annual meeting of States Parties. European Union External Action (Geneva) 24 April 2013. Date of Access: 28 May 2013.

http://eeas.europa.eu/delegations/un_geneva/press_corner/focus/events/2013/20130422-npt_prepcom_en.htm

Proliferation of Nuclear Weapons.⁷⁴⁴ Moreover, the EU is hosting another conferences on 1 May 2013 concerning the EURATOM safeguards system.⁷⁴⁵

Thus, for actively promoting all three pillars of the NPT, the EU has earned a score of +1.

Analyst: Akbar Khurshid

⁷⁴⁴ Non-Proliferation of nuclear weapons: The Predatory Committee for the 2015 Non-Proliferation Treaty Review Conference meets in Geneva. Permanent Delegation of the European Union to the UN Office and other international organization in Geneva (Geneva) 22 April 2013. Date of Access: 28 May 2013. http://eeas.europa.eu/delegations/un_geneva/press_corner/focus/events/2013/20130422-npt_prepcom_en.htm

⁷⁴⁵ Regional Nuclear Material accountancy and Control mechanisms (EURATOM). Permanent Delegation of the European Union to the UN Office and other international organization in Geneva (Geneva) 1 May 2013. Date of Access: 28 May 2013. http://eeas.europa.eu/delegations/un_geneva/press_corner/focus/events/2013/20130422-npt_prepcom_en.htm

8. Non-Proliferation: Export Control Policies [86]

Commitment

“We will continue to strengthen our own export control policies to prevent the export of dual-use goods and technology when not in accordance with export control arrangements.”

G8 Declaration on Nonproliferation and Disarmament

Assessment

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada			+1
France			+1
Germany			+1
Italy			+1
Japan			+1
Russia		0	
United Kingdom			+1
United States			+1
European Union			+1
Average Score	0.89		

Background

In their Declaration on Nonproliferation and Disarmament for 2012, the G8 member nations have reaffirmed nonproliferation as a “top priority” and cited UN Security Council Resolutions 1540, 1673, 1810, 1887, and 1977 as examples of their continued commitment to nonproliferation. G8 member states have been adamant about their commitment to the peace and security of national borders through the counter-proliferation of weapons of mass destruction (WMDs) and their means of delivery and related materials through a combination of national and international policies including the Nuclear Nonproliferation Treaty (NPT), the Biological and Toxin Weapons Convention (BTWC), the Chemical Weapons Convention (CWC), the Proliferation Security Initiative (PSI) and the Global Initiative to Combat Nuclear Terrorism (GINCT).⁷⁴⁶

Since their adoption of United Nations Security Council Resolution (UNSCR) 1540 2004, G8 member nations have committed to “prevent[ing] non-State actors from acquiring WMDs, their means of delivery and related materials.”⁷⁴⁷ As such, UNSCR 1540 obligates all member states to implement policy mechanisms to “prevent the proliferation of nuclear, chemical and biological weapons, and their means of delivery, and establish appropriate domestic controls over related materials to prevent their illicit trafficking.”⁷⁴⁸

The G8 remains committed to the policy recommendations of the Financial Action Task Force (FATF).⁷⁴⁹ The FATF is devoted to setting legal and organizational standards for combating threats to the international financial system such as the financing of terrorism.⁷⁵⁰ On 16 February

⁷⁴⁶ Declaration on Nonproliferation and Disarmament for 2012. 21 May 2012. Date of Access: May 2012. http://www.mofa.go.jp/policy/economy/summit/2012/pdfs/npt_en.pdf

⁷⁴⁷ Declaration on Nonproliferation and Disarmament for 2012. 21 May 2012. Date of Access: May 2012. http://www.mofa.go.jp/policy/economy/summit/2012/pdfs/npt_en.pdf

⁷⁴⁸ United Nations Security Council Resolution 1540 (2004). Date of Access: 27, Nov. 2012. <http://www.un.org/en/sc/1540/>

⁷⁴⁹ Declaration on Nonproliferation and Disarmament for 2012. 21 May 2012. Date of Access: May 2012. http://www.mofa.go.jp/policy/economy/summit/2012/pdfs/npt_en.pdf

⁷⁵⁰ About Us. Date of Access: 27 Nov 2012. <http://www.fatf-gafi.org/pages/aboutus/>

2012 the FATF released a new set of recommendations for enhancing international counter proliferation measures.⁷⁵¹ Recommendations set forth by the FATF were specifically targeted at promoting “stronger safeguards in the financial sector, strengthened law enforcement tools and improved international cooperation.”⁷⁵²

At the conclusion of the 2012 Camp David Summit, the G8 emphasized their commitment to counter-proliferation measures as being an essential component to the continued defense of “international peace and security.”⁷⁵³

Commitment Features

At the 2012 Camp David Summit, member nations committed to the implementation of more stringent measures for national border control “to prevent proliferation financing and shipments, to strengthen export controls, to secure WMD-related sensitive materials, and to control access to intangible transfers of technology and to information that could be used for weapons of mass destruction and their delivery means.”⁷⁵⁴

As such, successful compliance will result from member state’s successful implementation or strengthening of national export policies to prevent the transport of these materials across borders. Additionally, the successful implementation of more effective nonproliferation involves the establishment of new measures for combating the finance of proliferation and other forms of threatening international activity.⁷⁵⁵

Therefore, G8 members are committed to working in conjunction with inter-governmental panels and multilateral organizations on implementing national and international economic measures to combat nonproliferation and the financing of terrorist.

Scoring

-1	Member does not implement or strengthen national export control policies AND establishes no preventative measures against finance of proliferation
0	Member implements or strengthens national export control policy OR establishes preventative measures against finance of proliferation
+1	Member implements or strengthens national export control policy AND establishes preventative measures against finance of proliferation

Canada: +1

Canada has fully complied with its commitment to disarmament and non-proliferation through its establishment of preventative measures against the finance of proliferation, and in strengthening their national export control policies.

⁷⁵¹ FATF steps up the fight against money laundering and terrorist financing. 16 Feb 2012. Date of Access: 27 Nov 2012. <http://www.fatf-gafi.org/documents/documents/fatfstepsupthefightagainstmoneylaunderingandterroristfinancing.html>

⁷⁵² FATF steps up the fight against money laundering and terrorist financing. 16 Feb 2012. Date of Access: 27 Nov 2012. <http://www.fatf-gafi.org/documents/documents/fatfstepsupthefightagainstmoneylaunderingandterroristfinancing.html>

⁷⁵³ FATF steps up the fight against money laundering and terrorist financing. 16 Feb 2012. Date of Access: 27 Nov 2012. <http://www.fatf-gafi.org/documents/documents/fatfstepsupthefightagainstmoneylaunderingandterroristfinancing.html>

⁷⁵⁴ Declaration on Nonproliferation and Disarmament for 2012. 21 May 2012. Date of Access: May 2012. http://www.mofa.go.jp/policy/economy/summit/2012/pdfs/npt_en.pdf

⁷⁵⁵ Declaration on Nonproliferation and Disarmament for 2012. 21 May 2012. Date of Access: May 2012. http://www.mofa.go.jp/policy/economy/summit/2012/pdfs/npt_en.pdf

On 19 September 2012, the Canadian Nuclear Safety Commission and the Ministry of Foreign Affairs of the United Arab Emirates signed an agreement that allowed for Canadian companies to start selling nuclear materials to the United Arab Emirates.⁷⁵⁶ The deal outlines that materials to be exported are to be used only for peaceful purposes.⁷⁵⁷

On 6 November 2012, Canada signed an agreement with India to start supplying India with nuclear materials and technology to assist with the countries growing energy needs.⁷⁵⁸ This agreement is part of a nuclear cooperation established between the two parties in 2010.⁷⁵⁹ To ensure Canadian nuclear technology is used for peaceful purposes, representatives from the Canadian Nuclear safety commission have indicated that Canadian nuclear technology will be imported to facilities that have been inspected by the International Atomic Energy Agency (IAEA).⁷⁶⁰ In addition to the safeguards applied by the IAEA, “individual exports and imports are also subject to licensing under the Nuclear Safety and Control Act and the Export and Import Permits Act.”⁷⁶¹ On 8 April 2013 this deal was finalized.⁷⁶²

On 11 December 2012, Canadian Foreign Affairs Minister John Baird announced the imposition of a new round of economic sanctions directed towards Iran as a result of its nuclear program.⁷⁶³ The sanctions involved the addition 98 individuals and entities to the list of those believed to be associated with Iran’s nuclear weapons program.⁷⁶⁴

In a statement made before the 56th General Conference of the IAEA, officials from the Canadian Nuclear Safety Commission stated that, as result of the Fukushima incident last year, they have done a comprehensive review of the safety of Canadian nuclear power plants, which according to them confirmed their safety.⁷⁶⁵ A four-year plan was established to further enhance the safety of

⁷⁵⁶ Canada and UAE Sign Administrative Arrangement. 19 Sep 2012. Date of Access: 5 Jan 2013. http://www.nuclearsafety.gc.ca/eng/mediacentre/releases/news_release.cfm?news_release_id=422.

⁷⁵⁷ Canada and UAE Sign Administrative Arrangement. 19 Sep 2012. Date of Access: 5 Jan 2013. http://www.nuclearsafety.gc.ca/eng/mediacentre/releases/news_release.cfm?news_release_id=422.

⁷⁵⁸ Chase, Steven. “Canada, India Reach Agreement on Nuclear Agreement.” *The Globe and Mail*, 6 Nov. 2012. Web. Date of Access: 12 Jan. 2013. <<http://www.theglobeandmail.com/news/world/canada-india-reach-agreement-on-nuclear-trade/article4959269/>>.

⁷⁵⁹ Canada, India Reach Agreement on Nuclear Agreement. 6 Nov 2012. Date of Access: 12 Jan 2013. <http://www.theglobeandmail.com/news/world/canada-india-reach-agreement-on-nuclear-trade/article4959269/IBID>

⁷⁶⁰ Canada, India Reach Agreement on Nuclear Agreement. 6 Nov 2012. Date of Access: 12 January 2013. <http://www.theglobeandmail.com/news/world/canada-india-reach-agreement-on-nuclear-trade/article4959269/IBID>

⁷⁶¹ India and the Meltdown of Canada’s Nuclear Non-proliferation Policy.” *Thestar.com*. Toronto Star, 15 Nov 2012. Date of Access: 10 Jan 2013. <http://www.thestar.com/opinion/editorialopinion/article/1288649—india-and-the-meltdown-of-canada-s-nuclear-non-proliferation-policy/>

⁷⁶² “Canada and India Take next Step in Nuclear Deal That Would See Uranium Shipped.” *The Globe and Mail*. N.p., 08 Apr. 2013. Web. <<http://www.theglobeandmail.com/news/politics/canada-and-india-take-next-step-in-nuclear-deal-that-would-see-uranium-shipped/article10853638/>>

⁷⁶³ Canada Expands Sanctions Related to Iran’s Nuclear Program. 11 Dec 2012. Date of Access: 9 January 2013. <http://www.ctvnews.ca/world/canada-expands-sanctions-related-to-iran-s-nuclear-program-1.1074823>

⁷⁶⁴ Canada Expands Sanctions Related to Iran’s Nuclear Program. 11 Dec 2012. Date of Access: 9 January 2013. <http://www.ctvnews.ca/world/canada-expands-sanctions-related-to-iran-s-nuclear-program-1.1074823>

⁷⁶⁵ 56th General Conference of the International Atomic Agency-Canadian Statement.” 18 September 2012. Date of Access: 10 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/canada.pdf>

Canadian nuclear facilities by improving their emergency procedures.⁷⁶⁶ Representatives also reaffirmed Canada's commitment to stop the proliferation of nuclear weapons by Iran and North Korea in their speech.⁷⁶⁷

On 18 March 2013 the Canadian nuclear industry embarked on a trade mission to the United Kingdom in order to market their services for the country's nuclear energy market.⁷⁶⁸ This marks the first trade mission for Canada to Great Britain in regards to supplying nuclear energy.

On 9 May 2013 the Canadian Nuclear Safety Commission and the Nuclear Regulation Authority of Japan signed an amendment to their treaty governing the import and export of radioactive materials.⁷⁶⁹ Such a deal is meant to ensure that the transfer of radioactive materials between the countries is done with a high degree of safety and security measures in place.

Canada has been successful in complying with their commitment to disarmament and non-proliferation. They have imposed measures to prevent proliferation through their imposition of sanctions with respect to Iran's nuclear program and have taken action to strengthen export control policies. Thus, Canada has been awarded a score of +1.

Analyst: Warren Silver

France: +1

France has fully complied with its commitment to non-proliferation and disarmament through its continued cooperation in the negotiation and establishment of more stringent international export policies and through its multilateral efforts in preventing finance of terrorist activity.

France has been a FATF member since 1990 and has been an observer on numerous subcommittees such as the Asia/Pacific Group against Money Laundering (APG), and the Eurasian Group on Combating Money Laundering (EAG).⁷⁷⁰

In a mutual evaluation of France on 25 February 2011, the FATF concluded that France has constantly "strengthened, refined, and expanded its system," and that its "overall degree of compliance with the FATF 40 + 9 Recommendations is very high, particularly in the financial sector and in the legal area."⁷⁷¹

⁷⁶⁶ 56th General Conference of the International Atomic Agency-Canadian Statement." 18 September 2012. Date of Access: 10 January 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/canada.pdf>

⁷⁶⁷ 56th General Conference of the International Atomic Agency-Canadian Statement." 18 September 2012. Date of Access: 10 Jan 2013. <http://www.iaea.org/About/Policy/GC/GC56/Statements/canada.pdf>

⁷⁶⁸ "Canada and Japan Amend Memorandum on Import and Export of Radioactive Sources." Canadian Nuclear Safety Commission, 09 May 2013. Web. 2013.

<http://www.nuclearsafety.gc.ca/eng/mediacentre/releases/news_release.cfm?news_release_id=453>

⁷⁶⁹ "Canadian Nuclear Suppliers Make Sales Pitches in U.K." *CBCnews*. CBC/Radio Canada, 18 Mar. 2013. Web. <<http://www.cbc.ca/news/politics/story/2013/03/15/nuke-salespitch.html>>

⁷⁷⁰ France Country Profile, Financial Action Task Force (Paris). Date of Access: 19 Jan 2013.

http://www.fatfgafi.org/document/43/0,3746,en_32250379_32236869_36097707_1_1_1_1,00.html

⁷⁷¹ Outcomes of the FATF Plenary meeting, Paris 23-25 February 2011, Financial Action Task Force (Paris) 25 February 2011. Date of Access: 19 Jan 2013.

http://www.oecd.org/document/34/0,3746,en_32250379_32235720_47219554_1_1_1_1,00.html

France also has a wide-ranging legal framework for the criminalization of terrorist financing.⁷⁷² The offence for money laundering is “...being progressively appropriated into case law and by the Cour de cassation [*sic*].”⁷⁷³

From 3 to 27 July 2012, French Minister of Foreign Affairs Laurent Fabius met with other United Nations Member States in New York City to negotiate an international Arms Trade Treaty.⁷⁷⁴ The purpose of the treaty is to “establish high common standards for international trade in conventional arms.”⁷⁷⁵ The United Nations was unable to reach an agreement on the treaty and as a result will reconvene in March 2013 to conclude negotiations.⁷⁷⁶ France has constantly reaffirmed their commitment to the establishment of an international Arms Trade Treaty. As stated by the Ministry of External affairs, the upcoming Conference “provides a new opportunity for the international community to finally establish a legally binding instrument to regulate trade in conventional weapons.”⁷⁷⁷

On 2 April 2013 France was one of 154 UN members to approve the global arms trade treaty as the first legally binding instrument for controlling arms trade.⁷⁷⁸ More specifically, UN Secretary-General Ban Ki-moon announced the treaty “will make it more difficult for deadly weapons to be diverted into the illicit market and...will help to keep warlords, pirates, terrorists, criminals and their like from acquiring deadly arms.”⁷⁷⁹ In a statement, French Minister of Foreign Affairs Laurent Fabius reinforced France’s commitment to the treaty and encouraged its swift ratification by UN member states.⁷⁸⁰ Accordingly, the treaty “will be open for signature on June 3 and will enter into force 90 days after the 50th signatory ratifies it.”⁷⁸¹

On 17 April 2013 French Minister of Foreign Affairs Laurent Fabius announced the country’s adoption of a “two-pronged approach towards Iran of sanctions and negotiations.”⁷⁸² First of all,

⁷⁷² Key Findings: Mutual Evaluation of France, Financial Action Task Force (Paris) 25 February 2011. Date of Access: 19 Jan 2013. http://www.fatf-gafi.org/document/27/0,3746,en_32250379_32236963_47221531_1_1_1_1,00.html.

⁷⁷³ Key Findings: Mutual Evaluation of France, Financial Action Task Force (Paris) 25 February 2011. Date of Access: 19 Jan 2013. http://www.fatf-gafi.org/document/27/0,3746,en_32250379_32236963_47221531_1_1_1_1,00.html.

⁷⁷⁴ Regulation of the international arms trade. Date of Access: 19 Jan 2013 <http://www.diplomatie.gouv.fr/en/global-issues/disarmament-arms-control/arms-control-and-arms-trade/export-control-the-instrument-for/regulation-of-the-international/>

⁷⁷⁵ Regulation of the international arms trade. Date of Access: 19 Jan 2013 <http://www.diplomatie.gouv.fr/en/global-issues/disarmament-arms-control/arms-control-and-arms-trade/export-control-the-instrument-for/regulation-of-the-international/>

⁷⁷⁶ UN General Assembly — Adoption of a resolution on the Arms Trade Treaty. 7 Nov 2012. Date of Access: 19 Jan 2013. <http://www.diplomatie.gouv.fr/en/global-issues/united-nations/events-2136/events-2012/article/un-general-assembly-adoption-of-a>

⁷⁷⁷ UN General Assembly — Adoption of a resolution on the Arms Trade Treaty. 7 Nov 2012. Date of Access: 19 Jan 2013. <http://www.diplomatie.gouv.fr/en/global-issues/united-nations/events-2136/events-2012/article/un-general-assembly-adoption-of-a>

⁷⁷⁸ Adoption of UN Arms Trade Treaty “extremely good news”. 2 April 2013. Date of Access: May 14, 2013. <http://ambafrance-uk.org/Adoption-of-UN-Arms-Trade-Treaty>

⁷⁷⁹ UN overwhelmingly approves global arms trade treaty. 2 April 2013. Date of Access: 14 May 2013. <http://www.reuters.com/article/2013/04/02/us-arms-treaty-un-idUSBRE9310MN20130402>

⁷⁸⁰ Adoption of UN Arms Trade Treaty “extremely good news”. 2 April 2013. Date of Access: May 14, 2013. <http://ambafrance-uk.org/Adoption-of-UN-Arms-Trade-Treaty>

⁷⁸¹ UN overwhelmingly approves global arms trade treaty. 2 April 2013. Date of Access: 14 May 2013. <http://www.reuters.com/article/2013/04/02/us-arms-treaty-un-idUSBRE9310MN20130402>

⁷⁸² France “keeping up pressure” on Iran — Laurent Fabius. 17 April 2013. Date of Access: 14 May 2013. <http://ambafrance-uk.org/France-keeping-up-pressure-on-Iran>

France will continue to enforce economic sanctions “to encourage Iran to change her position.” Secondly, France will work with other members of the P5+1 to step up negotiation efforts with Iran.⁷⁸³ Fabius reiterated “while Iran has the right to civilian nuclear energy” it is “unacceptable for her to obtain a nuclear weapon.”⁷⁸⁴

On 13 September 2012 the French Ministry for External Affairs announced the adoption by the International Atomic Intelligence Agency (IAEA) of a new resolution with respect to the “possible military dimension” of Iran’s nuclear program as well as “Tehran’s acceleration of its sensitive activities, notably the enrichment of uranium in violation of the resolutions of the IAEA Board of Governors and the Security Council.”⁷⁸⁵ Given Iran’s failure to comply with Council regulations, most notably in respect of the transparency of their nuclear program, France reaffirmed their commitment to working with other member states to strengthen sanctions against them.⁷⁸⁶

On 15 October 2012 following a foreign ministers meeting in Luxembourg, the European Union announced they would “significantly broaden EU restrictive measures” against Iran. More specifically, new sanctions will target Iran’s nuclear and ballistic missiles programs through increased restrictions on Iranian “banks, trade and gas exports.”⁷⁸⁷ Furthermore, Ministers of the European Council also prohibited export to Iran of “further materials relevant to the Iranian nuclear and ballistic programmes or to industries controlled by the Islamic Revolution Guard Corps (IRGC).”⁷⁸⁸ As a member of the P5+1, France has played a significant role in negotiations with Iran with regards to their nuclear program.

On 5-6 April 2013 France along with other members of the P5+1 met with Iranian representatives in Almaty, Kazakhstan to further negotiations with respect to Iran’s nuclear programme.⁷⁸⁹ However, discussions concluded without a set agreement.⁷⁹⁰ European Union Foreign Policy Chair Catherine Ashton noted “after two days of “long and intense discussions,” the sides “remain far apart on the substance.” While no concrete plans were made for continued negotiations, Ashton said the two sides would be in contact.⁷⁹¹

On 2 November 2012, Ambassador Jean-Hugues Simon-Michel, permanent representative of France to the Conference on Disarmament (CD) in Geneva, reasserted France’s commitment to

⁷⁸³ France “keeping up pressure” on Iran — Laurent Fabius. 17 April 2013. Date of Access: 14 May 2013. <http://ambafrance-uk.org/France-keeping-up-pressure-on-Iran>

⁷⁸⁴ France “keeping up pressure” on Iran — Laurent Fabius. 17 April 2013. Date of Access: 14 May 2013. <http://ambafrance-uk.org/France-keeping-up-pressure-on-Iran>

⁷⁸⁵ Board of Governors’ vote on a new resolution on Iran. 13 Sep 2012. Date of Access: 19 Jan 2013. <http://www.diplomatie.gouv.fr/en/country-files/iran-301/the-iranian-nuclear-issue/article/iran-board-of-governors-vote-on-a>

⁷⁸⁶ Board of Governors’ vote on a new resolution on Iran. 13 Sep 2012. Date of Access: 19 Jan 2013. <http://www.diplomatie.gouv.fr/en/country-files/iran-301/the-iranian-nuclear-issue/article/iran-board-of-governors-vote-on-a>

⁷⁸⁷ EU imposes new sanctions on Iran. 15 Oct 2012. Date of Access: 19 Jan 2012. <http://www.bbc.co.uk/news/world-middle-east-19947507>

⁷⁸⁸ EU imposes new sanctions on Iran. 15 Oct 2012. Date of Access: 19 Jan 2012. <http://www.bbc.co.uk/news/world-middle-east-19947507>

⁷⁸⁹ Nuclear Talks with Iran End Without Accord or Plans for Another Round. 6 April 2013. Date of Access: 14 May 2013. <http://www.nytimes.com/2013/04/07/world/middleeast/talks-on-irans-nuclear-program-remain-far-apart.html?pagewanted=all>

⁷⁹⁰ <http://www.washingtontimes.com/news/2013/apr/6/eu-admits-nuclear-talks-iran-have-failed-yet-again/>

⁷⁹¹ Nuclear Talks with Iran End Without Accord or Plans for Another Round. 6 April 2013. Date of Access: 14 May 2013. <http://www.nytimes.com/2013/04/07/world/middleeast/talks-on-irans-nuclear-program-remain-far-apart.html?pagewanted=all>

the Conference on Disarmament as the world's sole multilateral disarmament treaty negotiating body and criticized the incapacity of CD in launching such negotiations as a Fissile Materials Cut-off Treaty (FMCT).⁷⁹² He stated that CD has only dealt with what could be called “humanitarian disarmament” for the past 30 years, *i.e.* the Convention on Certain Conventional Weapons (CCW) and its five protocols—instruments that provide a universal body to address these issues but only address specific materials with limited military use—and should now commence the negotiation on the Arms Trade Treaty (ATT) which “shall make real contribution to peace and international security.”⁷⁹³ Ambassador Jean-Hugues affirmed France's support for the United Nations Institute for Disarmament Research (UNIDIR) for its active role in promoting negotiations to ensure greater security for all and a gradual reduction of arms.⁷⁹⁴

Thus, France has been awarded a score of +1 as a result of its continued cooperation in the establishment of stricter international standards for trade in arms and in its negotiation and establishment of multilateral preventative measures with respect to terrorist financing.

Analyst: Katy Macdonald

Germany: +1

Germany has fully complied with its commitment to non-proliferation and disarmament by strengthening export control policies as well as establishing transparent report systems to prevent against the finance of proliferation.

On 19 July 2012, the German Federal Foreign Office pledged to support UNODA with EUR75 thousand to aid its modernization of the UN reporting system on military expenditures.⁷⁹⁵ This will provide a “more transparent overview of global military spending.”⁷⁹⁶ The report of military expenditures was adopted by the UN General Assembly at Germany's initiative in 2011 and continued funding into 2012 is to ensure its success for military transparency.⁷⁹⁷

⁷⁹² 1st Committee — “Disarmament Machinery” — Statement by Ambassador Jean-Hugues Simon-Michel, Permanent Representative of France to the Conference on Disarmament in Geneva (Geneva) 2 November 2012. <http://www.franceonu.org/france-at-the-united-nations/press-room/statements-at-open-meetings/other-fora/article/2-november-2012-1st-committee>

⁷⁹³ 1st Committee — “Disarmament Machinery” — Statement by Ambassador Jean-Hugues Simon-Michel, Permanent Representative of France to the Conference on Disarmament in Geneva (Geneva) 2 November 2012. <http://www.franceonu.org/france-at-the-united-nations/press-room/statements-at-open-meetings/other-fora/article/2-november-2012-1st-committee>

⁷⁹⁴ 1st Committee — “Disarmament Machinery” — Statement by Ambassador Jean-Hugues Simon-Michel, Permanent Representative of France to the Conference on Disarmament in Geneva (Geneva) 2 November 2012. Date of Access: 21 Jan 2012 <http://www.franceonu.org/france-at-the-united-nations/press-room/statements-at-open-meetings/other-fora/article/2-november-2012-1st-committee>

⁷⁹⁵ Federal Foreign Office supporting modernization of UN database on military expenditures with 75,000 euros, Federal Foreign Office. 6 July 2012. Date of Access: 11 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abruestung/Projekte/120719_VN_Datenbank_Militaerausgaben.html

⁷⁹⁶ Federal Foreign Office supporting modernization of UN database on military expenditures with 75,000 euros, Federal Foreign Office 6 July 2012. Date of Access: 11 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abruestung/Projekte/120719_VN_Datenbank_Militaerausgaben.html

⁷⁹⁷ Federal Foreign Office supporting modernization of UN database on military expenditures with 75,000 euros, Federal Foreign Office 6 July 2012. Date of Access: 11 January 2013.

On 24 October 2012, Foreign Minister Guido Westerwelle announced that Germany is to take over as Missile Technology Control Regime (MTCR) chair.⁷⁹⁸ The MTCR is a key export control instrument that contributes to international efforts for disarmament and non-proliferation.⁷⁹⁹ Germany has been actively attempting to recruit other non-member states to join the MTCR through a series of organized seminars as a means of encouraging greater inclusion.⁸⁰⁰

On 9 November 2012, Germany funded the UNIDIR Cyber Security Conference.⁸⁰¹ In a statement, German representative Detlev Wolter made a statement with respect to Germany's contributions to cyber safe protection of technology and information.⁸⁰² In addition to Germany's own national efforts, he noted their contribution to the Group of Governmental Experts (GGE) on the application of international law in cyberspace and their assistance of UNIDIR in drawing up the Cyber Security Index in 2012.⁸⁰³ Secure Cyber Space policies are crucial to the prevention of dual-use technology export.

On 23 December 2012, Germany's Federal Foreign Office provided funding for an expert conference to be held in Quito.⁸⁰⁴ The aim of the conference was to enable Ecuador and other Andean states to work more closely with UNPoA and to combat the issue of the proliferation of small arms in Latin America.⁸⁰⁵ The meeting was crucial to laying the foundation on small arms control policy in the run-up to the 2012 review conference of the Action Programme.⁸⁰⁶

http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abruestung_/Projekte/120719_VN_Datenbank_Militaerausgaben.html

⁷⁹⁸ Speech by Foreign Minister Guido Westerwelle to open the Missile Technology Control Regime (MTCR) meeting, Federal Foreign Office 24 October 2012. Date of Access: 11 January 2013.

http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2012/121024-BM_MTCR.html?nn=629526

⁷⁹⁹ Speech by Foreign Minister Guido Westerwelle to open the Missile Technology Control Regime (MTCR) meeting, Federal Foreign Office 24 October 2012. Date of Access: 11 January 2013.

http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2012/121024-BM_MTCR.html?nn=629526

⁸⁰⁰ Speech by Foreign Minister Guido Westerwelle to open the Missile Technology Control Regime (MTCR) meeting, Federal Foreign Office 24 October 2012. Date of Access: 11 January 2013.

http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Reden/2012/121024-BM_MTCR.html?nn=629526

⁸⁰¹ Federal Foreign Office provides funds for conference on international cyber security and confidence and security-building measures (CSBMs), Federal Foreign Office 9 November 2012. Date of Access: 11 January 2013.

http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abruestung_/Projekte/Genfer_Cybersicherheit_Konferenz_2012_node.html

⁸⁰² Federal Foreign Office provides funds for conference on international cyber security and confidence and security-building measures (CSBMs), Federal Foreign Office 9 November 2012. Date of Access: 11 January 2013.

http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abruestung_/Projekte/Genfer_Cybersicherheit_Konferenz_2012_node.html

⁸⁰³ Speech by Dr. Detlev Wolter, Head of Division, Conventional Arms Control and CSBMs, Federal Foreign Office, Germany, UNIDIR Cyber Security Conference 2012: The Role of Confidence Building Measures in Assuring Cyber Stability (Geneva) 9 November 2012. Date of Access: 11 January 2013.

<http://www.unidir.ch/pdf/conferences/pdf-conf1920.pdf>

⁸⁰⁴ Ecuador: Small arms control helps to safeguard peace and security, Federal Foreign Office 23 December 2012. Date of Access: 11 January 2013.

http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abruestung_/Projekte/111223-Kleinwaffen_Ecuador_node.html

⁸⁰⁵ Ecuador: Small arms control helps to safeguard peace and security, Federal Foreign Office 23 December 2012. Date of Access: 11 January 2013.

One major goal of the German government is the creation of an International Arms Trade Treaty (ATT). Prior to the July 2012 UN conference the German government worked intensively to promote a strong and robust ATT in seminars. The July 2012 UN Conference was unsuccessful in creating an ATT agreement. In a joint declaration, German Foreign Minister Guido Westerwelle advocated for a new round of negotiations to finally establish the International Arms Trade Treaty. On 24 December 2012, the UN General Assembly adopted a resolution calling for finalization of the negotiation process to take place in March 2013.⁸⁰⁷

On 2 April 2013 in New York the Arms Trade Treaty was adopted by the UN General Assembly following a majority vote.¹⁴ on 3 April 2013 Minister Westerwelle then commented that Germany “will now work hard to ensure that the treaty enters into force as soon as possible” while maintaining internationally binding rules for arms exports.¹⁴

Throughout the assembly, which took place 18-28 March 2013 Germany made many statements and advisements for the ATT on 18, 25, 28 March and 2 April 2013. Advisements included the following: the treaty must be comprehensive; including both goods and activities, legally binding by signing states, provide a transparency reporting system and a greater attention to end use assurances; “to effectively prevent diversion at all stages of a weapon’s life cycle.”¹⁵

Thus, Germany has been awarded a score of +1 for fully complying to the commitment of disarmament and non-proliferation due to its efforts to guard against proliferation financing and through strengthening of export control policies.

Analyst: Daniel Szulc

Italy: +1

Italy has fully complied with their commitment to non-proliferation through their cooperative establishment of international preventative measures against proliferation and through their contribution to enhanced international arms trade control.

From 20 to 22 July 2012 the third plenary meeting of the Financial Action Task Force (FATF) was held under the Italian Presidency in Rome. The meeting led to the establishment of two documents; (1) the FATF Public Statement respecting regions with sufficient anti-money laundering and combating the financing of terrorism (AML/CFT) deficiencies and (2) Improving

http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abbruchung/_Projekte/111223-Kleinwaffen_Ecuador_node.html

⁸⁰⁶ Ecuador: Small arms control helps to safeguard peace and security, Federal Foreign Office 23 December 2012. Date of Access: 11 January 2013.

http://www.auswaertiges-amt.de/EN/Aussenpolitik/Friedenspolitik/Abbruchung/_Projekte/111223-Kleinwaffen_Ecuador_node.html

⁸⁰⁷ EU HR Ashton welcomes adoption of UN General Assembly resolution on Arms trade Treaty. 24 Dec 2012. Date of Access: 21 Jan 2012. http://www.eu-un.europa.eu/articles/fr/article_13004_fr.htm

¹⁴ Statement by Federal Foreign Minister Westerwelle on the adoption of the Arms Trade Treaty, The Permanent Mission of Germany to the United Nations (New York). 3 April 2013. Date of Access: 17 May 2013. http://www.new-york-un.diplo.de/Vertretung/newyorkvn/en/_pr/speeches-statements/2013/20130403-westerwelle-statement-att.html?archive=2990622

¹⁵ Arms Trade Treaty: Opening Statement by Ambassador Ranau. The Permanent Mission of Germany to the United Nations (New York) 18 March 2013. Date of Access: 17 May 2013. http://www.new-york-un.diplo.de/Vertretung/newyorkvn/en/_pr/speeches-statements/2013/20130318-ranau-att.html?archive=2990622

Global AML/CFT Compliance, which identifies jurisdictions who have developed action plans to confront AML/CFT deficiencies.⁸⁰⁸ Additionally, the FATF produced three reports under the Italian Presidency that “outline new methods and trends in money laundering and terrorist financing.”⁸⁰⁹

Furthermore, then-FATF President Giancarlo Del Bufalo met with Presidents from FATF-style regional bodies (FSRBs) to discuss co-operative efforts with respect to implementing strategies for more consistent mutual evaluations as carried out by the FATF and FSRBs members.⁸¹⁰

On 15 October 2012 the Italian Ministry of Foreign Affairs announced their support of the European Union’s decision to increase pressure on Iran through tightened sanctions.⁸¹¹ The European Union is hopeful implementation of more stringent economic sanctions will increase pressure on Tehran to scale back their nuclear program.⁸¹² The sanctions came into effect 22 December 2012 and include “bans on financial transactions, sales to Iran of shipping equipment and steel, and imports of Iranian natural gas.”⁸¹³

On 2 April 2013 Italy was one of 154 UN members to approve the global arms trade treaty as the first legally binding instrument for controlling arms trade.⁸¹⁴ More specifically, UN Secretary-General Ban Ki-moon announced the treaty “will make it more difficult for deadly weapons to be diverted into the illicit market and...will help to keep warlords, pirates, terrorists, criminals and their like from acquiring deadly arms.”⁸¹⁵ Additionally, Italy welcomed the treaty as “a necessary step in the effort to provide coherence and vision in an endeavour that will bring together the international agendas for peace and security.”⁸¹⁶

On 8 May 2013 the Italian Ministry of Foreign Affairs announced Italy’s election to the Vice-Chairmanship of the Executive Council of the Organization for the Prohibition of Chemical

⁸⁰⁸ Outcomes of the Plenary meeting of the FATF, Rome, 20-22 June 2012. 22 Jun 2012. Date of Access: 23 Jan 2013 <http://www.fatf-gafi.org/countries/s-t/spain/documents/outcomesoftheplenarymeetingofthefatfrome20-22june2012.html>

⁸⁰⁹ Outcomes of the Plenary meeting of the FATF, Rome, 20-22 June 2012. 22 Jun 2012. Date of Access: 23 Jan 2013 <http://www.fatf-gafi.org/countries/s-t/spain/documents/outcomesoftheplenarymeetingofthefatfrome20-22june2012.html>

⁸¹⁰ Outcomes of the Plenary meeting of the FATF, Rome, 20-22 June 2012. 22 Jun 2012. Date of Access: 23 Jan 2013 <http://www.fatf-gafi.org/countries/s-t/spain/documents/outcomesoftheplenarymeetingofthefatfrome20-22june2012.html>

⁸¹¹ EU: new sanctions against Syria and Iran — A political solution the only way in Damascus, says Terzi. 15 October 2012. Date of Access 24 Jan 2013.

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/10/20121015_sanzioniSiriaIran.htm

⁸¹² Tougher EU sanctions against Iran come into force. 22 Dec 2012. Date of Access: 24 Jan 2013. <http://www.reuters.com/article/2012/12/22/us-eu-iran-sanctions-idUSBRE8BL04L20121222>

⁸¹³ Tougher EU sanctions against Iran come into force. 22 Dec 2012. Date of Access: 24 Jan 2013. <http://www.reuters.com/article/2012/12/22/us-eu-iran-sanctions-idUSBRE8BL04L20121222>

⁸¹⁴ UN Vote on Arms Trade Treaty. 2 April 2013. Date of Access: 14 May 2013.

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2013/04/20130402_voto_on_u.htm

⁸¹⁵ UN overwhelmingly approves global arms trade treaty. 2 April 2013. Date of Access: 14 May 2013. <http://www.reuters.com/article/2013/04/02/us-arms-treaty-un-idUSBRE9310MN20130402>

⁸¹⁶ UN overwhelmingly approves global arms trade treaty. 2 April 2013. Date of Access: 14 May 2013. <http://www.reuters.com/article/2013/04/02/us-arms-treaty-un-idUSBRE9310MN20130402>

Weapons.⁸¹⁷ As a result, they stated, “Italy will be able to further contribute to the pursuit of the objectives of the Chemical Weapons Convention of 1993.”⁸¹⁸

Italy has taken action with respect to their commitment non-proliferation through their cooperative effort at establishing international preventative measures against finance of proliferation. Additionally, Italy has worked with other UN member nations at enhancing control of international arms trade. Thus, Italy has been awarded a score of +1 for full compliance to this commitment.

Analyst: Katy Macdonald

Japan: +1

Japan has fully complied with its commitment to non-proliferation and disarmament by strengthening its national export control policies as well as financing international counterterrorism efforts.

From 10 to 12 July 2012, Japan’s Integrated Support Center for Nuclear Nonproliferation and Nuclear Security (ISCN) held the Workshop on the Additional Protocol (AP) Declarations in co-organizations with the Vietnam Agency for Radiation and Nuclear Safety (VARANS) in Dalat, Vietnam.⁸¹⁹ The workshop was funded by a grant project established by Japan’s Ministry of Education, Culture, Sports, Science and Technology to assist Vietnam in development of their infrastructure as they prepare to ratify and implement AP as a means of strengthening their nuclear safeguards.⁸²⁰

On 13 July 2012, The Japan Atomic Energy Agency (JAEA) met with the Nuclear Threat Initiative and the US National Nuclear Security Administration (NNSA) in Washington D.C. at an event entitled “Japan, Nonproliferation, and Nuclear Security Cooperation for Regional Security in Asia.”⁸²¹ The event featured a number of discussions from expert panelists, focusing on current national, binational and international initiatives being pursued by the government of Japan to increase regional security.⁸²²

Additionally, on 13 July 2012 Japan’s Ministry of Economy, Trade and Industry announced their planned revision to the Export Trade Control Order effective 1 August 2012.⁸²³ These revisions

⁸¹⁷ Italy elected to Vice-Chair the Executive Council of the Organisation for the Prohibition of Chemical Weapons. 8 May 2013. Date of Access: 14 May 2013. http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Comunicati/2013/05/20130508_organizzazione_e_proibizione_armichimiche.htm?LANG=EN

⁸¹⁸ Italy elected to Vice-Chair the Executive Council of the Organisation for the Prohibition of Chemical Weapons. 8 May 2013. Date of Access: 14 May 2013. http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Comunicati/2013/05/20130508_organizzazione_e_proibizione_armichimiche.htm?LANG=EN

⁸¹⁹ Workshop on the Additional Protocol (AP) Declarations (Dalat). Date of Access: 23 Jan 2013. http://www.jaea.go.jp/04/iscn/event/20120710/20120710_en.html

⁸²⁰ Workshop on the Additional Protocol (AP) Declarations (Dalat). Date of Access: 23 Jan 2013. http://www.jaea.go.jp/04/iscn/event/20120710/20120710_en.html

⁸²¹ Japan, Nonproliferation, and Nuclear Security: Cooperation for Regional Security in Asia. 13 Jul 2012. Date of Access: 23 Jan 2013. <http://www.nti.org/about/projects/nti-index/event/japan-nonproliferation-and-nuclear-security-cooperation-regional-security-asia>

⁸²² Japan, Nonproliferation, and Nuclear Security: Cooperation for Regional Security in Asia. 13 Jul 2012. Date of Access: 23 Jan 2013. <http://www.nti.org/about/projects/nti-index/event/japan-nonproliferation-and-nuclear-security-cooperation-regional-security-asia>

⁸²³ Partial Revision of Japan’s Export Trade Control Order. 13 Jul 2012. Date of Access: 23 Jan 2013. http://www.meti.go.jp/english/press/2012/0713_03.html

were made in compliance with the agreement reached at the International Export Control Conference in 2011.⁸²⁴

From 24 to 26 July 2012 the 7th ASEAN-Japan Counter-Terrorism (AJCT) Dialogue was held in Cebu, Philippines.⁸²⁵ Japan's ambassador-in-charge of International Cooperation for Countering Terrorism and International Organized Crime and ambassador-in-charge of Cyber Policy for the Ministry of Foreign Affairs, Tamotsu Shinotsuka, said Japan is prepared to support ASEAN's counter-terrorist efforts "through supporting capacity building initiatives and activities."⁸²⁶ Additionally, Ambassador Shinotsuka reaffirmed Japan's continued commitment to finance such initiatives through the Japan-ASEAN Integration Fund (JAIF).⁸²⁷

From 26 November to 7 December 2012 the JAEA hosted the International Training Course on State Systems of Accounting for and Control of Nuclear Material in cooperation with a grant project established by Japan's Ministry of Education, Culture, Sports, Science and Technology.⁸²⁸ The course was held at the Integrated Support Center for Nuclear Nonproliferation and Nuclear Security in Tokai.⁸²⁹ The purpose of the training course was to "enhance the understanding of the international standards required to maintain State System of Accounting for and Control (SSAC) in order to assist the participants to conduct safeguards in their countries."⁸³⁰

On 4-5 March 2013 was one of 127 countries in attendance at the International Conference on the Humanitarian Impact of Nuclear Weapons hosted by the Royal Norwegian Ministry of Foreign Affairs in Oslo, Norway.⁸³¹ The Government of Japan was represented by a four-person delegation consisting of Director of the Japanese Red Cross Nagasaki Atomic Bomb Hospital Dr. Masao Tomonaga, Secretary General of the Japan Confederation of A- and H- Bomb Sufferers Organizations Dr. Terumi Tanaka as well as two officers from the Ministry of Foreign Affairs.⁸³² The conference included presentations by experts from UN organizations, governments and

⁸²⁴ Partial Revision of Japan's Export Trade Control Order. 13 Jul 2012. Date of Access: 23 Jan 2013. http://www.meti.go.jp/english/press/2012/0713_03.html

⁸²⁵ Asean, Japan to focus on cooperation on counter-terrorism efforts. 1 Aug 2012. Date of Access: 23 Jan 2013. <http://www.pia.gov.ph/news/index.php?article=2101343819258>

⁸²⁶ Asean, Japan to focus on cooperation on counter-terrorism efforts. 1 Aug 2012. Date of Access: 23 Jan 2013. <http://www.pia.gov.ph/news/index.php?article=2101343819258>

⁸²⁷ Asean, Japan to focus on cooperation on counter-terrorism efforts. 1 Aug 2012. Date of Access: 23 Jan 2013. <http://www.pia.gov.ph/news/index.php?article=2101343819258>

⁸²⁸ International Training Course on States Systems of Accounting for and Control of Nuclear Material. Date of Access: 23 Jan 2013. http://www.jaea.go.jp/04/isrn/event/20121126/20121126_en.html

⁸²⁹ International Training Course on States Systems of Accounting for and Control of Nuclear Material. Date of Access: 23 Jan 2013. http://www.jaea.go.jp/04/isrn/event/20121126/20121126_en.html

⁸³⁰ International Training Course on States Systems of Accounting for and Control of Nuclear Material. Date of Access: 23 Jan 2013. http://www.jaea.go.jp/04/isrn/event/20121126/20121126_en.html

⁸³¹ Conference for Humanitarian Impact of nuclear Weapons — A Comprehensive Initiation: Report. 5 Mar 2013. Date of Access: 15 May 2013. http://theoslotimes.com/index.php?option=com_content&view=article&id=9100:conference-for-humanitarian-impact-of-nuclear-weapons-a-comprehensive-initiation-report&catid=176:exclusive-reports&Itemid=732

⁸³² Opening of an International Conference on the Humanitarian Impact of Nuclear Weapons. 28 Feb 2013. Date of Access: 15 May 2013. http://www.mofa.go.jp/announce/announce/2013/2/0228_01.html

members of civil society and focused on response mechanisms with respect to the humanitarian impact of nuclear weapon detonation.⁸³³

On 14 March 2013 Japan's Ministry of Foreign Affairs held the Ninth Asian Senior-level Talks on Non-Proliferation (ASTOPIX) at the Mita Conference Hall in Tokyo.⁸³⁴ Government officials from ASEAN member states as well as Australia, Canada, Republic of Korea, New Zealand, the United States and Japan were present at the talks.⁸³⁵ Discussions focused on a number of key issues and included status updates with respect to countries' implementation of IAEA safeguards and enforcement of UN Security Council resolution 1540.⁸³⁶ Member states also reaffirmed their commitment to the Proliferation Security Initiative (PSI).⁸³⁷

Japan has been successful in their commitment to non-proliferation through the strengthening of their own export-control policies and through their finance of international counter-terrorist efforts. Thus, Japan has been awarded a score of +1.

Analyst: Katy Macdonald

Russia: 0

Russia has partially complied with the commitment on export control.

On 6 December 2012, Russia's Federal Service for the Oversight of Consumer Protection and Welfare and Federal Security Service of Russia adopted procedures in case of detection of ionizing radiation sources at the Russian state border. The document is aimed at, inter alia, "implementing Russia's international commitments on non-proliferation of nuclear weapons, nuclear materials and radioactive materials."⁸³⁸

On 11 November 2012, the Russian Government adopted regulations on return of a used ionizing radiation source produced in Russia to Russia. According to the document physical security of a return must be ensured at the level not lower than the IAEA requirements.⁸³⁹

During the compliance period Russia has taken actions to strengthen its national export control policy but no facts that it has taken actions to help other countries strengthen their export control policies have been found. Thus, it has been awarded a score of 0.

Analyst: Mark Rakhmangulov

⁸³³ Conference for Humanitarian Impact of nuclear Weapons — A Comprehensive Initiation: Report. 5 Mar 2013. Date of Access: 15 May 2013.

http://theoslotimes.com/index.php?option=com_content&view=article&id=9100:conference-for-humanitarian-impact-of-nuclear-weapons-a-comprehensive-initiation-report&catid=176:exclusive-reports&Itemid=732

⁸³⁴ The Ninth Asian Senior-level Talks on Non-Proliferation (ASTOP-IX). 14 March 2013. Date of Access: 15 May 2013. http://www.mofa.go.jp/announce/announce/2013/3/0314_01.html

⁸³⁵ The Ninth Asian Senior-level Talks on Non-Proliferation (ASTOP-IX). 14 March 2013. Date of Access: 15 May 2013. http://www.mofa.go.jp/announce/announce/2013/3/0314_01.html

⁸³⁶ The Ninth Asian Senior-level Talks on Non-Proliferation (ASTOP-IX). 14 March 2013. Date of Access: 15 May 2013. http://www.mofa.go.jp/announce/announce/2013/3/0314_01.html

⁸³⁷ The Ninth Asian Senior-level Talks on Non-Proliferation (ASTOP-IX). 14 March 2013. Date of Access: 15 May 2013. http://www.mofa.go.jp/announce/announce/2013/3/0314_01.html

⁸³⁸ Order No. 1149/623 of 6 December 2012, GARANT System 28 January 2013. Date of Access: 7 February 2013. <http://www.garant.ru/products/ipo/prime/doc/70202398/>.

⁸³⁹ Executive Order No. 1186 of 19 November 2012, Government of Russia 19 November 2012. Date of Access: 7 February 2013. <http://www.garant.ru/products/ipo/prime/doc/70202398/>.

United Kingdom: +1

The United Kingdom has fully complied with its commitment to strengthen national policies in regards to the proliferation of weapons of mass destruction (WMD) by continuing to establish measures against proliferation financing as well as strengthening its national export control policies.

On 20 November 2012, the United Kingdom Treasury initiated the Financial Restrictions (Iran) Order 2012 in exercise of the powers conferred by paragraphs 1, 3, 9, 13 and 14 of Schedule 7 to the Counter-Terrorism Act 2008(a). This order is in replacement of the Financial Restrictions (Iran) Order 2011 (S.I. 2011/2775). Direction from the order prohibits persons from entering into new transactions or business relationships with Iranian banks, their branches and subsidiaries, and the Central Bank of Iran. The order also prohibits continued participation in existing transactions or business relationships with them. This order further enforces the UK's measures to sever financial ties.

On 13 July 2012, the Foreign and Commonwealth Office's Minister for Counter Proliferation, Alistair Burt spoke about the Parliamentary Committee on Arms Export Controls (CAEC) annual report, said "The UK has a rigorous export licensing procedure. We look at each application on a case by case basis. In each case we assess the export against the Consolidated EU and National Arms Export Licensing Criteria. This process includes a thorough risk assessment, and regular consultation of ministers, especially in cases involving regimes of concern of the nature highlighted by the CAEC. As the CAEC notes, following the Arab Spring, the Government reviewed its arms exports policy to countries in the Middle East and North Africa. This resulted in additional Ministerial scrutiny of exports to those countries. As a result 158 export licences were revoked."⁸⁴⁰ Due to the efforts of the United Kingdom, they were able to improve export control policies as proved by having 158 export licences revoked.

On 8 November 2012 Foreign Office Minister Alistair Burt expressed his support for an Arms Trade Treaty. Alistair Burt stated this treaty will "save lives, reduce human suffering and bring consistency to the global trade in conventional arms."⁸⁴¹ This Arms Trade Treaty is convened into a further UN conference in 2013. This treaty has 157 countries pledging their support. Furthermore, Burt has promised to redouble their efforts to countering weapons proliferation. The UK is leading efforts to the Arms Trade Treaty since 2006 and is continuing to do so.⁸⁴²

On 7 October 2012 UK Defense Secretary, Phillip Hammond, warned of more sanctions on Iran's financial institutions and its energy sector if they did not cease development of their nuclear program. The United Kingdom has imposed these sanctions in conjunction with the United

⁸⁴⁰ Speech by FCO Minister for Counter Proliferation Alistair Burt, Asia News Monitor (Bangkok) 13 July 2012. Date of access: 10 January 2013
<http://myaccess.library.utoronto.ca/login?url=http://search.proquest.com/myaccess.library.utoronto.ca/docview/1024726292?accountid=14771>

⁸⁴¹ Support for a Global arms Trade Treaty, Foreign and Commonwealth Office (London) 8 November 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/support-for-a-global-arms-trade-treaty>

⁸⁴² Support for a Global arms Trade Treaty, Foreign and Commonwealth Office (London) 8 November 2012. Date of Access: 11 January 2013. <https://www.gov.uk/government/news/support-for-a-global-arms-trade-treaty>

States.⁸⁴³ The United Kingdom is initiating a trade embargo and blocking Iranian access to international banking channels.⁸⁴⁴

On 29 June 2012 the United Kingdom met with other members of the Nuclear Non-Proliferation Treaty in Washington. At this time the United Kingdom reaffirmed their commitment of disarmament. Additionally, member nations agreed to internationally banning fissile material for use in nuclear weapons.⁸⁴⁵ The United Kingdom has undertaken actions to stop international use of fissile material in weapons.⁸⁴⁶

On 12 December 2012 the United Kingdom stressed that their nuclear deterrent plan is an important element of their national security. They have decided to reduce their stockpile of nuclear weapons to 180 warheads to be completed by the mid 2020's.⁸⁴⁷ The UK is also involved in a Nuclear Non-proliferation Treaty action plan where they follow all the necessary non-proliferation outlined in the treaty. The UK reaffirmed their commitment to follow the three pillars of the treaty.⁸⁴⁸

On 19 January 2013 a UK programme managed by the Ministry of Defense addressed proliferation risks in the biological sciences. The UK also promoted the adoption of the Biological and Toxin Weapons Convention that prohibits the development, production, acquisition, stockpiling or retention of biological weapons.⁸⁴⁹ The effort also includes an expansion with the US Department of State and the World Health Organization, under which the UK will contribute for strengthening biological safety and security.⁸⁵⁰

On 3 April 2013 the UK Foreign Secretary William Hague welcomed a legally binding Arms Trade Treaty. He said the treaty will “block transfers of weapons that pose unacceptable risks.”⁸⁵¹ The United Nations General Assembly approved the Arms Trade Treaty that will regulate

⁸⁴³ UK warns Iran of more sanction pain, The Guardian (London) 7 October 2012. Date of Access: 11 January 2013. <http://www.guardian.co.uk/world/2012/oct/07/uk-warns-iran-more-sanctions?INTCMP=SRCH>

⁸⁴⁴ UK warns Iran of more sanction pain, The Guardian (London) 7 October 2012. Date of Access: 11 January 2013. <http://www.guardian.co.uk/world/2012/oct/07/uk-warns-iran-more-sanctions?INTCMP=SRCH>

⁸⁴⁵ Nuclear weapon states discuss nuclear disarmament, Foreign and Commonwealth Office (London) 29 June 2012. Date of Access 11 January 2013. <https://www.gov.uk/government/news/nuclear-weapon-states-discuss-nuclear-disarmament>

⁸⁴⁶ Nuclear weapon states discuss nuclear disarmament, Foreign and Commonwealth Office (London) 29 June 2012. Date of Access 11 January 2013. <https://www.gov.uk/government/news/nuclear-weapon-states-discuss-nuclear-disarmament>

⁸⁴⁷ Working towards nuclear disarmament, Ministry of Defense (London). 12 December 2012. Date of Access 11 January 2013. <https://www.gov.uk/government/policies/working-towards-nuclear-disarmament>

⁸⁴⁸ Working towards nuclear disarmament, Ministry of Defense (London). 12 December 2012. Date of Access 11 January 2013. <https://www.gov.uk/government/policies/working-towards-nuclear-disarmament>

⁸⁴⁹ Global Threat Reduction Programme: Biological Non-proliferation Programme, Department of Energy and Climate Change (London) 19 January 2013. Date of Access: 16 May 2013. <https://www.gov.uk/government/case-studies/global-threat-reduction-programme-biological-non-proliferation-programme>

⁸⁵⁰ Global Threat Reduction Programme: Biological Non-proliferation Programme, Department of Energy and Climate Change (London) 19 January 2013. Date of Access: 16 May 2013. <https://www.gov.uk/government/case-studies/global-threat-reduction-programme-biological-non-proliferation-programme>

⁸⁵¹ Foreign Secretary welcomes agreement on an Arms Trade Treaty, Foreign and Commonwealth Office (London) 3 April 2013. Date of Access: 16 May 2013. <https://www.gov.uk/government/news/foreign-secretary-welcomes-agreement-on-an-arms-trade-treaty>

international trade in conventional arms. This treaty will also prevent unauthorized exports of arms and prevent weapons from going into the illegal market.⁸⁵²

On 15 April 2013 UK Foreign Secretary, William Hague warned North Korea of “international action and isolation.” He also released a joint statement with the G8 urging “North Korea to engage in credible and authentic multilateral talks on denuclearization.”⁸⁵³ The United Kingdom, has been working closely with the United States, South Korea, China, Russia and Japan in discussing their approach towards North Korea. Moreover, the UK led a coordinated response with the European Union, urging North Korea to comply with their international obligations with respect to proliferation.⁸⁵⁴

Thus, the United Kingdom is merited with a score of +1 as a result with its measures against proliferation financing and strengthening its natural export control policies.

Analysts: Blair Du and Omkar Jagtap

United States: +1

The United States has fully complied with its commitment to strengthen its export policies of dual-use goods and technology and to prevent exports that were not in accordance with export control arrangements.

On 12 July, The United States identified a group of Iranian “front companies and banks”⁸⁵⁵ and imposed sanctions on Iran’s nuclear missile proliferation networks.⁸⁵⁶ In doing so, the United States designated “11 entities and four individuals under E.O. 13382.”⁸⁵⁷

On 28 September, United States Deputy Secretary of State William J. Burns announced that the United States had allocated USD1.5 million to the UN’s voluntary Trust Fund for Global and Regional Disarmament to support the prevention of proliferation of WMD’s.⁸⁵⁸ He noted the

⁸⁵² Foreign Secretary welcomes agreement on an Arms Trade Treaty, Foreign and Commonwealth Office (London) 3 April 2013. Date of Access: 16 May 2013. <https://www.gov.uk/government/news/foreign-secretary-welcomes-agreement-on-an-arms-trade-treaty>

⁸⁵³ Foreign Office update on North Korea, Foreign and Commonwealth Office(London) 15 April 2013. Date of Access: 17 May 2013. <https://www.gov.uk/government/speeches/foreign-office-update-on-north-korea>

⁸⁵⁴ Foreign Office update on North Korea, Foreign and Commonwealth Office(London) 15 April 2013. Date of Access: 17 May 2013. <https://www.gov.uk/government/speeches/foreign-office-update-on-north-korea>

⁸⁵⁵ United States Increases Sanctions Against the Government of Iran and its Proliferation Networks; Treasury and State Department Actions Target More Than 50 Entities Tied to Iran’s Procurement, Petroleum, and Shipping Networks (Washington, DC) 12 July 2012. Date Accessed: 10 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/07/194923.htm>

⁸⁵⁶ United States Increases Sanctions Against the Government of Iran and its Proliferation Networks; Treasury and State Department Actions Target More Than 50 Entities Tied to Iran’s Procurement, Petroleum, and Shipping Networks (Washington, DC) 12 July 2012. Date Accessed: 10 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/07/194923.htm>

⁸⁵⁷ United States Increases Sanctions Against the Government of Iran and its Proliferation Networks; Treasury and State Department Actions Target More Than 50 Entities Tied to Iran’s Procurement, Petroleum, and Shipping Networks (Washington, DC) 12 July 2012. Date Accessed: 10 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/07/194923.htm>

⁸⁵⁸ Statement by the Honorable William J. Burns, United States Deputy Secretary of State, at the UN Secretary-General’s High-Level Meeting on Countering Nuclear Terrorism (New York) 28 September 2012. Date of Access: 7 January 2013. <http://usun.state.gov/briefing/statements/198446.htm>

United States is continuing to work with international partners to secure airports, seaports and land borders from smuggling of nuclear materials and equipment.⁸⁵⁹ Additionally, he stated the US encourages all states to prevent nuclear smuggling.⁸⁶⁰

On 3 December, President Obama stated that the United States would continue to invest in threat reduction programs, and promised to sustain the Nunn-Lugar program that works to discontinue use of WMD's across the world.⁸⁶¹

On 11 December, the US State Department's Bureau of International Security and Non-Proliferation Ann Ganzer, attended the Wassenaar Plenary Meeting in Vienna.⁸⁶² The two-day meeting consisted of discussions between representatives from 41 countries about export controls of nuclear weapons, and agreed to "ensure the detection and denial of undesirable exports."⁸⁶³ Representatives also committed to strengthening exports in the areas of passive counter-surveillance equipment of mobile telecommunications and spacecraft.⁸⁶⁴

On 24 January, 2013, in support of the UN Security Council's recent adoption of UN Security Council resolution (UNSCR) 2087, the US Department of State and the US Treasury designated several individuals and entities to monitor North Korea in the development of its nuclear program.⁸⁶⁵ UNSCR 2087 condemned North Korea for its use of ballistic missile technology in its launch on December 12, 2012, which violated UNSCRs 1718 1874.⁸⁶⁶ The Department of State designated one entity and two individuals in accordance with Executive Order 13382, which focuses on proliferators of WMDs and their supporters, including the Korean Committee for Space Technology (KCST), KCST senior official Paek Chang-Ho, and General Manager of the Sohae Satellite Launching Station Chang Myong-Chin.⁸⁶⁷ The US notes such actions have been

⁸⁵⁹ Statement by the Honorable William J. Burns, United States Deputy Secretary of State, at the UN Secretary-General's High-Level Meeting on Countering Nuclear Terrorism (New York) 28 September 2012. Date of Access: 7 January 2013. <http://usun.state.gov/briefing/statements/198446.htm>

⁸⁶⁰ Statement by the Honorable William J. Burns, United States Deputy Secretary of State, at the UN Secretary-General's High-Level Meeting on Countering Nuclear Terrorism (New York) 28 September 2012. Date of Access: 7 January 2013. <http://usun.state.gov/briefing/statements/198446.htm>

⁸⁶¹ Remarks by the President at the Nunn-Lugar Cooperative Threat Reduction Symposium (Washington, DC) 3 December 2012. Date of Access: 7 January 2013. <http://www.state.gov/t/isn/rls/rm/201572.htm>

⁸⁶² Wassenaar Arrangement: Plenary Meeting Approves Updated Export Controls for Conventional Arms and Dual Use Goods, U.S. Department of State (Washington, DC) 11 December 2012. Date of Access: 7 January 2013. <http://vienna.usmission.gov/121211wassenaar.html>

⁸⁶³ Public Statement 2012 Plenary Meeting of The Wassenaar Arrangement on Export Controls for Convention Arms and Dual-Use Goods and Technologies (Vienna) 12 December 2012. Date of Access: 7 January 2012.

<http://www.wassenaar.org/publicdocuments/2012/WA%20Plenary%20Public%20Statement%202012.pdf>

⁸⁶⁴ Public Statement 2012 Plenary Meeting of The Wassenaar Arrangement on Export Controls for Convention Arms and Dual-Use Goods and Technologies (Vienna) 12 December 2012. Date of Access: 7 January 2012.

<http://www.wassenaar.org/publicdocuments/2012/WA%20Plenary%20Public%20Statement%202012.pdf>

⁸⁶⁵ Designation Of DPRK Entities Pursuant to Executive Order 13382 In Response To UN Security Council Resolution 2087 (Washington, DC) 24 January 2013. Date of Access: 15 May 2013. <http://www.state.gov/r/pa/prs/ps/2013/01/203236.htm>

⁸⁶⁶ Designation Of DPRK Entities Pursuant to Executive Order 13382 In Response To UN Security Council Resolution 2087 (Washington, DC) 24 January 2013. Date of Access: 15 May 2013. <http://www.state.gov/r/pa/prs/ps/2013/01/203236.htm>

⁸⁶⁷ Designation Of DPRK Entities Pursuant to Executive Order 13382 In Response To UN Security Council Resolution 2087 (Washington, DC) 24 January 2013. Date of Access: 15 May 2013.

taken in the hopes of disrupting North Korea's WMD proliferation that violate UN Security resolutions.⁸⁶⁸

On 11 February 2013 the US Department of State placed a number of nonproliferation sanctions on several entities and individuals pursuant to the Iran, North Korea, and Syria Nonproliferation Act (INKSNA).⁸⁶⁹ Sanctions were imposed on two Belarusian entities, four Chinese entities and one Chinese individual, two Iranian entities and one Iranian individual, two Sudanese entities, one Syrian entity, and one Venezuelan entity due to credible evidence indicating they had supplied, or received equipment and technology that could contribute to the building of weapons of mass destruction or ballistic missile program to or from Iran, North Korea, or Syria.⁸⁷⁰

Additionally, under the Arms Export Control Act (AECA) and Export Administration Act (EAA), missile proliferation sanctions have been imposed on a Chinese individual and his company for transferring equipment and technology under the Missile Technology Control Regime (MTCR) Annex to MTCR-class missiles in a non-MTCR country.⁸⁷¹ The sanctions will expire after two years, in February 2015.⁸⁷²

On March 7 2013, The U.S. Department of Treasury designated representatives from China and Korea pursuant to Executive Order (EO) 13382, which targets proliferators of WMD and their supporters.⁸⁷³ Under Security for Terrorism and Financial Intelligence, David S. Cohen, stated: "These individuals are important actors within North Korea's proliferation network who have been working to gain access to international markets."⁸⁷⁴ He goes on to say the US will continue

<http://www.state.gov/r/pa/prs/ps/2013/01/203236.htm>

⁸⁶⁸ Designation Of DPRK Entities Pursuant to Executive Order 13382 In Response To UN Security Council Resolution 2087 (Washington, DC) 24 January 2013. Date of Access: 15 May 2013.

<http://www.state.gov/r/pa/prs/ps/2013/01/203236.htm>

⁸⁶⁹ Imposition of Nonproliferation Sanctions Against Foreign Entities and Individuals (Washington, DC) 11 February 2013. Date of Access: 16 May 2013.

<http://www.state.gov/r/pa/prs/ps/2013/02/204013.htm>

⁸⁷⁰ Imposition of Nonproliferation Sanctions Against Foreign Entities and Individuals (Washington, DC) 11 February 2013. Date of Access: 16 May 2013.

<http://www.state.gov/r/pa/prs/ps/2013/02/204013.htm>

⁸⁷¹ Imposition of Nonproliferation Sanctions Against Foreign Entities and Individuals (Washington, DC) 11 February 2013. Date of Access: 16 May 2013.

<http://www.state.gov/r/pa/prs/ps/2013/02/204013.htm>

⁸⁷² Imposition of Nonproliferation Sanctions Against Foreign Entities and Individuals (Washington, DC) 11 February 2013. Date of Access: 16 May 2013.

<http://www.state.gov/r/pa/prs/ps/2013/02/204013.htm>

⁸⁷³ United States Sanction Individuals Linked To North Korean Weapons Of Mass Destruction Programs (Washington, DC) 8 March 2013. Date of Access: 17 May 2013.

<http://www.state.gov/t/isn/205879.htm>

⁸⁷⁴ United States Sanction Individuals Linked To North Korean Weapons Of Mass Destruction Programs (Washington, DC) 8 March 2013. Date of Access: 17 May 2013.

<http://www.state.gov/t/isn/205879.htm>

to expose such operations.⁸⁷⁵ Under EO 13382, there will most likely be a prohibition of interaction between these individuals and any person in United States, and any assets these individuals may have within US jurisdiction are to be frozen.⁸⁷⁶

Thus, the United States has been awarded a score of +1 for fully complying with its commitment to prevent domestic export of dual-use goods and technology and in working to prevent the spread of these materials around the world.

Analyst: Margot Whittington

European Union: +1

The European Union has fully complied with its commitment to non-proliferation and disarmament by not only implementing and updating international export control policies, but also ensuring similar policies were constructed to prevent the finance of proliferation.

On 1 July 2012, the full complement of the EU sanctions against Iran came into effect, with further publications on 30 August 2012 of the IAEA Director General on Iran and an EU restrictive update on 15 October 2012, in Luxembourg.⁸⁷⁷ Sanctions included “additional restrictive measures in the financial, trade, energy and transport sectors, as well as additional designations, notably of entities active in the oil and gas industry.”⁸⁷⁸ Specifically, the Council has committed to the prohibition of all transactions between European and Iranian banks, unless previously authorised under strict conditions.⁸⁷⁹ In addition, the Council will strengthen restrictive measures against the Central Bank of Iran.⁸⁸⁰ Further export restrictions have been imposed, notably for graphite, metals, software for industrial processes, as well as measures relating to the ship building industry.⁸⁸¹

⁸⁷⁵ United States Sanction Individuals Linked To North Korean Weapons Of Mass Destruction Programs (Washington, DC) 8 March 2013. Date of Access: 17 May 2013. <http://www.state.gov/t/isn/205879.htm>

⁸⁷⁶ United States Sanction Individuals Linked To North Korean Weapons Of Mass Destruction Programs (Washington, DC) 8 March 2013. Date of Access: 17 May 2013. <http://www.state.gov/t/isn/205879.htm>

⁸⁷⁷ Reinforcement of EU sanctions against Iran, EU Non-Proliferation Consortium the European network of independent non-proliferation think tanks (Luxembourg) 15 October 2012. Date of Access: 11 January 2013. <http://www.nonproliferation.eu/enewsletter/page2.php>

⁸⁷⁸ Reinforcement of EU sanctions against Iran, EU Non-Proliferation Consortium the European network of independent non-proliferation think tanks (Luxembourg) 15 October 2012. Date of Access: 11 January 2013. <http://www.nonproliferation.eu/enewsletter/page2.php>

⁸⁷⁹ Reinforcement of EU sanctions against Iran, EU Non-Proliferation Consortium the European network of independent non-proliferation think tanks (Luxembourg) 15 October 2012. Date of Access: 11 January 2013. <http://www.nonproliferation.eu/enewsletter/page2.php>

⁸⁸⁰ Reinforcement of EU sanctions against Iran, EU Non-Proliferation Consortium the European network of independent non-proliferation think tanks (Luxembourg) 15 October 2012. Date of Access: 11 January 2013. <http://www.nonproliferation.eu/enewsletter/page2.php>

⁸⁸¹ Reinforcement of EU sanctions against Iran, EU Non-Proliferation Consortium the European network of independent non-proliferation think tanks (Luxembourg) 15 October 2012. Date of Access: 11 January 2013. <http://www.nonproliferation.eu/enewsletter/page2.php>

On 8 July 2012, Brussels an EU Export Compliance Cooperation Agreement was signed by EIFEC and Politecnico.⁸⁸² This agreement will establish a European network, an expert system to ensure EU National Authorities have sufficient information to determine if any items are under the EU dual use regulation and compliance of a product with EU sanction regulations.⁸⁸³

On 23 October 2012, Minister Counselor of the Delegation of the European Union, Andras Kos released a statement at the First Committee of the 67th session of the General Assembly of the United Nations on “Conventional Weapons” in New York.⁸⁸⁴ This statement listed the many contributions the EU has made in its efforts to control non-proliferation and disarmament.⁸⁸⁵ He expressed the EU’s support on the negotiations of the Arms trade treaty, referencing the EU’s “successful organization of a series of world-wide outreach events ...in cooperation with UNIDIR over the past three years.”⁸⁸⁶

On 25 October 2012, the council decision 2012/662/CFSP was published in Luxembourg.⁸⁸⁷ The publication outlined projects the EU will undertake “in support of activities to reduce the risk of illicit trade in, and excessive accumulation of, Small Arms and Light Weapons in the region covered by the Organisation for Security and Cooperation in Europe (OSCE).”⁸⁸⁸ The four projects are as follows: (1) implementing a training workshop for member states for brokering controls on SALW; (2) security upgrades to SALW stockpile storage sites in Belarus and Kyrgyzstan; (3) the destruction of surplus SALW in Belarus and Kyrgyzstan to prevent their diversion to illegal trade”; and (4) a new SALW inventory management application for record keeping and transparency of “SALW and conventional ammunition.”⁸⁸⁹ Implementation of these

⁸⁸² EU Cooperation Agreement with Leading Italian University, European Institute for Export Compliance 8 July 2012. Date of Access: 11 January 2013. <http://www.exportcompliance.eu/index.php/en/99-latest-news/197-eu-cooperation-agreement-with-leading-italian-university>

⁸⁸³ EU Cooperation Agreement with Leading Italian University, European Institute for Export Compliance 8 July 2012. Date of Access: 11 January 2013. <http://www.exportcompliance.eu/index.php/en/99-latest-news/197-eu-cooperation-agreement-with-leading-italian-university>

⁸⁸⁴ European Union Statement delivered by Mr. Andras Kos, Minister Counsellor, Delegation of the European Union, at the First Committee of the 67th session of the General Assembly of the United Nations on “Conventional Weapons, EU Statement — United Nations 1st Committee: Conventional Weapons (New York) 23 October 2012. Date of Access: 11 January 2013. http://www.eu-un.europa.eu/articles/en/article_12757_en.htm

⁸⁸⁵ European Union Statement delivered by Mr. Andras Kos, Minister Counsellor, Delegation of the European Union, at the First Committee of the 67th session of the General Assembly of the United Nations on “Conventional Weapons, EU Statement — United Nations 1st Committee: Conventional Weapons (New York) 23 October 2012. Date of Access: 11 January 2013. http://www.eu-un.europa.eu/articles/en/article_12757_en.htm

⁸⁸⁶ European Union Statement delivered by Mr. Andras Kos, Minister Counsellor, Delegation of the European Union, at the First Committee of the 67th session of the General Assembly of the United Nations on “Conventional Weapons, EU Statement — United Nations 1st Committee: Conventional Weapons (New York) 23 October 2012. Date of Access: 11 January 2013. http://www.eu-un.europa.eu/articles/en/article_12757_en.htm

⁸⁸⁷ COUNCIL DECISION 2012/662/CFSP of 25 October 2012, Official Journal of the European Union 26 October 2012. Date of Access: 11 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:297:0029:0033:EN:PDF>

⁸⁸⁸ COUNCIL DECISION 2012/662/CFSP of 25 October 2012, Official Journal of the European Union 26 October 2012. Date of Access: 11 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:297:0029:0033:EN:PDF>

⁸⁸⁹ COUNCIL DECISION 2012/662/CFSP of 25 October 2012, Official Journal of the European Union 26 October 2012. Date of Access: 11 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:297:0029:0033:EN:PDF>

projects will be based on their respective funding and exceed no longer than the estimated duration of 36 months.⁸⁹⁰

On 5-6 November 2012, Brussels the EU organized a seminar aimed at establishing a Zone free of WMD and means of Delivery in the Middle East.¹⁹ This seminar implemented the council rulings 2012/422/CFSP and 2010/799/CFSP from 23 July 2012 and 13 December 2010 respectively.¹⁹

On 10 December 2012, Vienna the EU wrote up financial documents and made a first installment of EUR4 million to the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO). A total of EUR5.2 million was initially promised on 13 November 2012, 2012/699/CFSP, for the work of the CTBTO Provisional Technical Secretariat.

On 22 December 2012, additional freezes and restrictions were made to limit the possibility of Iran's nuclear proliferation.⁸⁹¹ EU Council Regulation No. 1263/2012 updates Article 30 creating new EU prohibition "on transfers of funds between EU credit and financial institutions and Iranian banks."⁸⁹² It also updates Article 28 which allows only competent authorities to release certain frozen resources of the Central Bank of Iran, if such funds or economic resources are "necessary for the purpose of providing credit or financial institutions with liquidity for the financing of trade, or the servicing of trade loans; or necessary for the reimbursement of a claim due under a contract or agreement concluded by an Iranian person, entity or body before 16 October 2012 where such a contract or agreement provides for the reimbursement of outstanding amounts to persons, entities or bodies under the jurisdiction of Member States."⁸⁹³

On 18 February 2013 in Brussels the EU Council adopted three conclusions regarding the Democratic People's Republic of Korea and their nuclear proliferation.¹⁸ Firstly, it condemns their nuclear test of 12 February 2013, which violates the country's international obligations.¹⁸ The EU demands North Korea stop any further testing and sign the Comprehensive Nuclear Test Ban Treaty (CTBT).¹⁸ Secondly, the EU advises North Korea to cease its nuclear and ballistic missile programmes for they "constitute a grave challenge to the international nuclear non-

⁸⁹⁰ COUNCIL DECISION 2012/662/CFSP of 25 October 2012, Official Journal of the European Union 26 October 2012. Date of Access: 11 January 2013.
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2012:297:0029:0033:EN:PDF>

⁸⁹¹ EU Council Regulation No 1263/2012 / Iran (nuclear proliferation), EU-Export Compliance Framework (EU-ECF) (Brussels) 22 December 2012. Date of Access: 11 January 2013.
http://www.exportcompliance.eu/docs/267_2012/IRAN_Sanction_UPDATE_22122012_1263_quick_facts.pdf

⁸⁹² EU Council Regulation No 1263/2012 / Iran (nuclear proliferation), EU-Export Compliance Framework (EU-ECF) (Brussels) 22 December 2012. Date of Access: 11 January 2013.
http://www.exportcompliance.eu/docs/267_2012/IRAN_Sanction_UPDATE_22122012_1263_quick_facts.pdf

⁸⁹³ EU Council Regulation No 1263/2012 / Iran (nuclear proliferation), EU-Export Compliance Framework (EU-ECF) (Brussels) 22 December 2012. Date of Access: 11 January 2013.
http://www.exportcompliance.eu/docs/267_2012/IRAN_Sanction_UPDATE_22122012_1263_quick_facts.pdf

¹⁸ Council conclusions on the Democratic People's Republic of Korea (DPRK), 3222nd FOREIGN AFFAIRS Council meeting (Brussels) 18 February 2013. Date of Access: 17 May 2013.
http://www.consilium.europa.eu/uedocs/cms_Data/docs/pressdata/EN/foraff/135534.pdf

¹⁹ Six-monthly Progress Report on the implementation of the EU Strategy against the Proliferation of Weapons of Mass Destruction (2012/II), Official Journal of the European Union. 9 February 2013. Date of Access: 17 May 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:C:2013:037:0003:0026:EN:PDF>

proliferation regime and presents the risk of aggravating regional tensions.”¹⁸ Thirdly, the EU will be strengthening export sanctions against the DPRK as well as employing UN Security Council Resolution 2087.¹⁸ These measures relate to the trade of weapons and related materials as well as financial restrictions. They include travel bans and asset freezes for specific persons and entities associated with conventional arms or nuclear trade.

The EU also banned export and import for key missile components such as aluminium.¹⁸ Further restrictive measures prevent the finance of nuclear proliferation such as the EU’s prohibition of trade in new public bonds. This outlawed “trade in gold, precious metals and diamonds with North Korean public bodies and stopped the delivery of new DPRK denominated banknotes and coinage to the central bank of the DPRK.”¹⁸ If North Korea continues their actions they will be financial hindered in the future from “opening new branches in the Union and establishing joint ventures with European financial institutions. Nor will European banks be permitted to establish offices and subsidiaries in the DPRK.”¹⁸

In conclusion, the European Union is awarded a score of +1 for its collective actions to strengthen export controls and preventative non-proliferation finance measures.

Analyst: Daniel Szulc

9. Energy: Facilitating Free Trade [110]

Commitment

“Facilitate free trade in all kinds of energy resources as a means to enhance economic security and decrease price volatility, including by abolishing barriers to trade and by providing for a favorable investment climate in the energy sector.”

G8 Declaration on Energy

Assessment

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

Background

At St. Petersburg, G8 members made a broad commitment to global energy security, recognizing global energy challenges such as volatile oil prices, growing energy demand, investment requirements, environmental protection, and infrastructural vulnerability.⁸⁹⁴ Members went on to address three interrelated issues: energy security, economic growth, and environmental protection⁸⁹⁵ These three issues have become regularly featured in ensuing G8 summit commitments on energy.

After St. Petersburg Summit, subsequent commitments regarding energy have generally focused on increasing trade, minimizing price volatility, fostering investment, diversification, efficiency, and addressing climate change through renewable energy resources. The 2008 Hokkaido-Yoyako Summit upheld the tone set at St. Petersburg with commitments on energy efficiency and diversification, while following summits continued to overlap issues of economic development, energy security, and climate change.⁸⁹⁶ The Camp David Declaration honoured this energy security trend through its commitment to the reduction of trade barriers and its continued rejection of protectionist measures.⁸⁹⁷

Commitment Features

G8 members have committed to taking direct action to open their energy markets through advancing policies of free trade, including removing barriers to trade and investment. The WTO defines barriers to trade as, “Tariffs, non-tariff measures, subsidies and burdensome

⁸⁹⁴ St. Petersburg Summit Documents: Global Energy Security, 16 July 2006. Date of Access: 30 November 2012. <http://www.g8.utoronto.ca/summit/2006stpetersburg/energy.html>.

⁸⁹⁵ St. Petersburg Summit Documents: Global Energy Security, 16 July 2006. Date of Access: 30 November 2012. <http://www.g8.utoronto.ca/summit/2006stpetersburg/energy.html>.

⁸⁹⁶ Hokkaido-Yoyako Summit Documents: Energy Efficiency and Diversification, 30 June 2009. Date of Access: 30 November 2012. <http://www.g8.utoronto.ca/evaluations/2008compliance-final/index.html>.

⁸⁹⁷ Camp David Summit Documents: Official Declaration, 19 May 2012. Date of Access: 29 November 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

administrative procedures regarding imports.”⁸⁹⁸ Therefore, members will violate their commitment if they take measures to prevent the activity of foreign actors in domestic energy markets.

Scoring

-1	Member takes no significant legislative OR funding action to abolish a barrier to trade or investment in an energy sector.
0	Member takes significant legislative OR funding action to abolish a barrier to trade or investment in an energy sector.
+1	Member takes significant legislative AND funding action to abolish a barrier to trade or investment in an energy sector.

Canada: 0

The Government of Canada has partially complied with its commitment to facilitate free trade in all kinds of energy, including by abolishing barriers to trade and providing for a favourable investment climate.

On 19 July 2012, Minister of Foreign Affairs John Baird announced that Canada and China signed a supplementary protocol to the long-standing Canada-China Nuclear Cooperation Agreement that will help Canadian uranium companies increase their exports to China.⁸⁹⁹ The agreement’s supplementary protocol will govern and facilitate the export of Canadian uranium to China, supporting China’s energy needs and Canada’s long-term economic interests and nuclear non-proliferation policy.⁹⁰⁰

On 9 October 2012, Canada formally joined the Trans-Pacific Partnership (TPP) trade negotiations, which will help Canada increase access to overseas markets.⁹⁰¹ Canada’s plan to join the TPP compliments its goals to increase energy trade around the Pacific.

On 29 October 2012, Minister of International Trade Ed Fast announced that Canada and Japan would soon begin the first round of trade negotiations to increase exports and work opportunities, as well as provide for growth in Canada’s energy sector.⁹⁰² While the intention of this action complies with Canada’s commitment to the G8, the negotiations have yet to be completed.

On 07 December 2012, Chinese state-owned enterprise China National Offshore Oil Corporation (CNOOC), and Malaysian state-owned enterprise Petronas were given approval by the Canadian government for their purchase of controlling interest in two Alberta-based companies with a

⁸⁹⁸ G20 governments refrain from extensive use of restrictive measures, but some slippage evident: World Trade Organization, 14 September 2009. Date of Access: 30 November 2012. http://www.wto.org/english/news_e/news09_e/trdev_14sep09_e.htm.

⁸⁹⁹ Canada and China Enhance Nuclear Cooperation: Foreign Affairs and International Trade Canada (Ottawa), 19 July 2012. Date of Access: 18 May 2013.

⁹⁰⁰ Canada and China Enhance Nuclear Cooperation: Foreign Affairs and International Trade Canada (Ottawa), 19 July 2012. Date of Access: 18 May 2013. <http://www.international.gc.ca/media/aff/news-communications/2012/07/19a.aspx?lang=eng>

⁹⁰¹ Canada Formally Joins Trans-Pacific Partnership: Foreign Affairs and International Trade Canada (Ottawa), 9 October 2012. Date of Access: 27 January 2013. http://www.international.gc.ca/media_commerce/comm/news-communications/2012/10/09a.aspx?lang=eng&view=d,

⁹⁰² Harper Government Set to Launch First Full Round of Negotiations with Japan: Foreign Affairs and International Trade Canada (Ottawa), 29 October 2012. Date of Access: 27 January 2013. http://www.international.gc.ca/media_commerce/comm/news-communications/2012/10/29a.aspx?lang=eng&view=d.

significant amount of assets in the Canadian Oilsands.⁹⁰³ CNOOC was granted approval for their CAD\$15.1 billion acquisition of Nexen Inc., and Petronas received the green light for its CAD\$6 billion acquisition of Progress Energy Resources Corp.⁹⁰⁴

On 07 December 2012, the prime minister announced that the threshold for the net-benefit review test would be increased to CAD\$1 billion, over a course of 4 years, for foreign private enterprises.⁹⁰⁵ This means that more investments by foreign private firms in the energy sector will not have to be subjected to a review by the government. This proposed legislation thus facilitates foreign private investment in Canada's energy sector. The threshold for the net-benefit test stayed the same for foreign state-owned companies making acquisitions in Canada, at CAD\$330 million.⁹⁰⁶ Therefore, foreign state-owned enterprises seeking to make heavier investments in the Canadian economy, including the energy sector, will be subject to review.⁹⁰⁷

On 26 April 2013, Minister of International Trade and Minister for the Asia-Pacific Gateway Ed Fast said that a wide range of sectors in every region of the country would benefit from an ambitious Canada-EU comprehensive economic and trade agreement (CETA).⁹⁰⁸ Trade negotiations are underway which would allow for improved access to the EU market and create new export opportunities for Canadian energy sectors such as oil and gas.⁹⁰⁹

There is no evidence of the Government of Canada taking significant funding action to abolish a barrier to trade or investment in an energy sector since the Camp David Summit.

Thus, Canada has been awarded a score of 0 for taking legislative action that both facilitates foreign investment by foreign private enterprises in its energy sector, and constrains the activity of other foreign actors (i.e. foreign state-owned/state-influenced enterprises) in its domestic energy market.

Analyst: Syed Fahd Ahmed

⁹⁰³ Harper government crafts Canada's energy policy in Ottawa's back rooms: The Toronto Star (Toronto), 10 December 2012. Date of Access: 23 December 2012.

<http://www.thestar.com/opinion/editorials/article/1300279—harper-government-crafts-canada-s-energy-policy-in-ottawa-s-back-rooms>.

⁹⁰⁴ New rules for foreign investment by state-owned enterprises — do they strike the right balance? Lexology (Global Business Publishing Ltd.), 9 December 2012. Date of Access: 1 January 2013.

<http://www.lexology.com/library/detail.aspx?g=4a0ac3ac-6b74-43b8-8d22-e7ffe911c08c>.

⁹⁰⁵ Harper government crafts Canada's energy policy in Ottawa's back rooms: The Toronto Star (Toronto), 10 December 2012. Date of Access: 23 December 2012.

<http://www.thestar.com/opinion/editorials/article/1300279—harper-government-crafts-canada-s-energy-policy-in-ottawa-s-back-rooms>.

⁹⁰⁶ Harper government crafts Canada's energy policy in Ottawa's back rooms: The Toronto Star (Toronto), 10 December 2012. Date of Access: 23 December 2012.

<http://www.thestar.com/opinion/editorials/article/1300279—harper-government-crafts-canada-s-energy-policy-in-ottawa-s-back-rooms>.

⁹⁰⁷ New rules for foreign investment by state-owned enterprises — do they strike the right balance? Lexology (Global Business Publishing Ltd.), 9 December 2012. Date of Access: 1 January 2013.

<http://www.lexology.com/library/detail.aspx?g=4a0ac3ac-6b74-43b8-8d22-e7ffe911c08c>.

⁹⁰⁸ Big Gains for Alberta in a Canada-EU Trade Agreement, Says International Trade Minister Ed Fast: Foreign Affairs and International Trade Canada (Ottawa), 26 April 2013. Date of Access: 18 May 2013.

⁹⁰⁹ Big Gains for Alberta in a Canada-EU Trade Agreement, Says International Trade Minister Ed Fast: Foreign Affairs and International Trade Canada (Ottawa), 26 April 2013. Date of Access: 18 May 2013.

France: 0

France has partially complied with its commitment to facilitate free trade in all kinds of energy resources, including by reducing trade barriers and encouraging investment in the energy sector.

On 4 December 2012, France signed two new agreements with Venezuela, one of which concerned energy trade. The agreement offers new incentives for investments in the energy sector.⁹¹⁰

On 7 January 2013, Energy Minister Delphine Batho announced a plan to rescue France's ailing solar industry by doubling the national photovoltaic power generation target and offering more subsidies to small solar farms that use European-made panels.⁹¹¹ The production capacity growth target will double to 1,000 megawatts per year.⁹¹² The French government will add a bonus of up to 10 per cent for small solar farms using panels made in the European Economic Area.⁹¹³ These measures are estimated to spur investments worth more than EU2 billion.

According to an article dated 7 January 2013, France is reducing its reliance on foreign-made solar panels after cheap Chinese modules flooded the French market, prompting cries of unfair competition and creating a EU1.35 billion trade deficit for the sector in 2011.⁹¹⁴ This may be considered a failure to comply with the Camp David Declaration, which includes a commitment to refrain from discriminatory measures that impede market access.⁹¹⁵

On 21 January 2013, the Prime Minister decided to redirect EU2.2 billion in funding in order to incentivize technological growth and innovation, including the development of the offshore wind industry. The aim of the funding is to encourage investment in the energy sector, among others.⁹¹⁶

While the Government of France asserts its commitment to encouraging free trade in all kinds of energy resources, it falls short in facilitating the trade of energy internationally, including by removing trade barriers and discriminatory measures that impede market access.

Analyst: Michelle Park

⁹¹⁰ Nouveaux accords entre la France et le Venezuela: Le portail de l'Economie et des Finances, 4 December 2012. Date of Access: 27 January 2013. <http://www.economie.gouv.fr/nouveaux-accords-france-venezuela>.

⁹¹¹ France Launches Rescue Plan for Solar Power Industry: Thomson Reuters (New York), 7 January 2013. Date of Access: 12 January 2013. <http://www.reuters.com/article/2013/01/07/us-france-solar-measures-idUSBRE9060AN20130107>.

⁹¹² France Launches Rescue Plan for Solar Power Industry: Thomson Reuters (New York), 7 January 2013. Date of Access: 12 January 2013. <http://www.reuters.com/article/2013/01/07/us-france-solar-measures-idUSBRE9060AN20130107>.

⁹¹³ Bloomberg: France Doubles Solar Target, Seeks to Promote European Equipment. 7 January 2013. Date of Access: 12 January 2013. <http://www.bloomberg.com/news/2013-01-07/france-doubles-solar-target-seeks-to-promote-european-equipment.html>.

⁹¹⁴ France Launches Rescue Plan for Solar Power Industry: Thomson Reuters (New York), 7 January 2013. Date of Access: 12 January 2013. <http://www.reuters.com/article/2013/01/07/us-france-solar-measures-idUSBRE9060AN20130107>.

⁹¹⁵ The White House: Camp David Declaration. 19 May 2012. Date of Access: 11 January 2013. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

⁹¹⁶ Réorientation de 2,2 milliards d'euros du programme d'investissements d'avenir: Portail de gouvernement, 21 January 2013. Date of Access: 27 January 2013. <http://www.gouvernement.fr/presse/reorientation-de-22-milliards-d-euros-du-programme-d-investissements-d-avenir>.

Germany: 0

Germany has partially complied with its commitment to facilitate free trade in all kinds of energy resources, including through abolishing barriers to trade and providing for a favourable investment climate in the energy sector.

On 23 October 2012, the Bundestag adopted the Eighth Amendment of the Act Against Restraint of Competition, which includes provisions affecting the electricity and gas sector. Special provisions prevent market impediments by large mineral oil companies to the detriment of smaller rivals. The law also stipulates that a supplier of electricity or pipeline gas in a dominant supplier position is prohibited from abusing such position by demanding fees.⁹¹⁷ However, on 18 December 2012, the Mediation Committee, a joint Committee of the German Federal Legislature, was unable to reach a compromise on the legislative initiative.⁹¹⁸

On 8 November 2012, the Bundestag adopted the Bill on the Market Transparency Agency for Gas and Electricity Wholesale Market, as part of implementing EU Regulation on Manipulation and Insider Trading (REMIT) of the wholesale gas and electricity markets. German national implementation measures included the establishment of a market transparency agency for gas and electricity wholesale market. The law provided the legal basis for the operation of the new Market Transparency Agency for Power and Gas (Markttransparenzstelle für Strom und Gas) with the Federal Network Agency (Bundesnetzagentur). On the adoption of the draft law by the German Federal Cabinet on 5 November 2012, Minister Rösler commented: “This [law] will ... boost competition in the interest of consumers. In my capacity as Federal Economic Minister, I naturally also want to make sure that no additional and unnecessary bureaucratic burden is created for industry...”⁹¹⁹

On 29 August 2012, the German Federal Cabinet adopted draft legislation for the Third Act Revising the Legislation Governing the Energy Sector. According to Federal Environment Minister Peter Altmaier, “The decision by the Federal government on the new liability regime removes a major obstacle on our way to expanding the use of offshore wind energy.”⁹²⁰ Federal Minister of Economics and Technology Dr. Philipp Rösler agreed, saying that the legislation would benefit investors.⁹²¹

On 3 June 2012, Minister Rösler and Fauad Douiri, Moroccan Minister of Energy, Mines, Water, and the Environment, signed a joint declaration of the intent on the founding of a bilateral energy

⁹¹⁷ 8th GWB adopted: Federal Ministry of Economics and Technology (Berlin), 18 October 2012. Date of Access: 12 January 2013. http://www.bmwi.de/DE/Themen/Wirtschaft/wirtschaftspolitik_did=518038.html.

⁹¹⁸ German competition law reform delayed until next year: Financial Times (London), 18 December 2012. Date of Access: 12 January 2013. <http://www.ft.com/cms/s/2/4b2e0cd8-4951-11e2-b25b-00144feab49a.html>.

⁹¹⁹ Minister Rösler, Market transparency office strengthens competition on fuel and energy markets: Federal Ministry of Economics and Technology, (Berlin), 2 May 2012. Date of Access: 12 January 2013. http://www.bmwi.de/English/Navigation/Press/press-releases_did=490210.html.

⁹²⁰ Federal cabinet adopts offshore liability regime and introduction of offshore grid development plan: Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (Berlin), 29 August 2012. Date of Access: 12 January 2013. [http://www.erneuerbare-energien.de/en/unser-service/press/detailview/artikel/federal-cabinet-adopts-offshore-liability-regime-and-introduction-of-offshore-grid-development-plan/?tx_ttnews\[backPid\]=1](http://www.erneuerbare-energien.de/en/unser-service/press/detailview/artikel/federal-cabinet-adopts-offshore-liability-regime-and-introduction-of-offshore-grid-development-plan/?tx_ttnews[backPid]=1).

⁹²¹ Federal cabinet adopts offshore liability regime and introduction of offshore grid development plan: Federal Ministry for the Environment, Nature Conservation, and Nuclear Safety (Berlin), 29 August 2012. Date of Access: 12 January 2013. [http://www.erneuerbare-energien.de/en/unser-service/press/detailview/artikel/federal-cabinet-adopts-offshore-liability-regime-and-introduction-of-offshore-grid-development-plan/?tx_ttnews\[backPid\]=1](http://www.erneuerbare-energien.de/en/unser-service/press/detailview/artikel/federal-cabinet-adopts-offshore-liability-regime-and-introduction-of-offshore-grid-development-plan/?tx_ttnews[backPid]=1).

partnership.⁹²² The partnership offers an expansion for opening investment in energy sectors between the two countries.

On 19 November 2012, Germany and Turkey strengthened their cooperation in the energy sector. The agreement strengthens the commitment of each country for investments into the generation and distribution in respective energy markets.⁹²³

In late November 2012, Germany's energy policy shift has come under an EU antitrust inquiry as a union of households and small businesses complained about the current legislation that exempts large German industries from paying the cost of subsidizing renewable energy, thus violating EU rule prohibiting state aid to business.⁹²⁴ Such regulation has raised the cost of electricity for small- and medium-enterprises.⁹²⁵ This has led to increases in price volatility with the four transmission system operators announcing the Renewable Energy Act (EEG) levy will increase from EUR0.003502 to EUR0.005277 per kilowatt-hour in 2013.⁹²⁶ Minister Rösler stated on 15 October 2012, "The Renewable Energies Act (EEG) has to be urgently and thoroughly revised and more geared towards the market."⁹²⁷ Such distortions in the price of electricity have created externalities and barriers related to investment in the German energy sector.

On 28 January 2013, Federal Environment Minister Peter Altmaier announced that energy surcharge to finance the transition from fossil fuels to renewable energy would be frozen for the next two years and that a cap would be imposed on how fast it could rise after that. Implementation could occur as soon as 1 August 2013. Minister Altmaier commented: "With this, millions of users of electricity, millions of business owners will receive the certainty... that they won't be burdened in an unfair or incalculable way."⁹²⁸

On 21 February 2013, State Secretary in the Federal Ministry of Economics and Technology Stefan Kapferer and South African Energy Minister Dipuo Peters, signed a joint declaration of intent on the establishment of a German-South African energy partnership.⁹²⁹ The energy

⁹²² Rösler and Douiri establish German-Moroccan Energy Partnership: Federal Ministry of Economics and Technology (Berlin), 3 July 2012. Date of Access: 12 January 2013.

<http://www.bmwi.de/English/Navigation/Press/press-releases.did=498986.html>.

⁹²³ Germany and Turkey to strengthen energy cooperation: Federal Ministry of Economic and Technology (Berlin), 5 November 2012. Date of Access: 12 January 2013.

<http://www.bmwi.de/DE/Themen/aussenwirtschaft.did=525434.html>.

⁹²⁴ German Energy Policy Sparks Consumer Ire: Wall Street Journal US Edition (New York), 29 November 2012. Date of Access: 12 January 2013.

<http://online.wsj.com/article/SB10001424127887323751104578149144050909144.html>

⁹²⁵ Tax Breaks and Subsidies for Industry Divide Germans: Der Spiegel English Edition (Hamburg), 26 October 2012. Date of Access: 12 January 2013. <http://www.spiegel.de/international/germany/medium-sized-german-companies-criticize-energy-tax-breaks-for-industry-a-863430.html>

⁹²⁶ Rösler,; Funding for renewables getting out of hand: Federal Ministry of Economics and Technology (Berlin), 15 October 2012. Date of Access: 12 January 2013.

<http://www.bmwi.de/English/Navigation/Press/press-releases.did=520702.html>.

⁹²⁷ Rösler,; Funding for renewables getting out of hand: Federal Ministry of Economics and Technology (Berlin), 15 October 2012. Date of Access: 12 January 2013.

<http://www.bmwi.de/English/Navigation/Press/press-releases.did=520702.html>.

⁹²⁸ Germany to impose cap on renewable surcharge: Die Welt (Hamburg), 28 January 2013. Date of Access 21 May 2013. <http://www.dw.de/germany-to-impose-cap-on-renewables-surcharge/a-16555020>

⁹²⁹ German Federal Government establishes German-South Africa energy partnership: Federal Ministry of Economics and Technology (Berlin), 21 February 2013. Date of Access 23 May 2013.

<http://www.bmwi.de/EN/Press/press-releases.did=554170.html>

partnership builds on existing agreements between the two states in the field of energy and includes support for private-sector activities.

On 6 March 2013, the German national court struck down the Federal Networks Agency's (Bundesnetzagentur) regulation exempting power intensive industries from paying grid fees.⁹³⁰ Under the regulation, companies using large amounts of energy could apply for a waiver. The court ruled, "a complete waiver violates the principle of equal treatment" and European laws.⁹³¹ The ruling came a day after the EU Commission launched a formal inquiry into the same exemption. The probe was based on complaints from consumer advocacy groups, energy companies as well as citizens alleging the exemption constituted unlawful state aid.⁹³²

While Germany has adopted legislation that has provided for a favourable investment climate in the energy sector, it is still faced by the issue of creating a more integrated and liberalized energy market, which has created and left significant non-tariff measures and subsidies in place. Germany is thus awarded a score of 0 for partial compliance with this commitment.

Analyst: Tyler Donnelly

Italy: 0

Italy has partially complied with its commitment to facilitate free trade in all forms of energy resources, including by abolishing barriers to trade as well as providing for a favourable investment climate in the energy sector.

On 27 August 2012, Italy adopted new feed in tariff requirements for renewable energy resources including wind, and in particular, solar powered energy. The new measures include fixed feed-in tariffs, indirect marketing of generation, and a system of premium feed-in tariffs available through a tendering process.⁹³³ This has sparked criticism from China who "lodged a complaint with the WTO accusing Italy of illegally favouring domestic solar panel producers in promoting new solar power installations."⁹³⁴

On 16 October 2012, Prime Minister Mario Monti announced a new Italian energy plan to double production of domestic oil.⁹³⁵ One of the plan's main features is to reduce administrative red tape

⁹³⁰ German Power Grid Fee Waivers Struck Down by Court: Bloomberg (New York), 6 March 2013. Date of Access: 21 May 2013. <http://www.bloomberg.com/news/2013-03-06/german-power-grid-fee-waivers-struck-down-by-court.html>

⁹³¹ German Power Grid Fee Waivers Struck Down by Court: Bloomberg (New York), 6 March 2013. Date of Access: 21 May 2013. <http://www.bloomberg.com/news/2013-03-06/german-power-grid-fee-waivers-struck-down-by-court.html>

⁹³² EU investigates German industry's discounts: Die Welt English Edition (Hamburg), 6 March 2013. Date of Access: 21 May 2013. <http://www.dw.de/eu-investigates-german-industrys-energy-discounts/a-16652605>

⁹³³ Italy Launches Consultation on New Energy Strategy: Government of Italy, 26 October 2012. Date of Access: 2 February 2013. http://www.governo.it/GovernoInforma/eng/documents/Italy_launches_consultation_newenergy_strategy.pdf

⁹³⁴ Italy Abandons RPS, Adopts System of Feed In Tariffs: Paul Gipe, Renewable Energy World, 6 December 2012. Date of Access: 2 February 2013. <http://www.renewableenergyworld.com/rea/news/article/2012/12/italy-abandons-rps-adopts-system-of-feed-in-tariffs>.

⁹³⁵ Italy Looks For Relief With First New Energy Plan in 25 Years: Christopher Coates, Forbes, 12 November 2012. Date of Access: 2 February 2013. <http://www.forbes.com/sites/christophercoates/2012/11/12/italy-looks-for-relief-with-first-new-energy-plan-in-25-years/>.

that has stagnated potential oil deals.⁹³⁶ The plan attempts to streamline projects' development process, thereby reducing costs and encouraging investment, by including a simplified permit process and the reduction of local authority over oil and gas projects.⁹³⁷ The effects of local control have recently become a major issue after a series of projects were halted after years of delays. In particular, on 2 November 2012 Shell decided to abandon its Liquid Natural Gas (LNG) project in Sicily after 7 years of permit delays.⁹³⁸ The Italian Government has also reversed a 2010 ban on offshore drilling that should encourage more investment. This new plan put forward by Prime Minister Monti is meant to prevent these kinds of projects from abandoning Italy by creating a more favourable investment climate in the oil and gas sector.

On 26 October 2012, The Italian Government's official energy strategy was released. One of its main objectives is to reduce the price differential between Italy and the Northern European markets. Proposed measures include "fostering cooperation between member states' Regulators, TSOs and governments in order to prevent tariff or other types of barriers to the full integration of the single gas market."⁹³⁹

On 25 February 2013, the technocratic regime of Mario Monti was defeated by Enrico Letta in the Italian election. This has effectively stalled or ended many of former Prime Minister Monti's energy reforms going forward: "for the country's energy sector, inaction means not moving quickly on planned reforms put in place by the Monti government, including a substantial push for new domestic oil and gas production."⁹⁴⁰ This political inaction has stalled much of Italy's domestic oil and gas options and created an unfavourable investment climate for potential production.⁹⁴¹ Domestic inaction has not only had an effect on the oil and gas climate, but has also stifled Italy's renewable energy sector.⁹⁴² This is largely because the renewable energy sector has yet to receive any official clarification on the support they expect to receive from Rome going

⁹³⁶ Italy Looks For Relief With First New Energy Plan in 25 Years: Christopher Coates, Forbes, 12 November 2012. Date of Access: 2 February 2013. <http://www.forbes.com/sites/christophercoates/2012/11/12/italy-looks-for-relief-with-first-new-energy-plan-in-25-years/>.

⁹³⁷ Italy Looks For Relief With First New Energy Plan in 25 Years: Christopher Coates, Forbes, 12 November 2012. Date of Access: 2 February 2013. <http://www.forbes.com/sites/christophercoates/2012/11/12/italy-looks-for-relief-with-first-new-energy-plan-in-25-years/>.

⁹³⁸ Shell Withdraws From LNG Project in Sicily: Stephen Jewkes, Reuters, 2 November 2012. Date of Access: 2 February 2013. <http://uk.reuters.com/article/2012/11/02/uk-shell-italy-idUKBRE8A117B20121102>.

⁹³⁹ Italy Looks For Relief With First New Energy Plan in 25 Years: Christopher Coates, Forbes, 12 November 2012. Date of Access: 2 February 2013. <http://www.forbes.com/sites/christophercoates/2012/11/12/italy-looks-for-relief-with-first-new-energy-plan-in-25-years/>.

⁹⁴⁰ What Does the New Italian Government Mean for Energy: Christopher Coates, Forbes, 8 May, 2013. Date of Access: 20 May 2013. <http://www.forbes.com/sites/christophercoates/2013/05/08/what-does-the-new-italian-government-mean-for-energy/>.

⁹⁴¹ What Does the New Italian Government Mean for Energy: Christopher Coates, Forbes, 8 May, 2013. Date of Access: 20 May 2013. <http://www.forbes.com/sites/christophercoates/2013/05/08/what-does-the-new-italian-government-mean-for-energy/>.

⁹⁴² What Does the New Italian Government Mean for Energy: Christopher Coates, Forbes, 8 May, 2013. Date of Access: 20 May 2013. <http://www.forbes.com/sites/christophercoates/2013/05/08/what-does-the-new-italian-government-mean-for-energy/>.

forward.⁹⁴³ In addition, the Italian wind and solar industries have also faced significant cuts due to the government's spending cuts.⁹⁴⁴

However, Prime Minister Letta's government has shown a willingness to engage in Pro-European energy talks that would increase energy free trade across Europe. On May 22nd, 2013 Italy participated in energy talks at the EU meeting in Brussels. These talks hope to increase market liberalization reforms on Natural Gas and Electricity by 2014.⁹⁴⁵ These talks also aim to help ease 7% of government subsidies in the renewable energy field by sharing some of the risk between the member countries.⁹⁴⁶ The EU summit in Brussels also hopes to deal with transparency issues that affect the trading of renewable power across borders.⁹⁴⁷ All in all this means a potential for more cross border cooperation between European countries in regards to free trade of both renewable energy and natural gas and electricity.

Furthermore, renewable energy investments in wind and solar also seem to be gaining competitiveness with oil and natural gas. This may mean that the feed in tariffs, that have hurt Italy's ability to comply with the G8 summit agreement at Camp David, may be nearing an end. According to Armin Sandhoevel the Chief Investment Officer of Allianz Global Investors "Renewable investments... are already at grid parity (competitive with conventional energy) or are going in that direction."⁹⁴⁸ In addition, Italy's solar and wind installations were judged to be some of the most advanced in Europe especially with regards to profitability.⁹⁴⁹ This could potentially mean an end to tariffs in Italy's renewable energy sector and increase their ability to comply with the free trade portion of the G8 summit agreement.

Italy is awarded a score of 0 for beginning a strategy to curb their poor investment climate and in reducing barriers towards international oil and gas investments and also in engaging in Inter-European talks on increasing free trade measures on energy. However, in regards to renewable energy, Italy has introduced tariffs that are contradictory with the commitment signed at the G8 summit at Camp David. In addition, government inaction and political instability have impeded their ability to create a favourable investment climate in the energy sector.

Analyst: Spencer Rose

⁹⁴³ What Does the New Italian Government Mean for Energy: Christopher Coats, Forbes, 8 May, 2013. Date of Access: 20 May 2013. <http://www.forbes.com/sites/christophercoats/2013/05/08/what-does-the-new-italian-government-mean-for-energy/>.

⁹⁴⁴ What Does the New Italian Government Mean for Energy: Christopher Coats, Forbes, 8 May, 2013. Date of Access: 20 May 2013. <http://www.forbes.com/sites/christophercoats/2013/05/08/what-does-the-new-italian-government-mean-for-energy/>.

⁹⁴⁵ EU Leaders to Seek Energy Price Analysis at Summit in Brussels: Rebecca Christie and Ewa Krukowska, Bloomberg, 6 May 2013. Date of Access: 20 May 2013. <http://www.bloomberg.com/news/2013-05-06/eu-leaders-to-seek-energy-price-analysis-at-summit-in-brussels.html>

⁹⁴⁶ EU Could Save Billions with Cross Border Renewables Cooperation: Karolin Schaps, Reuters, 14 March 2013. Date of Access: 20 May 2013. <http://www.reuters.com/article/2013/03/14/europe-renewables-cooperation-idUSL5N0BDDXU20130314>

⁹⁴⁷ Ibid.

⁹⁴⁸ Green Energy in Europe Vies with Now Conventional Energy-Allianz: Reuters, 25 April 2013. Date of Access 20 May 2013. <http://www.reuters.com/article/2013/04/25/allianz-energy-fund-idUSL6N0DC2RA20130425>

⁹⁴⁹ Ibid.

Japan: +1

Japan has been awarded a score of +1 for fulfilling its commitment to facilitate free trade in all kinds of energy resources, including by abolishing barriers to trade and providing for a favorable investment climate in the energy sector.

On 7 September 2012 Japanese Ministry of Economy, Trade and Industry signed a memorandum of understanding with Russian, state-owned liquefied natural gas (LNG) provider Gazprom to construct a natural gas terminal worth US\$13 billion in Vladivostok, which lies directly across the Sea of Japan.⁹⁵⁰ This agreement continues a long trend of oil and gas arrangements made by Japan in over 15 countries.⁹⁵¹

On 27 September 2012 the Japan Bank for International Cooperation (JBIC) signed a cooperation agreement with LNG provider BG Energy Holdings Limited for the stated purpose of ensuring that Japan receives a “long-term and stable supply of LNG” and provides “opportunities for Japanese companies to participate in energy projects.”⁹⁵²

On 16 November 2012 Japan signed a memorandum of understanding with India to import 4100 tons of rare earth elements, thereby reducing its dependence (upward of 90%) on Chinese suppliers.⁹⁵³ Rare earth elements are crucial for a variety of renewable energy products including photovoltaic cells and wind turbines.

On 1 July 2012 Japan implemented a renewable energy feed-in tariff (FIT) program. The Japanese FIT specifies that power utilities must purchase electricity generated from renewable energy sources by facilities certified by Japan’s Ministry of Economy, Trade and Industry (METI), for a set price through a given period.⁹⁵⁴ Certification takes approximately one month, and there is no restriction on country of origin.⁹⁵⁵ As of 12 September 2012 these tariffs have generated more than US\$2 billion of investment.⁹⁵⁶

As of 13 January 2013 Japan is in the process of negotiating five Economic Partnership Agreements (EPAs), as well as one Free Trade Agreement (FTA) with the Gulf Cooperation Council (GCC).⁹⁵⁷ On 1 March 2013 an EPA between Japan and Peru will come into force.⁹⁵⁸

⁹⁵⁰ Gazprom, Japanese government sign LNG proposal, Alaska Natural Gas Transportation Projects: Office of the Federal Coordinator., 10 September 2012. Date of access: 11 January 2013.

<http://www.arcticgas.gov/2012/gazprom-japanese-government-sign-lng-proposal>.

⁹⁵¹ Energy Information Administration, 4 June 2012. Date Accessed: 10 January 2013.

<http://www.eia.gov/cabs/japan/Full.html>

⁹⁵² JBIC Signs Cooperation Agreement with BG Energy Holdings Limited, 27 September 2012. Date of access: 11 January 2013. <http://www.jbic.go.jp/en/about/press/2012/0928-01/index.html>.

⁹⁵³ Japan, India, Ink Rare Earth Accord: The Japan Times, 18 November 2012. Date of access: 12 January 2013. <http://www.japantimes.co.jp/text/nn20121118a7.html>.

⁹⁵⁴ Feed-In Tariff Scheme in Japan: METI Agency for Natural Resources and Energy, 17 July 2012. Date of access: 9 January

2013. http://www.meti.go.jp/english/policy/energy_environment/renewable/pdf/summary201207.pdf.

⁹⁵⁵ Feed-In Tariff Scheme in Japan: METI Agency for Natural Resources and Energy, 17 July 2012. Date of access: 9 January

2013. http://www.meti.go.jp/english/policy/energy_environment/renewable/pdf/summary201207.pdf.

⁹⁵⁶ Japan Sun Subsidy Fires Electric Spending Rush: Thompson Reuters, 12 September 2012. Date of access: 11 January 2013. <http://in.reuters.com/article/2012/09/12/japan-energy-renewables-idINL3E8KB20G20120912>.

⁹⁵⁷ Free Trade Agreement (FTA) and Economic Partnership Agreement (EPA): Ministry of Foreign Affairs of Japan, 17 December 2012. Date of Access: 13 January 2013.

<http://www.mofa.go.jp/policy/economy/fta/index.html>.

Thus, Japan has been awarded a score of +1 for fulfilling its commitment to abolish barriers to trade and provide a favorable investment climate for the energy sector.

Analyst: Scott Moore

Russia: -1

Russia has failed to comply with its commitment to facilitate free trade in energy resources.

Russia has introduced at least one measure which undermines a free trade environment in energy resources.

On 11 September 2012, Russian President Putin signed an, “Executive order on measures protecting Russian interests in Russian legal entities’ foreign economic activities.” This order aims to protect Russian strategic companies from interference by foreign nations, international organizations, unions of foreign nations, their institutions and regulation authorities by obliging them to ask for a permission of a federal agency of executive power of the Russian Federation to fulfill the demands of the abovementioned foreign actors. The decree explicitly mentions that the federal agency of the executive power of the Russian Federation should refuse to agree, if these actions can harm economic interests of the Russian Federation.⁹⁵⁹ The list of Strategic Enterprises and Strategic Joint Stock Companies includes inter alia major Russian energy companies.⁹⁶⁰ According to the Global Trade Alert, this measure diminished the transparency of the international competitive environment in energy sector.⁹⁶¹

Russia has plans to improve investment environment in energy sector.

On 5 October 2012, Russian Minister of Energy Alexander Novak alluded to the possibility of opening up of the oil exploration in the Arctic to foreign companies. The minister said that the proposed measure would allow foreign companies not only to get involved in the project management, but also to have access to production and to enter into joint possession of licences.⁹⁶²

Minister Novak also mentioned that in 2013 Russia is planning launch a pilot initiative to shift from taxing volumes of extraction to taxing profits of energy companies, in accordance with the universal practice. These actions are to be conducted in the framework of Russia’s plans to attract USD1 billion of investment into its energy sector by 2020.⁹⁶³

⁹⁵⁸ Exchange of Diplomatic Notes concerning the Entry into Force of the Agreement between Japan and the Republic of Peru for an Economic Partnership: Ministry of Foreign Affairs of Japan, 24 January 2013. Date of Access: 30 January 2013. http://www.mofa.go.jp/announce/announce/2012/1/0124_01.html.

⁹⁵⁹ Executive order on measures protecting Russian interests in Russian legal entities’ foreign economic activities, President of Russia 11 September 2012. Date of Access: 27 January 2013. <http://eng.kremlin.ru/acts/4401>.

⁹⁶⁰ On the Approval of the List of Strategic Enterprises and Strategic Joint Stock Companies, last amended on 8 August 2012. Date of Access: 27 January 2013. [http://docs.cntd.ru/document/901904859#003V2FE0](http://docs.cntd.ru/document/901904859#0003V2FE0).

⁹⁶¹ Russian Federation: Increased Government control over “strategic companies”, Global Trade Alert 12 September 2012. Date of Access: 27 January 2013. <http://globaltradealert.org/measure/russian-federation-increased-government-control-over-%E2%80%9Cstrategic-companies%E2%80%9D>.

⁹⁶² Russia considers Arctic licences for western oil majors, Russian Ministry of Energy 5 October 2012. Date of Access: 28 January 2013. http://minenergo.gov.ru/press/fold15/13677.html?sphrase_id=278146.

⁹⁶³ Russia considers Arctic licences for western oil majors, Russian Ministry of Energy 5 October 2012. Date of Access: 28 January 2013. http://minenergo.gov.ru/press/fold15/13677.html?sphrase_id=278146.

However, no facts of Russia's legislative or funding actions to improve the investment climate of energy sector during the monitoring period have been found.

Russia has failed to comply with its commitment to facilitate free trade in energy resources. Thus, it has been awarded a score of -1.

Analyst: Andrei Sakharov

United Kingdom: +1

The United Kingdom has been awarded a score of +1 for fulfilling its commitment to facilitate free trade in all kinds of energy resources, including by abolishing barriers to trade and providing for a favourable investment climate in the energy sector.

On 7 June 2012 Prime Minister David Cameron and Norwegian Prime Minister Jens Stoltenberg agreed on a major energy partnership between the UK and Norway, which includes renewable energy investment and gas supply. At the same time, companies from both countries announced billions of pounds of new investment in the energy sector.⁹⁶⁴

On 8 July 2012 Secretary of State for Energy and Climate Change Edward Davey announced changes to subsidies for renewable electricity that are expected to incentivize up to £25 billion in investments from 2013 to 2017.⁹⁶⁵ The government also admitted the importance of natural gas to its economy and committed to making the UK more favourable for gas investors.⁹⁶⁶

On 5 November 2012 the UK announced that it would contribute £10 million to the development of offshore wind energy, with the hopes of making the renewable energy industry more attractive to investors and development.⁹⁶⁷

On 29 November 2012 UK Secretary of State for Energy and Climate Change Edward Davey introduced the 2012-13 Energy Bill to the House of Commons.⁹⁶⁸ The Bill aims to attract approximately £110 billion of investment from private energy firms over the next decade by introducing Contract for Difference (CfDs) arrangements, thereby guarantying price floors to power generators and increasing investment incentives. The Bill also renders UK energy markets more accessible to investors by introducing feed-in tariffs.

The 2012-13 Energy Bill contains an Access to Markets policy that enables market intervention on behalf of the government in order to address issues of low levels of liquidity in the wholesale power market and facilitate the sale of electricity through long-term contracts, thereby supporting

⁹⁶⁴ PM agrees to major energy partnership with Norway, bringing secure energy and jobs: Department of Energy and Climate Change, 7 June 2012. Date of Access: 30 January 2013. <https://www.gov.uk/government/news/pm-agrees-major-energy-partnership-with-norway-bringing-secure-energy-and-jobs>.

⁹⁶⁵ Renewable energy to bring £25bn of investment into UK economy: Department of Energy and Climate Change, 8 July 2012. Date of Access: 30 January 2013. <https://www.gov.uk/government/news/renewable-energy-to-bring-25bn-of-investment-into-uk-economy-davey>.

⁹⁶⁶ Renewable energy to bring £25bn of investment into UK economy: Department of Energy and Climate Change, 8 July 2012. Date of Access: 30 January 2013. <https://www.gov.uk/government/news/renewable-energy-to-bring-25bn-of-investment-into-uk-economy-davey>.

⁹⁶⁷ £10million to spur on innovation in offshore wind: Department of Energy and Climate Change, 5 November 2012. Date of Access: 30 January 2013. <https://www.gov.uk/government/news/10million-to-spur-on-innovation-in-offshore-wind>.

⁹⁶⁸ An Energy Bill to Power Low-Carbon Economic Growth, Protect Consumers, and Keep the Lights on: Department of Energy and Climate Change, 29 November 2012. Date of Access: 20 January 2013. http://www.decc.gov.uk/en/content/cms/news/pn12_151/pn12_151.aspx.

investment. In this way, the Bill aims to improve competition in this market and reduce barriers to trade.⁹⁶⁹

On 29 November 2012 the Department of Energy and Climate Change published the Energy Security Strategy, in which the UK commits to “working to remove barriers to the functioning of effective markets” and “setting the framework for the delivery of energy supply through competitive markets, providing transparency, stability, and an attractive fiscal regime which encourages businesses to invest.”⁹⁷⁰

On 3 October 2012 the Department for Business, Innovation, and Skills welcomed the European Commission’s Single Market Act II.⁹⁷¹ The act seeks to increase competition by removing discriminatory barriers to trade within the single market and includes provisions such as, “[opening] up energy markets so the 500 million citizens of the EU can chose their power supply from across the whole EU region.”⁹⁷² Vince Cable, Secretary of State for Business, Innovation & Skills commented on the act saying, “The UK has been closely involved in making sure that the Act brings forward the improvements needed, opening up new markets without placing additional burdens on European companies.”⁹⁷³ The legislation is expected to come into force in early 2014.⁹⁷⁴

On 13 December 2012, the United Kingdom ended a moratorium on fracking in order to promote exploration of UK shale reserves. Future approval of fracking projects is contingent upon drillers meeting Department of Energy and Climate Change controls.⁹⁷⁵ This act directly removes a barrier to energy development in the UK.

On 14 March, 2013, the Department of Energy and Climate Change invited firms investing in low-carbon energy technologies to participate in a Final Investment Decision, a scheme which aims to provide interim fixed pricing arrangements to firms in order to avoid any hiatus in

⁹⁶⁹ Energy Bill 2012-13 Policy Brief: Access to Markets: Department of Energy and Climate Change, 29 November 2012. Date of Access: 20 January 2013. <http://www.decc.gov.uk/assets/decc/11/policy-legislation/Energy%20Bill%202012/7098-access-to-markets-aide-memoire-energy-bill-2012-.pdf>.

⁹⁷⁰ Energy Security Strategy: Department of Energy and Climate Change, 29 November 2012, Date of Access: 20 January 2013. <http://www.decc.gov.uk/assets/decc/11/meeting-energy-demand/energy-security/7101-energy-security-strategy.pdf>.

⁹⁷¹ UK Welcomes Removal of Trade Barriers in Single Market Act II: Department for Business Innovation and Skills Britain, 3 October 2012, Date of Access: 20 January 2013. <http://news.bis.gov.uk/Press-Releases/UK-welcomes-removal-of-trade-barriers-in-Single-Market-Act-II-68113.aspx>.

⁹⁷² EU Single Market Act II Seeks to Boost Competition: BBC News UK Edition, 3 October 2012. Date of Access: 20 January 2013. <http://www.bbc.co.uk/news/business-19812283>.

⁹⁷³ UK Welcomes Removal of Trade Barriers in Single Market Act II: Department for Business Innovation and Skills, 3 October 2012. Date of Access: 20 January 2013. <http://news.bis.gov.uk/Press-Releases/UK-welcomes-removal-of-trade-barriers-in-Single-Market-Act-II-68113.aspx>.

⁹⁷⁴ EU Single Market Act II Seeks to Boost Competition: BBC News UK Edition, 3 October 2012. Date of Access: 20 January 2013. <http://www.bbc.co.uk/news/business-19812283>.

⁹⁷⁵ Written Statement to Parliament: Written Ministerial Statement by Edward Davey: Exploration for shale gas: Department of Energy & Climate Change (London), 13 December 2012. Date of access: 16 May 2013. <https://www.gov.uk/government/speeches/written-ministerial-statement-by-edward-davey-exploration-for-shale-gas>.

renewable-energy investment in advance of the implementation of the UK's new Electricity Market Reform Act.⁹⁷⁶

On 28 March 2013, the Department for Business, Innovation & Skills alongside the Department of Energy and Climate Change released an oil and gas industrial strategy that pledges to maintain a fiscal regime encouraging energy innovation and investment, introduce measures to boost supply chains and tackle engineering skill gaps, and provide GBP 7 million for a new offshore engineering research facility at Newcastle University.⁹⁷⁷

On 25 April 2013, royal assent was granted to proposals tabled on 15 March 2012 by the Department of Business, Innovation and Skills for the creation of a new Competition and Markets Authority. The new authority will combine the old offices of the Competition Commission (CC) and Office of Fair Trading (OFT) to improve speed and predictability of Competition Act enforcement and dispute resolution for businesses in the energy sector.⁹⁷⁸

Because of significant financial and legislative action aimed at reducing barriers to trade and investment in the energy sector, the United Kingdom receives a score of +1 for this commitment.

Analysts: Hayden Rodenkirchen and Tegan Hansen-Hoedeman

United States: +1

The United States has fully complied with its commitment to facilitate free trade in all kinds of energy resources, including by abolishing barriers to trade and providing for a favourable investment climate in the energy sector.

On 21 June 2012, the US Department of Energy and Environment Canada jointly released the US-Canada Clean Energy Dialogue (CED) Action Plan II, which outlines future projects to be pursued cooperatively by these two countries.⁹⁷⁹ The CED focuses on energy efficiency and reducing greenhouse gas (GHG) emissions through carbon storage, and will help to encourage development in the clean energy sector in both countries.

On 16 August 2012, President Obama launched a new public-private institute for manufacturing innovation to encourage investment in American industry.⁹⁸⁰ Along with four other federal agencies, the US Department of Energy contributed to a \$45 million investment in the institute,

⁹⁷⁶ Final Investment Decision Enabling For Renewables Update 1: Invitation to Participate: Department of energy & Climate Change (London), 14 March 2013. Date of Access: 15 May 2013. https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/141873/FIDeR_update_doc_Invitation_to_Participate_2013_-_03_-_14_FINAL.pdf.

⁹⁷⁷ Press Release: Oil and gas strategy will promote billions worth of new investment: Department for Business, Innovation & Skills and Department of Energy & Climate Change, 28 March 2013. Date of Access: 18 May 2013. <https://www.gov.uk/government/news/oil-and-gas-strategy-will-promote-billions-worth-of-new-investment>.

⁹⁷⁸ Speech by Alex Chisholm: The New Competition and Markets Authority: Aspirations and Challenges: Competition Commission and Office of Fair Trading (London), 24 April 2013. Date of Access: 15 May 2013. <https://www.gov.uk/government/speeches/the-new-competition-and-markets-authority-aspirations-and-challenges>.

⁹⁷⁹ United States, Canada Announce Next Phase of US-Canada Clean Energy Dialogue: United States Department of Energy, 21 June 2012. Date of Access: 26 January 2013. <http://energy.gov/articles/united-states-canada-announce-next-phase-us-canada-clean-energy-dialogue>.

⁹⁸⁰ New Public-Private Partnership to Support Manufacturing Innovation, Encourage Investment In America: United States Department of Energy, 16 August 2012. Date of Access: 26 January 2013. <http://energy.gov/articles/we-can-t-wait-obama-administration-announces-new-public-private-partnership-support>.

which includes companies like Energy Industries of Ohio, General Electric, and Westinghouse Nuclear.⁹⁸¹

On 9 October 2012, the Obama Administration announced that ten public-private partnerships in the US would be awarded \$20 million in funding to advance American manufacturing and encourage investment.⁹⁸² These funds are intended to help local industries grow by providing connections to larger markets. The awards were given to partnerships such as the “Manufacturing Improvement Program for the Oil and Gas Industry Supply Chain and Marketing Cluster.”⁹⁸³

On 14 December 2012, President Obama signed H.R. 6156, permitting the US president to extend Permanent Normal Trade Relations (PNTR) to Russia and Moldova.⁹⁸⁴ By enabling free trade with a foreign nation, this legislation directly pertains to the US commitment to facilitating energy trade.

On 20 March 2013, the US Energy Deputy Secretary signed an advance bilateral energy relationship with Brazil’s Minister of Mines and Energy. The Strategic Energy Dialogue aims to help both countries strengthen energy security, create jobs, and reduce pollution by creating a framework for energy cooperation between the two countries’ energy sectors.⁹⁸⁵

The United States has been awarded a score of +1 due to its actions in enabling free trade and encouraging investment in the energy sector through legislative and funding initiatives.

Analyst: Tegan Hansen-Hoedeman

European Union: +1

The European Union has fully complied with its commitment to facilitate free trade in all kinds of energy resources, including by abolishing barriers to trade and providing for a favorable investment climate in the energy sector.

On 6 June 2012 the European Commission published a communication calling for more renewable energy trading between European Union member states.⁹⁸⁶ The communication offers means by which to accomplish this, such as an increase in cooperation and trade between member

⁹⁸¹ New Public-Private Partnership to Support Manufacturing Innovation, Encourage Investment In America: United States Department of Energy, 16 August 2012. Date of Access: 26 January 2013. <http://energy.gov/articles/we-can-t-wait-obama-administration-announces-new-public-private-partnership-support>.

⁹⁸² Obama Administration Announces \$20 Million for 10 Public-Private Partnerships to Support Manufacturing and Encourage Investment in the US: United States Department of Energy, 9 October 2012. Date of Access: 26 January 2013. <http://energy.gov/articles/obama-administration-announces-20-million-10-public-private-partnerships-support-american>.

⁹⁸³ Obama Administration Announces \$20 Million for 10 Public-Private Partnerships to Support Manufacturing and Encourage Investment in the US: United States Department of Energy, 9 October 2012. Date of Access: 26 January 2013. <http://energy.gov/articles/obama-administration-announces-20-million-10-public-private-partnerships-support-american>.

⁹⁸⁴ Statement from Acting US Commerce Secretary Rebecca Blank on the Establishment of Permanent Normal Trade Relations with Russia, Moldova: United States Department of Commerce, 14 December 2012. Date of Access: 26 January 2013. <http://www.commerce.gov/news/press-releases/2012/12/14/statement-acting-us-commerce-secretary-rebecca-blank-establishment-pe>.

⁹⁸⁵ Energy Deputy Secretary Poneman, Brazil’s Deputy Minister of Mines and Energy Zimmermann sign Bilateral Energy Relationship: United States Department of Energy, 20 March 2013. Date of Access: 19 May 2013. <http://energy.gov/articles/us-energy-deputy-secretary-poneman-brazil-s-deputy-minister-mines-and-energy-zimmermann>.

⁹⁸⁶ A Major Player in the European Energy Market: European Commission (Brussels), 6 June 2012. Date of Access: 21 January 2013. http://ec.europa.eu/energy/renewables/communication_2012_en.htm.

states.⁹⁸⁷ In the same communication, the European Commission confirmed the market integration of renewable energy for the post-2020 period, thereby reinforcing the favourable investment climate for Europe's growing renewable energy sector.⁹⁸⁸

On 10 July 2012 the European Commission launched the "Smart Cities and Communities European Innovation Partnership." The partnership calls for the pooling of resources, such as energy, transport, and information and communication technologies between urban areas.⁹⁸⁹ The hope is that partnerships between these three industries will permit efficient and integrated technologies to enter the market more easily, such as by eliminating "vendor lock-in."⁹⁹⁰ The partnership is being awarded €365 million in funding for the year 2013.⁹⁹¹

On 24 October 2012 the European Commission confirmed that Poland and Slovenia had been referred to the Court of Justice of the European Union due to their failure to comply with the 2011 Gas and Electricity Directives, which aim to secure the supply of gas and electricity across Europe.⁹⁹² The European Commission is also in the process of examining other member states' compliance with the Directives to complete the European internal energy market by 2014.⁹⁹³

On 25 October 2012 the European Union passed the Directive 2012/27/EU on energy efficiency. The Directive includes rules to be followed and implemented in order to remove barriers in the energy market that work to hinder the efficiency at which energy can be used and supplied.⁹⁹⁴

On 15 November 2012 the European Commission published a communication highlighting the importance of an integrated European market for business, citizens, and energy infrastructure. The communication called for member states to continue and to increase the enforcement of rules and investments in energy modernization.⁹⁹⁵

On 1 February 2013, the EU's Committee of the Regions began to publicly support the European Commission in its goal for a new post-2020 European renewable energy strategy. Plans for the strategy were outlined in the report, "Renewable Energy: A Major Player in the European Energy Market." The report states that the strategy for renewable energy should include actions such as

⁹⁸⁷ 52012DC0271: Renewable Energy: A Major Player in the European Energy Market: European Commission (Brussels), 6 June 2012. Date of Access: 21 January 2013. <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52012DC0271:EN:NOT>.

⁹⁸⁸ A Major Player in the European Energy Market: European Commission (Brussels), 6 June 2012. Date of Access: 21 January 2013. http://ec.europa.eu/energy/renewables/communication_2012_en.htm.

⁹⁸⁹ Smart Cities and Communities: European Commission (Brussels), 10 July 2012. Date of Access: 21 January 2013. http://ec.europa.eu/energy/technology/initiatives/smart_cities_en.htm.

⁹⁹⁰ Smart Cities and Communities — European Innovation Partnership: European Commission (Brussels), 10 July 2012. Date of Access: 21 January 2013. http://ec.europa.eu/energy/technology/initiatives/smart_cities_en.htm.

⁹⁹¹ Smart Cities and Communities: European Commission (Brussels), 10 July 2012. Date of Access: 21 January 2013. http://ec.europa.eu/energy/technology/initiatives/smart_cities_en.htm.

⁹⁹² Questions and Answers on the Third Legislative Package for an Internal EU Gas and Electricity Market: European Commission (Brussels), 2 March 2011. Date of Access: 21 January 2013. http://europa.eu/rapid/press-release_MEMO-11-125_en.htm?locale=en.

⁹⁹³ Internal Energy Market, Commission Refers Poland and Slovenia to Court for Failing to Fully Transpose EU Rules: European Commission (Brussels), 24 October 2012. Date of Access: 21 January 2013. http://europa.eu/rapid/press-release_IP-12-1139_en.htm.

⁹⁹⁴ Energy Efficiency Directive: European Commission (Brussels), 25 October 2012. Date of Access: 21 January 2013. http://ec.europa.eu/energy/efficiency/eed/eed_en.htm.

⁹⁹⁵ Internal Energy Market: European Commission (Brussels), 15 November 2012. Date of Access: 20 January 2013. http://ec.europa.eu/energy/gas_electricity/internal_market_en.htm.

the establishment of a pan-European fund to support renewable energy sources as well as the offering of subsidies to encourage investment.⁹⁹⁶

On 21 March 2013, the European Council adopted the “Regulation on Guidelines for Trans-European Energy Infrastructure.” These guidelines make it easier for developers to obtain permits for cross-border infrastructure, such as pipelines and power grids. Rather than the procedure for granting permits taking twelve years, it will now take three to four. This decrease in difficulty in obtaining permits is estimated to decrease administrative costs for a project throughout Europe by 30 percent for promoters.⁹⁹⁷

On 27 March 2013, it was announced that the European Commission adopted a Green Paper aimed towards starting consultations for the content of a 2030 energy framework. By providing clarity in regards to climate and energy policies for the future, the European Commission is hoping to give certainty to investors and thus spur further innovation and demand for low-carbon technologies and other renewable energies.⁹⁹⁸

The European Union has been awarded a score of +1 for taking measures to abolish barriers to trade, as well as taking measures to create climates conducive to investments in the energy sector.

Analyst: Michelle Cramer

⁹⁹⁶ European Union: Europe’s Cities and Regions Set Out Plans to Make Renewable Energy a “Major Player” After 2020. 1 February 2013. Date of Access: 21 May 2013.

<http://cor.europa.eu/en/news/pr/Pages/cities-and-regions-renewable-energy-2020.aspx>

⁹⁹⁷ European Commission: Commissioner Oettinger Welcomes Council Adoption of the Energy Infrastructure Regulation. 21 March 2013. Date of Access: 21 May 2013. http://europa.eu/rapid/press-release_IP-13-266_en.htm

⁹⁹⁸ European Commission: Commissions Moves Forward on Climate and Energy Towards 2030 . 27 March 2013. Date of Access: 21 May 2013. http://europa.eu/rapid/press-release_IP-13-272_en.htm

10. Energy: Enhancing Transparency [111]

Commitment

“Encourage both consumer and producer countries to further enhance the transparency of gas markets through dialogues and development of gas data systems.”

2012 Camp David 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			+1
Average Score		0.67	

Background

Efforts to enhance the transparency of gas markets by member states have been featured in past G8 agenda as part of broader energy related commitments. In 2005, G8 Environment and Energy Ministers called for greater investment in renewable sources of energy, including natural gas. It highlighted that “creating stable and transparent market frameworks can stimulate private sector investment in gas infrastructure and help to reduce gas flaring and losses from pipelines.”⁹⁹⁹

Market transparency gained more direct attention by the G8 in the wake of the International Financial Crisis during the 2009 L’Aquila Summit.¹⁰⁰⁰ In a Joint Statement by the G8 Energy Ministers and the European Energy Commissioner, member states welcomed the ongoing work of the International Energy Agency (IEA) on collection and sharing of data and commended its efforts to sustain the Joint Oil Data Initiative (JODI). They also called upon the IEA to extend “JODI-type activities to natural gas,” recognizing that “stable and predictable regulatory frameworks, transparent and well-functioning energy markets are essential prerequisites for reducing investment risks and uncertainties both in producing and consuming countries.”¹⁰⁰¹

Moreover, the G8’s pronouncements on the subject at the 2011 Deauville Summit reflect changing international policies on gas transparency. At the 2012 Second Conference on Natural Gas Transparency, countries —many G8 members— and organizations agreed to develop “a joint

⁹⁹⁹Summary of Proceedings:

Energy and Environment Ministerial Roundtable, G8 Information Centre (Toronto), 16 March 2006. Date of Access: 27 December 2012.

http://www.g8.utoronto.ca/environment/env_energy050316.htm.

¹⁰⁰⁰The Impact of the Financial and Economic Crisis on Global Energy Investment
IEA Background paper for the G8 Energy Ministers’ Meeting, International Energy Agency, 25 May 2009. Date of Access: 27 December 2012.

<http://www.iea.org/publications/freepublications/publication/impact.pdf>.

¹⁰⁰¹Responsible Leadership for a Sustainable Future, G8 Information Centre (Toronto), 8 July 2009. Date of Access: 27 December 2012.

<http://www.g8.utoronto.ca/summit/2009laquila/2009-declaration.html>

world natural gas database, similar to the JODI database.”¹⁰⁰² The database will be first made available to participating countries and then to other countries through 2013.¹⁰⁰³

Commitment Features

This commitment is part of a broader G8 initiative to respond to a “changing fuel mix and infrastructure.”¹⁰⁰⁴ On one level it focuses on (1) improving dialogues with producer and consumer countries of gas; and on a second level (2) taking steps to develop gas data systems, especially calling the Energy Forum to establish “a full-fledged Joint Oil Data Initiative-Gas.”¹⁰⁰⁵ As such full compliance requires that the member state engage in bilateral and multilateral dialogue with consumer and producer countries to enhance transparency of gas markets and take concrete steps to contribute to the establishment of gas data systems.

Scoring

-1	G8 member does not engage in dialogue with consumer and producer countries to enhance transparency of gas markets AND does not take concrete steps to contribute to the establishment of gas data systems.
0	G8 member only does one of the following: either (1) engages in bilateral and multilateral dialogue with consumer and producer countries to enhance transparency of gas markets OR (2) takes concrete steps to contribute to the establishment of gas data systems.
+1	G8 member (1) engages in bilateral and multilateral dialogue with consumer and producer countries to enhance transparency of gas markets AND (2) takes concrete steps to contribute to the establishment of gas data systems.

Lead Analyst: Laura Correa Ochoa

Canada: +1

Canada has fully complied with its commitment to engage in bilateral dialogue with producers and consumers to promote energy transparency and has taken steps to establish a gas database.

On June 2012, G20 Finance ministers met to increase gas and coal transparency in international markets. The G20 Cannes Summit Leaders’ Declaration in November 2011 had called for annual symposiums and communication on short, medium, and long-term outlooks and forecasts. The JODI-Gas database commits to work on the same basis of the JODI-Oil database.¹⁰⁰⁶

Canada has also sustained dialogues with the United States to advance energy transparency issues. On 12 June 2012 in the Phase Two of the Clean Energy Dialogue (CED) declaration, the two countries agreed to focus on enhancing bilateral collaboration on increasing energy security,

¹⁰⁰² Have you met JODI? An introduction to the Joint Organisations Data Initiative, International Energy Agency, 23 October 2012. Date of Access: 27 December 2012. <http://www.iea.org/newsroomandevents/ieajournal/iea-journal-issue-3/name,32562,en.html>.

¹⁰⁰³ Have you met JODI? An introduction to the Joint Organisations Data Initiative, International Energy Agency, 23 October 2012. Date of Access: 27 December 2012. <http://www.iea.org/newsroomandevents/ieajournal/iea-journal-issue-3/name,32562,en.html>.

¹⁰⁰⁴ Fact Sheet: G-8 Action on Energy and Climate Change, The White House (Washington) 19 May 2012. Date of Access: 27 December 2012. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-energy-and-climate-change>.

¹⁰⁰⁵ Fact Sheet: G-8 Action on Energy and Climate Change, The White House (Washington) 19 May 2012. Date of Access: 27 December 2012. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-energy-and-climate-change>.

¹⁰⁰⁶ Increasing Transparency in International Gas and Coal Markets, Report by IEA, IEF, OPEC to G20 Finance Ministers, G20 June 2012. Date of Access: 7 January 2013. www.g20.org/load/780979210

efficiency, and the development clean energy technologies for the reduction of GHG emissions.¹⁰⁰⁷

At a domestic level, on July 2012, the Council of Chief Executives agreed to a common vision for Canadian energy. The Council's priorities which relate to the G8 commitment include strengthening "energy literacy," ensuring "efficient regulatory processes," facilitating a coherent national climate policy, and building an integrated labour force strategy.¹⁰⁰⁸

Moreover, the "Canada as a Global Energy Leader: Towards Greater Pan-Canadian Collaboration" progress report identified a shared vision of Canada as "a recognized global leader in secure and sustainable energy supply, use, and innovation." (citation) Over the next years, federal, provincial, territorial governments will deepen collaborative efforts on the following priorities areas: regulatory reform, labour markets, energy efficiency and innovation, markets and international trade.¹⁰⁰⁹

In addition, on the First Symposium on Gas and Coal Market, held on 4 October 2012 in Paris, global leaders including Canada and with the joint participation with the IEA, IEF, and OPEC gathered to discuss gas and coal market outlooks and examining related regulations. The symposium reaffirmed the importance of coal and gas in global energy, and the change unconventional markets such as shale have on energy markets. Participants noted that the negative boom-bust cycle due to prolonged low gas prices that negatively impact consumers in the long run. Symposium participants also expressed the need to improve JODI-gas database reliability and completeness.¹⁰¹⁰

On 9 May 2013 Joe Oliver, Minister of Natural Resources called for a greater energy partnership with the United Kingdom. He specifically reiterated Canada's commitment to "responsible energy development and the importance of fair and transparent rules for energy." He further expressed that Canada has an important role to play in the energy security and economic stability to the world, especially given its rising status as one of the largest global exporters of natural gas and oil.¹⁰¹¹ In Paris Oliver also affirmed that unlike other producers, "Canada is transparent in publicly reporting the GHG emissions of the oil sands."¹⁰¹²

¹⁰⁰⁷ U.S. — Canada Clean Energy Dialogue Action Plan, Environment Canada June 2012. Date of Access: 7 January 2013.

http://energy.gov/sites/prod/files/CED%20Action%20Plan%20II_June%2012%202012.pdf.

¹⁰⁰⁸ Framing an Energy Strategy for Canada, Canadian Council of Chief Executives July 2012. Date of Access: 7 January 2013.

<http://www.ceocouncil.ca/wp-content/uploads/2012/07/Framing-An-Energy-Strategy-for-Canada-FINAL-July-20122.pdf>.

¹⁰⁰⁹ Toward Greater Pan-Canadian Collaboration; A Progress Report, Natural Resources Canada September 2012. Date of Access: 7 January 2012.

http://www.nrcan.gc.ca/energy/sites/www.nrcan.gc.ca.energy/files/files/pdf/EN_Energy_Progress_Report.pdf.

¹⁰¹⁰ Joint IEA-IEF-OPEC Report on the First Symposium on Gas and Coal Market Outlooks, IEA, IEF, OPEC 4 October 2012. Date of Access: 7 January 2013.

http://www.opec.org/opec_web/static_files_project/media/downloads/publications/Joint_Report_on_Symposium_on_gas_and_coal_market_Outlooks_Paris.pdf.

¹⁰¹¹ Canada and the United Kingdom: Growing Our Responsible Energy partnership, Natural Resources Canada (Ottawa), 9 May 2013. Date of Access: 29 May 2013.

<http://www.nrcan.gc.ca/media-room/speeches/2013/7159>.

¹⁰¹² Minister Oliver Promotes Canada's Environmental Regime as Strong, Transparent and Responsible, Natural Resources Canada (Ottawa), 6 May 2013. Date of Access: 29 May 2013.

<http://www.nrcan.gc.ca/media-room/news-release/2013/7112>

On 25 May 2013, “Africa Day” which celebrates the 50th anniversary of the founding of the Organization of African Unity Canada expressed its support “the African Union’s commitment to realise the transparent, equitable, and optimal use of Africa’s mineral resources.”Canada welcomed for the African Mining Vision and the new African Mineral Development Centre (AMDC), which will work in partnership with the Canadian International Institute of Extractive Industries and Development .”The AMDC will deliver guidance and policy advice to African countries on how to manage their extractive sectors responsibly and transparently.” The Institute on the other hand will aid governments in developing and implementing natural-resource related legislation and provide technical support.¹⁰¹³

Nevertheless, on 26 February 2013 in an open letter to Prime Minister Steven Harper signed by academics and business leaders including Joe Clark, former Prime Minister of Canada, John Browne, and Professor Jeffrey Sachs at Columbia University stated that “transparency is no longer an aspiration, it is an expectation”. The letter called the Canadian Government to implement the EITI system to publicly disclose all government revenues from all oil, gas and mining activities in the country. They reiterated that “good management of natural resources begins with strong systems of transparency and accountability, and it is the lack of these fundamental foundations that has left billions of citizens excluded from the benefits of their country’s abundant wealth.”¹⁰¹⁴

Canada is thus awarded a score of +1 for sustaining domestic and international energy transparency dialogues and participating in efforts to implement a gas data system.

Analyst: Jessica Boutros

France: +1

France has fully complied with its commitment to engage in in bilateral and multilateral dialogue to advance energy transparency and has taken steps to establish a gas database.

On 4 October 2012 France hosted and participated in the First iEA-iEF-OPEC Symposium on Gas and Coal Market Outlooks. The event was organized at the request of G20 leaders and brought together consumers and producers, the business sector, government and academics. The conference provided a platform to discuss “improving regulatory oversight and managing risk in energy derivatives markets.” Participants called for increased data transparency in gas markets to “help reduce speculation and encourage investment based on sound analysis.” The event also expressed the need to transform the JODI-Gas approach into “a permanent initiative, organising regional capacity-building sessions for statisticians, developing a JODI-Gas training manual and launching a beta version of the JODI-Gas database.”¹⁰¹⁵

The Third IEF- IGU Ministerial Gas Forum also took place in Paris on 16 November 2012. Participants recognized that “transparency and availability of data are increasingly important factors in determining the smooth functioning of gas markets.” They further remarked that the

¹⁰¹³Africa Day, Canadian International Development Agency (Ottawa), 25 May 2013. Date of Access: 29 May 2013.

<http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/NAD-524155223-RBA>

¹⁰¹⁴Open letter to PM Harper urges Canada to implement EITI, Extractive Industries Transparency Initiative (Oslo), 26 February 2013. Date of Access: 29 May 2013.

<http://eiti.org/news/open-letter-pm-harper-urges-canada-implement-eiti>

¹⁰¹⁵First iEA-iEF-OPEC Symposium On GAs And COAL Market Outlooks, International Energy Forum (Paris) 4 October 2012. Date of Access: 8 February 2013.

http://www.ief.org/_resources/files/content/news/dialogue-insights/first-iea-ief-opec-gascoal-symposium_dec-12-web.pdf

“availability, quality and timeliness of gas market data” will help reduce speculation and contribute toward “improving predictability and facilitating project planning.” They also commended the efforts of the IEF and partner organizations in applying the Joint Organisations Data Initiative (JODI) to gas markets.¹⁰¹⁶

Moreover, on 16 November 2012 France welcomed the election of Michel Thiollière, president of the French Energy Regulatory Commission (CRE) to assume the presidency of the Mediterranean Energy Regulators (MEDREG) for the next two years. MEDREG seeks to establish a “harmonised, stable and coherent regulatory frameworks in the region, for the benefit of electricity and gas consumers.”¹⁰¹⁷ At the transition forum held on 15 November 2012, in Lisbon, Portugal, MEDREG’s General Assembly called for the “creation of a transparency template on data collection for the MEDREG website.” They also raised the significance of dialogue and cooperation with “Governments, Parliaments, transmission system operators, market actors and energy regulators.”¹⁰¹⁸

Furthermore, the French Ministry of Environment and Sustainable Development and Energy decided to dedicate a section on its website on June 2012 to make accessible to the public the plans and proposals of corporations seeking research permits for gas, oil and mixed energy sources.¹⁰¹⁹ “The ministry has said that such transparency is necessary to enable local people to be aware if work is set to take place close to them, and that the information is in a clear and easy to understand format.”¹⁰²⁰

On 22 May the Prime Minister and French President, François Hollande, announced that both countries adopted the Extractive Industry Transparency Initiative (EITI) . “By signing the Extractive Industries Transparency Initiative, the UK and France will play their part in ensuring that people around the world benefit fairly from the natural resources of the countries in which they live.”¹⁰²¹

France has thus obtained a score of +1 for engaging in gas transparency dialogues and for taking concrete efforts to establish a gas database.

Analyst: Laura Correa Ochoa

¹⁰¹⁶Third IEF- IGU Ministerial Gas Forum, Concluding Statement by the Secretariats of the IEF and IGU, International Gas Union (Paris) 16 November 2012. Date of Access: 8 February 2013.

<http://www.igu.org/ministerial-gas-forums/3rd-ief-igu-ministerial-gas-forum/3rd%20IEF-IGU%20-%20Concluding%20Statement.pdf>

¹⁰¹⁷CRE takes over presidency of the Mediterranean Energy Regulators (MEDREG), Energy Regulatory Commission (Paris) 16 November 2012. Date of Access: 8 February 2013.

<http://www.cre.fr/en/news/cre/cre-presidency-of-medreg>

¹⁰¹⁸Mediterranean Energy Regulators (MEDREG): New Governance for 2012-2014, Mediterranean Energy Regulators (Paris).

http://www.medreg-regulators.org/portal/page/portal/MEDREG_HOME/PRESS_AREA/PRESS_RELEASES/14th%20MEDREG%20GENERAL%20ASSEMBLY.pdf

¹⁰¹⁹Research Permits: Card Applications and Permits Granted, Ministry of Environment and Sustainable Development and Energy (Paris). Date of Access: 8 February 2013.

<http://www.developpement-durable.gouv.fr/-Permis-de-recherche-carte-des-.html>

¹⁰²⁰ Transparency on Oil and Gas Drilling Plans Introduced, This French Life (Paris) 8 June 2012. Date of Access: 8 February 2013.

<http://www.thisfrenchlife.com/thisfrenchlife/2012/06/transparency-oil-gas-drilling.html>

¹⁰²¹ <http://eiti.org/news/france-and-united-kingdom-commit-global-transparency-standard>

Germany: +1

Germany has fully complied with its commitment to engage in bilateral and multilateral dialogue with consumers and producers to enhance transparency of gas markets and has taken concrete steps to contribute to the establishment of a gas data system.

The German parliament has taken action to increase transparency and competition in fuel and energy markets by passing the Bill on the Market Transparency Agency for Gas and Electricity Wholesale Market. The legislation creates a market transparency body at the Federal Cartel Office. The new agency will work with the Federal Network Agency to ensure transparency in price formation in the marketing and trade of electricity and gas.¹⁰²² This initiative is part of European regulations on the wholesale energy market integrity and transparency (REMIT).¹⁰²³ REMIT is a regional initiative by the Agency for the Cooperation of Energy Regulators (ACER). The goal is to integrate the region into a single energy market area by 2014.¹⁰²⁴

Germany has also taken action to contribute to the establishment of a gas data system in a multilateral context through the International Energy Forum (IEF). IEF Secretary General Aldo Florez-Quiroga confirmed during the Third Annual IEF-IGU Ministerial Gas Forum on November 16, 2012 that the International Energy Forum, of which Germany is a member and its partners in the Joint Organisations Data Initiative (JODI), have committed to the creation of a JODI-Gas database. As of today, the Joint Organisations Data Initiative-Gas (JODI-Gas) is not operational, but it will be available in mid-2013.¹⁰²⁵

Therefore, Germany has received a score of +1 for engaging in gas transparency dialogues and for undertaking efforts to establish a gas database.

Analyst: Kevin Parra Duque

Italy: 0

Italy has partially complied with its commitment to engage in dialogues to enhance the transparency of natural gas markets and to take steps to contribute to the establishment of gas data systems.

Italy has taken some steps to promote energy transparency at a national level with producers and consumers. According to the Annual Report on Regulatory Activities and Fulfillment of Duties of Italian Regulatory Authority for Electricity and Gas, released on 31 July 2012, the Authority adopted the Integrated Text on Retail Monitoring (ITMR), “which requires operators of the electricity retail market to provide the Authority with extensive data.” The surveys began on 2012 and the “publication of updates on the state of competition in the markets” through ITMR intend to “guarantee all operators full transparency and information.” The Authority also implemented

¹⁰²² Minister Rösler: Market transparency office strengthens competition on fuel and energy markets, Federal Ministry of Economics and Technology (Berlin) 2 May 2012. Date of Access: 5 February 2013. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=490210.html>.

¹⁰²³ ACER tasks under REMIT, Agency for the Cooperation of Energy Regulators (Slovenia). Date of Access: 5 February 2013. http://acernet.acer.europa.eu/portal/page/portal/ACER_HOME/Activities/REMIT.

¹⁰²⁴ The Regional Initiatives process, Agency for the Cooperation of Energy Regulators (Slovenia). Date of Access: 29 May 2013.

http://acernet.acer.europa.eu/portal/page/portal/ACER_HOME/Activities/Regional_Initiatives

¹⁰²⁵ Third IEF- IGU Ministerial Gas Forum, Natural Gas in the Global Spotlight (Paris) 15 November 2012. Date of Access: 5 February 2013.

http://www.ief.org/_resources/files/content/events/event-cards/3rd-ief-igu—press-release-16-november-2012.pdf

mechanisms to improve consumers' "knowledge and understanding of the market and its rules," through the publication of "the Atlas of the rights of energy consumers" and the introduction of a resolution that aims to ensure the transparency of billing documents.¹⁰²⁶

Moreover, the Energy Authority also initiated a survey to track the data investment of gas distributors from 2009-2011, as part of Resolution 14/2013/E/gas. This survey aims to "deepen and verify the proper allocation of costs in relation to the types of asset for which there is recognition of a specific return on investment." The results are expected to be available by 31 October 2013.¹⁰²⁷ To create accountability Resolution 14/2013/E/gas also establishes the possibility to launch audits for infrastructural related investments and "if necessary, checks inspections at the premises of operators."¹⁰²⁸

On 26 November 2012 Italian Minister Terzi delivered a speech at the Conference "Energy security of Italy and the new emerging actors," where he called to intensify the "dialogue with producing countries and transit and to seek new forms of cooperation in international organizations in the sector." He emphasized the importance of alternative sources of energy such as shale gas, and specifically pointed to the newly discovered fields in Mozambique and Angola. He concluded citing British Prime Minister Churchill to refer to gas, "safety and certainty in oil lie in variety and variety alone."¹⁰²⁹

Italy has been awarded a score of 0 for taking steps to promote transparency of gas markets and engaging primarily in domestic dialogues that involve both producers and consumers. Yet, there is no substantive evidence Italy has taken significant steps to the implementation of an international gas data system.

Analyst: Laura Correa Ochoa

Japan: 0

Japan has partially complied with its commitment to enhance the transparency of gas markets. It has engaged in bilateral and multilateral dialogue with consumer and producer countries to enhance transparency of gas markets, but has failed to take concrete steps to contribute to the establishment of gas data systems.

On 7 June 2012, Japan held the 4th EU-Japan Energy Dialogue in Tokyo.¹⁰³⁰ At the dialogue, both sides reaffirmed the need for "open, transparent, efficient and competitive energy markets

¹⁰²⁶ Annual Report to the Agency for the Cooperation of Energy Regulators and to the European Commission on Regulatory Activities and the Fulfilment of Duties of the Italian Regulatory Authority for Electricity and Gas, European Energy Regulators (Ljubljana) 31 July 2012. Date of Access: 11 February 2013.

[http://www.energy-](http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/NATIONAL_REPORTS/National%20Reporting%202012/NR_En/C12_NR_Italy-EN.pdf)

[regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/NATIONAL_REPORTS/National%20Reporting%202012/NR_En/C12_NR_Italy-EN.pdf](http://www.energy-regulators.eu/portal/page/portal/EER_HOME/EER_PUBLICATIONS/NATIONAL_REPORTS/National%20Reporting%202012/NR_En/C12_NR_Italy-EN.pdf)

¹⁰²⁷ Gas: Investment Survey Distributors in the Period 2009-2011, Italian Regulatory Authority for Electricity and Gas (Milan) 28 January 2013. Date of Access: 11 February 2013.

http://www.autorita.energia.it/it/nota_stampa/13/130128ns.htm

¹⁰²⁸ Start Learning Survey on Data Transmitted by Investment Companies Distributing Gas, Italian Regulatory Authority for Electricity and Gas (Milan) 24 January 2013. Date of Access: 11 February 2013.

<http://www.autorita.energia.it/allegati/docs/13/014-13.pdf>

¹⁰²⁹ Speech by Minister Terzi at the Conference "Energy security of Italy and the new emerging actors", Italian Ministry of Foreign Affairs (Rome) 26 November 2012. Date of Access: 5 February 2013.

http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Interventi/2012/11/20121126_interventoMinistro.htm

¹⁰³⁰ Summary of the 4th EU-Japan Energy Dialogue, Ministry of Economy, Trade and Industry (Tokyo)

and transparent and efficient legal and regulatory frameworks and confirmed the joint interest to promote these globally.”¹⁰³¹ Both sides also noted the importance of free trade of natural gas, particularly the need for closer cooperation “between Japan and the EU to promote free trade toward the gas producing countries.”¹⁰³²

On 22 August 2012, the Agency for the Natural Resources and Energy of Japan held the second meeting of the Japan-Russia Working Group for Cooperation in the Petroleum and Natural Gas Sectors in Tokyo.¹⁰³³ At the meeting, both sides confirmed the importance of promoting “mutually-beneficial” cooperation in the petroleum and natural gas sectors in the Far Eastern and Eastern Siberia regions.¹⁰³⁴

Moreover, on 19 September 2012, Japan held the Liquefied Natural Gas (LNG) Producer-Consumer Conference in Tokyo.¹⁰³⁵ The conference focused on promoting the understanding of a long-term vision regarding LNG demand and supply,” as well as developing transparency in LNG markets.¹⁰³⁶ At the conference, former Japanese Minister of Economy, Trade and Industry Yukio Edano, stated “We would like to promote understanding of the long-term outlook on LNG demand, enhance the transparency of the LNG trading market and enable understanding of the vision of the future of the LNG market.”¹⁰³⁷

On 10 October 2012, Japan and India held the Sixth Japan-India Energy Dialogue in Tokyo.¹⁰³⁸ At the Dialogue, both countries confirmed their cooperation in the areas of energy efficiency and conservation, renewable energy, electricity, coal, nuclear energy, and petroleum and natural gas,

7 June 2012. Date of Access: 5 January 2013.

http://www.meti.go.jp/english/press/2012/0607_02.html.

¹⁰³¹ Meeting of the Regular Energy Dialogue between the Ministry of Economy, Trade and Industry of Japan and the European Commission, Ministry of Economy, Trade and Industry (Tokyo)

7 June 2013. Date of Access: 5 January 2013.

<http://www.meti.go.jp/press/2012/06/20120607004/20120607004-3.pdf>.

¹⁰³² Meeting of the Regular Energy Dialogue between the Ministry of Economy, Trade and Industry of Japan and the European Commission, Ministry of Economy, Trade and Industry (Tokyo)

7 June 2013. Date of Access: 5 January 2013.

<http://www.meti.go.jp/press/2012/06/20120607004/20120607004-3.pdf>.

¹⁰³³ Second Japan-Russia Working Group for Cooperation in the Petroleum and Natural Gas Sectors Held in Tokyo, Ministry of Economy, Trade and Industry (Tokyo)

22 August 2012. Date of Access: 6 January 2013.

http://www.meti.go.jp/english/press/2012/0822_01.html.

¹⁰³⁴ Second Japan-Russia Working Group for Cooperation in the Petroleum and Natural Gas Sectors Held in Tokyo, Ministry of Economy, Trade and Industry (Tokyo)

22 August 2012. Date of Access: 6 January 2013.

http://www.meti.go.jp/english/press/2012/0822_01.html

¹⁰³⁵ The LNG Producer-Consumer Conference was Held in Tokyo, Ministry of Economy, Trade and Industry (Tokyo) 20 September 2012. Date of Access: 4 January 2013.

http://www.meti.go.jp/english/press/2012/0920_01.html

¹⁰³⁶ The LNG Producer-Consumer Conference was Held in Tokyo, Ministry of Economy, Trade and Industry (Tokyo) 20 September 2012. Date of Access: 4 January 2013.

http://www.meti.go.jp/english/press/2012/0920_01.html

¹⁰³⁷ LNG Consumer-Producer Conference Summary Sheet, Ministry of Economy, Trade and Industry (Tokyo)

19 September 2012. Date of Access: 4 January 2013.

http://www.meti.go.jp/english/press/2012/pdf/0920_01a.pdf.

¹⁰³⁸ Sixth Japan-India Energy Dialogue was Held in Tokyo, Ministry of Economy, Trade and Industry (Tokyo)

10 October 2012. Date of Access: 5 January 2013.

http://www.meti.go.jp/english/press/2012/1010_04.html.

and agreed to strengthen such cooperation in the future.¹⁰³⁹ They declared that the nature of their cooperation would focus on ensuring the “stable and low-cost supply of LNG.”¹⁰⁴⁰

In an attempt to replace nuclear power Japan aims to invest billions directly in natural gas infrastructure in Western Canada. According to Tadashi Maeda, managing executive officer of the Japan Bank for International Cooperation “The Japanese government is [prepared to make] a strategic investment for the purpose of developing a commodity market for natural gas, a more transparent and flexible market.”¹⁰⁴¹

On September 10, 2013, the Japanese Ministry of Economy, Trade and Industry (METI) and the Asia Pacific Energy Research Centre (APEREC) will host the Second LNG Producer-Consumer Conference. “The conference is to share the latest trends of the LNG market and to carry out in-depth discussions with a view to ensure the stability and transparency of the market and to promote its further growth.”¹⁰⁴²

Thus, Japan has thus been awarded a score of 0 for engaging in bilateral and multilateral dialogue with consumer and producer countries to enhance transparency of gas markets and taking concrete steps to contribute to the establishment of gas data systems.

Analyst: Khalid Mahdi

Russia: +1

Russia has fully complied with the commitment to enhance the transparency of gas markets through dialogues and development of gas data systems.

Russia is engaged in a dialogue with its partners on the issues of energy cooperation including gas markets transparency.

On 19 October 2012, the fifth meeting of the EU-Russia Gas Advisory Council took place in Moscow. The parties discussed inter alia the issues of transparent legal environment in gas markets. It was also announced that the sixth meeting of the Advisory Council was to take place in Vienna on 29 January 2013 and its outcome be presented at the European Gas Conference the next day.¹⁰⁴³

¹⁰³⁹ Sixth Japan-India Energy Dialogue was Held in Tokyo, Ministry of Economy, Trade and Industry (Tokyo)

10 October 2012. Date of Access: 5 January 2013.

http://www.meti.go.jp/english/press/2012/1010_04.html.

¹⁰⁴⁰ Joint Statement on the occasion of the 6th Japan-India Energy Dialogue between the Ministry of Economy, Trade and Industry of Japan and the Planning Commission of India (Tokyo)

10 October 2012. Date of Access: 5 January 2013.

<http://www.meti.go.jp/press/2012/10/20121010005/20121010005-2.pdf>.

¹⁰⁴¹ Japan eyeing billions in LNG investments in Western Canada, Financial Post (Vancouver), 4 April 2013. Date of Access: 29 May 2013.

http://business.financialpost.com/2013/04/04/japan-eyeing-billions-in-lng-investments-in-western-canada/?_lsa=7d0a-212c

¹⁰⁴² The Second LNG Producer-Consumer Conference to Be Held, Ministry of Economy, Trade and Industry (Tokyo), 26 April 2013. Date of Access: 29 May 2013.

http://www.meti.go.jp/english/press/2013/0426_01.html

¹⁰⁴³ Outcomes of the fifth meeting of the EU-Russia Gas Advisory Council, Russian Ministry of Energy 19 October 2012. Date of Access: 25 January 2013.

<http://minenergo.gov.ru/upload/medialibrary/61c/61c2429edddb69b378a0966884e9c3de.doc>.

Russia is a member of the Gas Exporting Countries Forum (GECF). One of the stated goals of the Forum is to promote gas market transparency.¹⁰⁴⁴ On 27 November 2012, Russia took part in the 14th Ministerial Meeting of the Gas Exporting Countries Forum in Malabo, Equatorial Guinea.¹⁰⁴⁵

Russia has also contributed to the establishment of a gas data system.

Since 2009 Russia has been participating in gas data collection exercise of the Joint Organizations Data Initiative (JODI), submitting data on a monthly basis.¹⁰⁴⁶ Russia hosted the First Gas Data Transparency Conference in Moscow on 26 October 2010.¹⁰⁴⁷ Therefore, Russia shows its support to establishing the international gas data system to ensure gas markets transparency.

Russia took actions to enhance gas markets transparency through both dialogues and promoting the development of a gas data system. Thus it is awarded a score of +1.

Analyst: Andrei Sakharov

United Kingdom: 0

The UK has partially complied with its commitment to engage in discussions to enhance the transparency of natural gas markets and to take steps to contribute to the establishment of gas data systems.

On 18 September 2012, the European parliament agreed that large gas companies should be required to disclose information on payments to foreign countries exceeding EUR80 thousand and indicate the specific project the payment relates to.¹⁰⁴⁸ The British members of the committee; however failed to back the compromise welshing on Prime Minister David Cameron's promise to Nigerian citizens to bring forth country and project reporting.¹⁰⁴⁹

Nevertheless, on 11 October 2012, Deputy Prime Minister Nick Clegg met with Business Minister Jo Swinson and the senior leadership of ONE to discuss the transparency of the extractive industries including natural gas.¹⁰⁵⁰ Deputy Prime Minister Nick Clegg declared that, "there need to be strict new rules about how payments to developing countries from the oil, gas

¹⁰⁴⁴ Cooperation with GECF, Russian Ministry of Energy. Date of Access: 27 January 2013.

http://minenergo.gov.ru/co-operation/fseg_contributio/.

¹⁰⁴⁵ Equatorial Guinea Hosted 14Th Ministerial Meeting of the Gas Exporting Countries Forum. PR Newswire 27 November 2012. Date of Access: 27 January 2012. <http://www.prnewswire.com/news-releases/equatorial-guinea-hosted-14th-ministerial-meeting-of-the-gas-exporting-countries-forum-180991221.html>.

¹⁰⁴⁶ Extending JODI to Natural Gas (JODI Gas), Joint Organizations Data Initiative 8 October 2012. Date of Access: 25 January 2013. <http://www.jodidata.org/resources/files/events/7th-regional-jodi-training-workshop/09.-extending-jodi-to-natural-gas-and-challenges-for-the-mena-regions.pdf>.

¹⁰⁴⁷ Gas Data Transparency Conference, Joint Organizations Data Initiative 26 October 2010. Date of Access: 25 January 2013. <http://www.jodidata.org/events/event-details.aspx?eid=1>.

¹⁰⁴⁸ Shine Light on oil and gas industries, say MEPs, Public Service Europe (London) 19 September 2012. Date of Access: 18 January 2013.

<http://www.publicserviceeurope.com/article/2474/shine-light-on-oil-and-gas-industries-say-meps>.

¹⁰⁴⁹ 'Key moment' in drive for transparency hailed by MEP, Public Service Europe (London) 24 September 2012. Date of Access: 18 January 2013.

<http://www.publicserviceeurope.com/article/2474/shine-light-on-oil-and-gas-industries-say-meps>.

¹⁰⁵⁰ Deputy Prime Minister Nick Clegg meets ONE campaign, Deputy Prime Minister Cabinet Office (London) 11 October 2012. Date of Access: 19 January 2013.

<http://www.dpm.cabinetoffice.gov.uk/news/deputy-prime-minister-nick-clegg-meets-one-campaign>

and mining industries are recorded. Shining a light on where this money is actually going will help people hold their governments to account over how this money is actually spent.”¹⁰⁵¹

Furthermore, on 2 November 2012, Prime Minister David Cameron affirmed his support for Europe to adopt gas transparency regulations that would model the United States’ disclosure regulations, primarily section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act — the Cardin-Lugar Amendment.¹⁰⁵² In a Wall Street Journal op-ed David Cameron wrote, “the U.S. has introduced legally binding measures to require oil, gas and mining companies to publish key financial information for each country and project they work on. And I want Europe to do the same.”¹⁰⁵³

On 22 May 2013 UK Prime Minister, David Cameron and French President, François Hollande, announced that both countries will adopt the Extractive Industry Transparency Initiative (EITI). The EITI system ensures companies disclose the costs of extracting natural resources and governments publish the money they receive to the public. Prime Minister Cameron called other G8 countries “to champion the same high standards of transparency.” At the upcoming 2013 G8 Summit the UK will make EITI and energy transparency throughout the developing world one of the key topic of the agenda.¹⁰⁵⁴ He added that “we cannot call on other countries to live up to these high standards if we are not prepared to do so ourselves.”¹⁰⁵⁵

On 20 May 2013 at the Mining for Development Conference in Sydney, Mark Lowcock—Permanent Secretary, Department for International Development—welcomed the changes made to EITI. Yet he noted that to “lift millions out of poverty — the EITI’s primary aim — we need to find ways to make sure transparency and accountability are the norm everywhere.”¹⁰⁵⁶

The United Kingdom has received a score of 0 for promoting the transparency in natural gas markets; however there is no clear evidence the United Kingdom has taken steps towards the development of gas data systems.

Analyst: Jay Thakore

¹⁰⁵¹ Deputy Prime Minister Nick Clegg meets ONE campaign, Deputy Prime Minister Cabinet Office (London) 11 October 2012. Date of Access: 19 January 2013.

<http://www.dpm.cabinetoffice.gov.uk/news/deputy-prime-minister-nick-clegg-meets-one-campaign>

¹⁰⁵² UK Prime Minister calls on Europe to adopt US model on oil and mining sunshine law, Publish What You Pay (Washington) 2 November 2012. Date of Access: 19 January 2013.

<http://www.publishwhatyoupay.org/resources/uk-prime-minister-calls-europe-adopt-us-model-oil-and-mining-sunshine-law>

¹⁰⁵³ Combating Poverty at Its Roots, The Wall Street Journal (London) 1 November 2012. Date of Access: 19 January 2013.

<http://online.wsj.com/article/SB10001424052970204712904578090571423009066.html>

¹⁰⁵⁴ G8 transparency: UK and France join the Extractive Industries Transparency, Department of International Development (London), 23 May 2013. Date of Access: 29 May 2013.

<https://www.gov.uk/government/news/g8-transparency-uk-and-france-join-the-extractive-industries-transparency-initiative>

¹⁰⁵⁵ France and United Kingdom Commit to Global Transparency Standard, Extractive Industries Transparency Initiative (Oslo), 22 May 2013. Date of Access: 29 May 2013.

<http://eiti.org/news/france-and-united-kingdom-commit-global-transparency-standard>

¹⁰⁵⁶ Making Mining Work for Development and How Development Agencies Can Help, Department of International Development (London), 20 May 2013. Date of Access: 29 May 2013.

<https://www.gov.uk/government/speeches/making-mining-work-for-development-and-how-development-agencies-can-help>

United States: +1

The United States has fully complied with its commitment to engage in discussions to enhance the transparency of natural gas markets and to take steps to contribute to the establishment of gas data systems.

On 21 June 2012, John Wellinghoff, Chairman of the Federal Energy Regulatory Commission, announced that a series of regional conferences would be held “to explore coordination between the natural gas and electric industries.” The conferences are expected to “cover the Midwest, the West, New England, New York, the mid-Atlantic and the Southeast,” and are intended to generate a discussion on “national issues affecting coordination between the gas and electricity markets, electric reliability, and those issues of special significance to that particular region.”¹⁰⁵⁷

Furthermore, the U.S’ Energy Department’s Open Energy Information platform (Open EI) reaffirmed its “continued commitment to open and transparent energy data.” As part of a new initiative, the Department released on 16 July 2012, a “public database featuring cost and performance estimates for electric generation, advanced vehicle, and renewable fuel technologies.” The database is meant to “contribute reliable new data to continually expand and validate the cost information available to the public.”¹⁰⁵⁸

“In an effort to curb corruption” and enhance transparency, on 22 August 2012, the Securities and Exchange Commission (SEC) passed a “landmark” resolution that would implement section 1504 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.¹⁰⁵⁹ The Dodd Frank Act requires “resource extraction issuers to disclose certain payments made to the U.S. government or foreign governments.”¹⁰⁶⁰ The U.S Agency for International Development (USAID) “praised” the resolution, declaring that its approval “sets a new standard for transparency in the extractive industries,” since oil, natural gas and mining companies, currently “required to file annual reports with the SEC will have to disclose certain payments they make to governments for resource development on a project-by-project basis.”¹⁰⁶¹

Moreover, on 15 November 2012, the United States Federal Energy Regulatory Commission issued a notice of inquiry titled: “Enhanced Natural Gas Market Transparency,” calling for comments or suggestions to any of the regulations “under the natural gas market transparency provisions of section 23 of the Natural Gas Act (NGA), as adopted in the Energy Policy Act of 2005 (EPA 2005)” —designed to “facilitate price transparency.” The Commission is considering whether “quarterly reporting of every natural gas transaction within the Commission’s NGA jurisdiction that entails physical delivery for the next day (i.e., next day gas) or for the next month

¹⁰⁵⁷Regional Conferences on Gas-Electric Coordination, Federal Energy Regulatory Commission (Washington) 21 June 2012. Date of access: 25 January 2013.

<http://www.ferc.gov/media/statements-speeches/wellinghoff/2012/06-21-12-wellinghoff.asp>.

¹⁰⁵⁸http://apps1.eere.energy.gov/news/progress_alerts.cfm/pa_id=768

¹⁰⁵⁹US Ruling on Oil, Gas and Mining Companies will Make them more Accountable, Transparency International(Berlin) 23 August 2012. Date of access: 25 January 2013.

http://www.transparency.org/news/feature/us_ruling_on_oil_gas_and_mining_companies_will_make_them_more_accountable.

¹⁰⁶⁰SEC Adopts Rules Requiring Payment Disclosures by Resource Extraction Issuers, U.S Securities and Exchange Commission (Washington) 22 August 2012. Date of access: 25 January 2013.
<http://sec.gov/news/press/2012/2012-164.htm>

¹⁰⁶¹New U.S. Rules Promote Transparency in Extractive Industries, United States Embassy (Washington) 24 September 2012. Date of access: 25 January 2012.

<http://iipdigital.usembassy.gov/st/english/article/2012/09/20120923136454.html#axzz2IzyaWiL3>.

(i.e., next month gas) would provide useful information for improving natural gas market transparency.”¹⁰⁶²

At an international level, on 5 December 2012, the EU-U.S. Energy Council met in Brussels reaffirming its commitment to promote “transparent and secure global energy markets,” foster “co-operation on regulatory frameworks that encourage the efficient and sustainable use of energy,” and identify “joint research priorities that promote clean energy technologies.” The Council called for “ongoing good co-operation on global oil and gas markets, including the role of unconventional gas and promoting competitive global energy markets as a means to enhance energy security and to create a climate conducive to economic growth.” Members also stressed the need for further dialogue on the “economic aspects of shale gas” at a future 2013 international conference, organized by the European Commission. The Council also welcomed continued “engagement on the coordination and harmonisation of regulatory and technical views in the areas of nuclear power plants, offshore oil and gas exploration and production.”¹⁰⁶³

On 20 May 2013 His Excellency Htay of Myanmar and Special Envoy and Coordinator for International Energy Affairs Carlos Pascua delivered a joint statement “on good governance and transparency in the energy sector.” They emphasized the need to improve energy transparency worldwide given that they “can improve the operating environment for industry, and help reduce the risk of conflict associate with resource development.” They also reaffirmed the United States and Myanmar’s commitment to implement the Extractive Industries Transparency Initiative (EITI) as a key tool to advance “sector good governance and multi-stakeholder engagement in sector decision-making.” Both countries also agreed to continue this efforts at the upcoming 2013 G8 Summit.¹⁰⁶⁴

On 24 May 2013, at the Extractive Industries Transparency Initiative Global Conference in Sydney, Australia Robert F. Cekuta, Principal Deputy Assistant Secretary, Bureau of Energy Resources declared that “there is a global momentum behind Transparency.” He welcomed the changes made to the EITI reporting system, which will increase accountability capabilities. The reports will now be expected to “include background and context information” such as “production volumes, applicable laws, and how the EITI process intersects with a country’s budget and spending processes.”¹⁰⁶⁵ According to Cekuta, “the reports we will produce under EITI will be all the more useful to U.S. citizens,” since amongst other things, it will require the names of companies licensed to explore and develop resources be released.¹⁰⁶⁶

Therefore, the United States has received a score of +1 for engaging in gas transparency dialogues at home and abroad and for undertaking efforts to establish a gas database.

¹⁰⁶² Enhanced Natural Gas Market Transparency, Federal Energy Regulatory Commission (Washington) 15 November 2012. Date of access: 25 January 2013.

<http://www.ferc.gov/whats-new/comm-meet/2012/111512/G-3.pdf>

¹⁰⁶³ The EU-U.S. Energy Council Brussels Joint Press Statement, Council of the European Union (Brussels) 5 December 2012. Date of access 25 January 2013.

http://consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/134058.pdf

¹⁰⁶⁴ Joint Statement on Good Governance and Transparency in the Energy Sector, U.S Department of State (Washington), 20 May 2013. Date of Access: 29 May 2013.

<http://www.state.gov/r/pa/prs/ps/2013/05/209702.htm>

¹⁰⁶⁵ Remarks: Robert F. Cekuta Speaking at the Board Plenary Session, U.S Department of State (Washington), 24 May 2013. Date of Access: 29 May 2013.

<http://www.state.gov/e/enr/rls/rem/2013/209958.htm>

¹⁰⁶⁶ Remarks: Robert F. Cekuta at the EITI Stakeholders Forum, U.S Department of State (Washington), 24 May 2013. Date of Access: 29 May 2013.

<http://www.state.gov/e/enr/rls/rem/2013/209957.htm>

Analyst: Laura Correa Ochoa

European Union: +1

The European Union (EU) has fully complied with its commitment to energy transparency. The EU has been rewarded a score of +1 for engaging in bilateral dialogue with consumer and producer countries to enhance transparency in energy markets. The EU also continues to participate in efforts to establish an international gas data system.

For two days beginning on 22 May 2012, the Statistical Office of the European Communities (Eurostat) joined a number of other JODI partner organizations in the Gas Data Transparency Conference in Doha, Qatar. Participants continued to echo their commitment to the global gas data transparency initiative and expressed the importance of sustained international partnership for the ongoing development of the JODI-Gas database.¹⁰⁶⁷

On 14 June 2012, a joint statement released by EU Commissioners Günther Oettinger and Štefan Füle and Turkish Ministers Egemen Bağış and Taner Yıldız sought for closer ties between the EU and Turkey in opening up the gas markets to allow for bidirectional transport of natural gas.¹⁰⁶⁸ The bilateral talks between the EU and Turkey also encouraged the regular exchange of energy information and data regionally and globally.¹⁰⁶⁹

On 5 December 2012, the EU-U.S. Energy Council convened for bilateral talks in Brussels. A joint press statement was released recognizing, among other issues, the importance of promoting “transparent and secure global energy markets” between the European Union and the United States (US).¹⁰⁷⁰

Furthermore, on 12 December 2012, the EU-Russia Permanent Partnership Council reconvened for bilateral talks in Nicosia. A joint press statement was released welcoming the continued efforts of the EU-Russia Gas Advisory Council in monitoring the EU and Russian gas markets.¹⁰⁷¹ Both sides acknowledged “the role of long-term contracts and investments for ensuring energy security, predictability and transparency of supply.”¹⁰⁷²

¹⁰⁶⁷ 2nd Gas Data Transparency Conference Concluding Statement, International Energy Forum (Riyadh) 23 May 2012. Date of Access: 9 January 2013.

<http://www.ief.org/events/event-details.aspx?eid=48>.

¹⁰⁶⁸ Enhanced EU-Turkey Energy Cooperation, European Union (Brussels) 14 June 2012. Date of Access: 9 January 2013.

http://ec.europa.eu/energy/international/bilateral_cooperation/doc/turkey/20120622_outline_of_enhanced_cooperation.pdf.

¹⁰⁶⁹ Enhanced EU-Turkey Energy Cooperation, European Union (Brussels) 14 June 2012. Date of Access: 9 January 2013

http://ec.europa.eu/energy/international/bilateral_cooperation/doc/turkey/20120622_outline_of_enhanced_cooperation.pdf.

¹⁰⁷⁰ The EU-U.S. Energy Council Brussels, 5 December 2012 Joint Press Statement, European Union (Brussels) 5 December 2012. Date of Access: 9 January 2013.

http://consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/134058.pdf.

¹⁰⁷¹ EU-Russia Permanent Partnership Council on 12 December 2012, European Union (Brussels) 10 December 2012. Date of Access: 9 January 2013.

http://ec.europa.eu/commission_2010-2014/oettinger/headlines/news/2012/12/doc/20121212-eu-russia-joint-press-statement.pdf.

¹⁰⁷² EU-Russia Permanent Partnership Council on 12 December 2012, European Union (Brussels) 10 December 2012. Date of Access: 9 January 2013.

http://ec.europa.eu/commission_2010-2014/oettinger/headlines/news/2012/12/doc/20121212-eu-russia-joint-press-statement.pdf.

The EU has also adopted new legislation “transparency of of government payments from the oil and gas industry.” The new law stipulates that European companies need to disclose payments of more than EU100,000 to the countries they are operating in. . Ministers agreed to meet again in 2015 to decide on whether to expand the framework to include telecommunication and construction industries.¹⁰⁷³ This strategy goes beyond disclosures guidelines adopted by the United States in 2012 by incorporating the logging industry “to the list of companies that need to be more transparent about their global operations.”¹⁰⁷⁴ According to Michel Barnier, the European commissioner for the internal market, “the agreement on the disclosure requirements for the extractive and forestry industries shows how EU legislation can be a catalyst for change in developing countries. Local communities in resource-rich countries will finally be better informed about what their governments are being paid by multinationals for exploiting oil and gas fields, mineral deposits and forests.”¹⁰⁷⁵

The EU has been rewarded a score of +1 for complying with the G8 commitment. The EU continues to dialogue with consumer and producer countries for greater gas transparency and work toward the establishment of a gas data system.

Analyst: Kelvin Chen

¹⁰⁷³ EU Seals Deal to Boost Transparency of Oil, Gas and Logging Firms, The Guardian (London), 10 April 2013. Date of Access: 29 May 2013.

<http://www.guardian.co.uk/global-development/2013/apr/10/eu-transparency-oil-gas-minerals-logging>

¹⁰⁷⁴ Deal Reached On EU Extractives Legislation, Transparency International (Berlin), 10 April 2013. Date of Access: 29 May 2013.

http://www.transparency.org/news/feature/deal_reached_on_eu_extractives_legislation

¹⁰⁷⁵ Statement by Commissioner Michel Barnier Welcoming the Agreement Reached on Disclosure Requirements for the Extractive Industry and Loggers of Primary Forests and on Simpler Accounting Requirements for Small Companies, European Commission (Brussels), 9 April 2013. Date of Access: 29 May 2013.

http://europa.eu/rapid/press-release_MEMO-13-323_en.htm

11. Climate Change [29]

Commitment

“Recognizing the impact of short-lived climate pollutants on near-term climate change, agricultural productivity, and human health, we support, as a means of promoting increased ambition and complementary to other CO₂ and GHG emission reduction efforts, comprehensive actions to reduce these pollutants, which, according to UNEP and others, account for over thirty percent of near-term global warming as well as 2 million premature deaths a year. Therefore, we agree to join the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants.”

G8 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		0.11	

Background

G8 members have committed to the reduction of greenhouse gases in previous declarations. Since the 2007 Heiligendamm Summit, G8 members have addressed climate change through commitments to reduce greenhouse gas emissions, efficient energy production and consumption, and support for climate adaptation in developing countries.¹⁰⁷⁶ The 2012 Camp David Summit was the first in which G8 members specifically recognized the significant impact of short-lived climate pollutants on climate change.

The Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC) defines short-lived climate pollutants (SLCPs) as “agents with a relatively short lifetime in the atmosphere — a few days to a few decades — and a warming influence on the climate.”¹⁰⁷⁷ Examples of SLCPs are black carbon, methane, hydrofluorocarbons (HFCs), and tropospheric ozone. According to the CCAC, fast actions to reduce SLCPs could prevent 2.1 million premature deaths and the loss of 30 million tons of crops each year.¹⁰⁷⁸

This commitment complements previous and ongoing G8 commitments to reduce greenhouse gas emissions and limit the increase in global temperature. At Camp David, the G8 foresaw “the adoption by 2015 of a protocol, another legal instrument or an agreed outcome with legal force applicable to all Parties, developed and developing countries alike.”¹⁰⁷⁹ The new efforts to

¹⁰⁷⁶ G8 Research Group Official Documents: The G8 and Climate Change since Heiligendamm, 3 July 2008. Date of Access: 30 November 2012. <http://www.g8.utoronto.ca/compliance/index.html>

¹⁰⁷⁷ CCAC Website: Short-lived Climate Pollutants. Date of Access: 29 November 2012. <http://www.unep.org/ccac/ShortLivedClimatePollutants/tabid/101650/Default.aspx>.

¹⁰⁷⁸ CCAC Website: Short-lived Climate Pollutants. Date of Access: 29 November 2012. <http://www.unep.org/ccac/ShortLivedClimatePollutants/tabid/101650/Default.aspx>.

¹⁰⁷⁹ Camp David Summit Documents: Official Declaration, 19 May 2012. Date of Access: 29 November 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

address SLCPs offer G8 members the opportunity to combat near-term climate change, while continually working toward effective means to confront long-term climate change.

Commitment Features

This commitment has two key features:

1. To implement broad actions to reduce the use of short-lived climate pollutants
2. To partner with the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC)

Actions to address these pollutants include legislative or funding measures to enact and enforce regulation, or the provision of financial incentives to reduce emissions. Examples of significant legislative or funding commitments include, but are not limited to: binding, national-level legislation to reduce SLCPs; the introduction or continued development of an emissions trading scheme; or significant investment in technology to reduce SLCPs. The target must be communicated in terms of absolute reductions so that it is comparable to other national targets.

G8 members have committed to joining the CCAC. To constitute compliance with this commitment, members therefore must join the CCAC. G8 members that join the CCAC “have committed to mitigating short-lived climate pollutants in their own countries, helping others take similar actions, and to actively participating in the work of the Coalition.”¹⁰⁸⁰

Scoring

-1	Member takes no significant legislative OR funding action to reduce short-lived climate pollutants AND does not join the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants.
0	Member takes significant legislative OR funding action to reduce short-lived climate pollutants OR joins the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants AND actively participates in the work of the Coalition.
+1	Member takes significant legislative AND funding action to reduce short-lived climate pollutants AND joins the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants AND actively participates in the work of the Coalition.

Canada: +1

Canada has fully complied with its commitment to implement broad actions to reduce the use of short-lived climate pollutants, and to partner with the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC).

Canada was a founding member of the CCAC prior to the G8 Camp David Summit and contributed significant funds to the Coalition’s projects.¹⁰⁸¹ Although this occurred outside the compliance period, it is important to note Canada’s existing partnership with the CCAC.

On 4 June 2012, the release of *Canada’s Action Plan to Reduce Greenhouse Gas Emissions from Aviation* was announced. The Action Plan’s goal is to improve fuel efficiency by 2 per cent or

¹⁰⁸⁰ CCAC Website: Country Partners. Date of Access: 29 November 2012.

<http://www.unep.org/ccac/Partners/CountryPartners/tabid/101711/Default.aspx>.

¹⁰⁸¹ CCAC Website: Country Partners, Canada. Date of Access: 28 January, 2013.

<http://www.unep.org/ccac/Partners/CountryPartners/Canada.aspx>.

more per year until 2020, which will also have the effect of reducing resulting methane emissions.¹⁰⁸²

On 8 June 2012, Canada's Environmental Minister, Peter Kent, and Saskatchewan's Minister of Environment, Ken Cheveldayoff, announced the development of an equivalency agreement on coal-fired electricity greenhouse gas regulations. The agreement would involve a discontinuation of federal regulations in favor for provincial regulations as long as Saskatchewan achieves the equivalent or better environmental outcomes as federal regulations.¹⁰⁸³

On 21 June 2012, the Governments of Canada and the United States revealed the *United States-Canada Clean Energy Dialogue Plan Action Plan II*. The plan shares actions that the two nations will take in regards to clean energy technologies, including the development of clean coal technologies that could reduce black carbon emissions.¹⁰⁸⁴

On 5 September 2012, Canada's Environment Minister, Peter Kent, announced the final regulations to be implemented in the reduction of greenhouse gas emissions from coal-fired electricity. The regulations include implementing new standards to new and old electricity generation units,¹⁰⁸⁵ thus making Canada the first country in the world to ban the creation of new coal plants using dated or traditional technology, which can produce black carbon.¹⁰⁸⁶

On 11 October 2012, federal, provincial, and territorial jurisdictions (with the exception of Québec) agreed to start implementing a national Air Quality Management System (AQMS), which is described as a "comprehensive approach for improving air quality in Canada."¹⁰⁸⁷ According to the Government of Canada website, the AQMS is an important part of Canada's action on SLCPs.¹⁰⁸⁸

On 29 October 2012, Velocity Inc. and its President, Stephane Poirier, were fined CAD37,000 when found guilty of importing 600 cylinders of chlorodifluoromethane (HCFC-22), a refrigerant that is also an ozone-depleting substance.¹⁰⁸⁹ The fine will be given to the Environmental

¹⁰⁸² Harper Government works with Aviation Industry to Increase Fuel Efficiency, Environment Canada (Ottawa) 4 June 2012. Date of Access: 13 January 2013 <http://www.tc.gc.ca/eng/mediaroom/releases-2012-h055e-6731.htm>.

¹⁰⁸⁵ Environment Canada: Harper Government Moves Forward on Tough Rules for Coal-Fired Electricity Sector. 5 September 2012. Date of Access: 13 January, 2013. <http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=4D34AE9B-1768-415D-A546-8CCF09010A23>.

¹⁰⁸⁶ Environment Canada : Canada: A World Leader in Clean Electricity Generation. 3 December, 2012. Date of Access: 13 January 2013. <http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=0FE9E817-E4B6-43C4-AC80-D3F83BC19EB4>.

¹⁰⁸⁷ Canadian Council of Ministers of the Environment: Air Quality Management System. 14 November 2012. Date of Access: 28 January, 2013. http://www.ccme.ca/ourwork/air.html?category_id=146.

¹⁰⁸⁸ Government of Canada: Climate and Clean Air Coalition (CCAC) to Reduce Short-Lived Climate Pollutants (SLCPs). 16 August 2012. Date of Access: 28 January 2013. <http://climatechange.gc.ca/default.asp?lang=En&n=7F771E4A-1>.

¹⁰⁸⁹ Environment Canada: Velocity Inc. and its President Fined \$37,200 for Violating the Canadian Environmental Protection Act, 1999. 7 November 2012. Date of Access: 13 January 2013. <http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=BA9388BD-7CD6-4D17-94AC-C6C06EA8B67A>.

Damages Fund, which will then direct the payment to priority projects that aim to benefit the environment.¹⁰⁹⁰

On 7 December 2012, Canada's Environment Minister, Peter Kent, revealed plans to support climate change mitigation efforts in developing countries. Such investments include: 75 million to the Catalyst Fund, which will invest in renewable energy, energy efficiency, eater, agriculture, and forestry in developing nations; and CAD76 million to the Asian Development Bank to create a Canadian Climate Fund aimed at supporting private investment in climate change projects (related to renewable energy, energy efficiency, and sustainable transportation and infrastructure) in low income countries and islands in Asia.¹⁰⁹¹

From 12-14 December 2012, Canada's Environment Minister Peter Kent co-chaired the Annual General Meeting of the China Council for International Cooperation on Environment and Development. The Annual General Meeting recommendations included those aimed at addressing regional air pollution challenges and establishing a green regional development strategy across China.¹⁰⁹²

From 5-6 February 2013, ministers and representatives from Canada attended the Arctic Environment Ministers meeting in Sweden. The ministers stressed the need for more action in regards to the reduction of short-lived climate pollutant (SLCP) emissions, including improving scientific knowledge about SLCPs and their effects on the environment. The ministers also mentioned the importance of creating an international inventory of black carbon emissions in order to identify trends in consumption that could better enable nations to mitigate SLCPs.¹⁰⁹³

On 10 April 2013, it was announced that the Canadian Government is offering CAD10 million in support of the Climate and Clean Air Coalition (CCAC),¹⁰⁹⁴ in addition to the CAD3 million that was given to the CCAC in 2012, as well as another CAD7 million that was contributed to projects aimed at mitigating short-lived climate pollutants in developing nations.¹⁰⁹⁵

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, as well as partnering with the CCAC and actively participating in its work.

Analysts: Michelle Cramer and Tegan Hansen-Hoedeman

¹⁰⁹⁰ Environment Canada: Environmental Damages Fund. 10 December 2012. Date of Access: 13 January 2013. <http://www.ec.gc.ca/edf-fde/>.

¹⁰⁹¹ Environment Canada: Canada Invests in Climate Change Solutions in Developing Countries. 7 December 2012. Date of Access: 13 January 2013. <http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=B45B22D6-8D59-43DF-AFB3-B9B14B9E1FBD>.

¹⁰⁹² Environment Canada: Canada Reinforces Environmental Partnership with China. 14 December 2012. Date of Access: 13 January 2013. <http://www.ec.gc.ca/default.asp?lang=En&n=714D9AAE-1&news=6C77D5CD-D38F-4B91-BD36-C886975004E0>.

¹⁰⁹³ Environment Canada: Chairs Conclusions from the Arctic Environment Ministers Meeting. 12 February 2012. Date of Access: 23 May 2013. <http://ec.gc.ca/international/default.asp?lang=En&n=C734A04E-1>

¹⁰⁹⁴ CBC: Kent Announces New Funds to Reduce Short-Lived Pollutants. 10 April 2013. Date of Access: 23 May 2013. <http://www.cbc.ca/news/politics/story/2013/04/10/pol-kent-redford-washington.html>

¹⁰⁹⁵ United Nations Environment Programme: Canada Provides Further Backing for Action on Black Carbon and Clean Air. 11 April 2013. Date of Access: 23 May 2013. <http://www.unep.org/newscentre/default.aspx?DocumentID=2713&ArticleID=9464>

France: 0

France has partially complied with its commitment to undertake comprehensive actions to reduce the emissions of short-lived climate pollutants (SLCPs), and partner with the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC).

On 15 May 2012, France announced that the government would monitor black carbon levels for the first time in 2013, under the direction of Centre Interprofessionnel Technique d'Etudes de la Pollution Atmosphérique, (CITEPA).¹⁰⁹⁶ While this announcement falls just outside of the compliance period, it is an important indication of France's commitment to building a national inventory for black carbon emissions.¹⁰⁹⁷

On 25 January 2013, Minister of Ecology, Sustainable Development, and Energy Delphine Batho joined representatives from Italy, the United Kingdom, and the United States (among other countries) in signing an official declaration supporting the reduction of SLCP emissions from oil and gas operations.¹⁰⁹⁸ The report significantly notes the harmful emission of methane and black carbon as a result of natural gas production.¹⁰⁹⁹

During the period from 2012-2014, France has committed EUR7.5 million per year to the Multilateral Fund for the Implementation of the Montreal Protocol.¹¹⁰⁰ The fund is aimed at helping developing countries meet their Montreal Protocol commitments in order to eliminate the use and production of substances that deplete the ozone layer, including SLCPs.¹¹⁰¹ The specific targets defined by the protocol are expressed in terms of reductions from a base level reported in 1989.¹¹⁰² Because this is an ongoing funding commitment, it has not been counted towards compliance.

France became a country partner to the CCAC on 24 July 2012.¹¹⁰³ France actively participates in the work of the commission through the French Development Agency (AFD).¹¹⁰⁴ Many ongoing

¹⁰⁹⁶ Le Monde: La France veut réduire ses émissions de carbone suie. 24 May 2012. Date of Access: 16 January 2013. http://www.lemonde.fr/planete/article/2012/05/24/la-france-veut-reduire-ses-emissions-de-carbone-suie_1706380_3244.html.

¹⁰⁹⁷ CCAC Website: Country Partners, France. Date of Access: 16 January 2013. <http://www.unep.org/ccac/Partners/CountryPartners/France.aspx>.

¹⁰⁹⁸ CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. http://www.unep.org/ccac/Portals/24183/docs/CCAC_Ministers'_Statement_25_January_2013.pdf.

¹⁰⁹⁹ CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. http://www.unep.org/ccac/Portals/24183/docs/CCAC_Ministers'_Statement_25_January_2013.pdf.

¹¹⁰⁰ Ministry of Ecology, Sustainable Development and Energy: 25ème anniversaire du Protocole de Montréal pour la protection de la couche d'ozone, 19 September 2012. Date of Access: 16 January 2013. http://www.developpement-durable.gouv.fr/spip.php?page=article&id_article=29539.

¹¹⁰¹ Multilateral Fund for the Implementation of the Montreal Protocol Website: Welcome to the Multilateral Fund for the Implementation of the Montreal Protocol. Date of Access: 16 January 2013. <http://www.multilateralfund.org/default.aspx>.

¹¹⁰² United Nations Environment Programme, The Montreal Protocol: Summary of control measures under the Montreal Protocol. Date of Access: 16 January 2013. http://ozone.unep.org/new_site/en/Treaties/treaties_decisions-hb.php?sec_id=6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24.

¹¹⁰³ France-Diplomatie: Combating pollution and global warming, France joins the CCAC. 25 July 2012. Date of Access: 16 January 2013. <http://www.diplomatie.gouv.fr/en/global-issues/sustainable-development-1097/events-2130/article/combating-pollution-and-global>.

AFD projects work to reduce the emission of SLCPs, such as the capture of methane from landfills in Uzbekistan and Palestine, and the distribution of biodigestors in India, Mali, and China.¹¹⁰⁵

France has been provided a score of 0 for its commitment to undertake comprehensive actions and partner with the CCAC in order to reduce emissions of SLCPs. While France fulfilled its commitment to partner with the CCAC and to actively participate in its work, no measures to enact and enforce regulation or provide emission reduction incentives have thus far been undertaken.

Analyst: Nessa Kenny

Germany: +1

Germany has fully complied with its commitment to implement broad actions to reduce the use of short-lived climate pollutants (SLCP), and to partner with the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC).

Germany has partnered with the CCAC and works to promote the coalition's initiatives nationally and internationally.¹¹⁰⁶ It continues to support multilateral and international activities to reduce SLCP emissions and has multiple commitments in conjunction with the CCAC.

The German Government continues to support the reduction of SLCPs in developing countries under the Federal Ministry for the Environment's International Climate Initiative (ICI). The initiative has committed to providing a sum of EUR120 million annually to "climate and biodiversity projects in developing and newly industrializing countries."¹¹⁰⁷

In October 2011, Germany's Energy and Climate Fund (EKF) was launched, commissioning four projects as of August 2012, stating that "more will follow in the course of 2012 and beyond."³ The fund outlines comprehensive international and domestic targets, and indicates that it intends to monitor energy reports starting "from 2013 every year."¹¹⁰⁸ The fund works in conjunction with the ICI.

In September 2012, Deutsche Bank Research released a report outlining Germany's commitment to maintaining "feed-in tariffs" (FITs) on the generation of electricity, praising the third phase of the program, which was implemented in 2012, for its steps in "making solar PV, wind, and biomass increasingly competitive with traditional sources of energy."¹¹⁰⁹ This program promises

¹¹⁰⁴ CCAC Website: Country Partners, France. Date of Access: 16 January 2013.

<http://www.unep.org/ccac/Partners/CountryPartners/France.aspx>.

¹¹⁰⁵ CCAC Website: Country Partners, France. Date of Access: 16 January 2013.

<http://www.unep.org/ccac/Partners/CountryPartners/France.aspx>.

¹¹⁰⁶ CCAC Website: Country Partners, Germany. Date of Access: 12 January 2013.

¹¹⁰⁷ Federal Ministry for the Environment, Nature Conservation and Nuclear Safety: The International Climate initiative — achievements to date. August 2012. Date of Access: 13 January 2013.

<http://www.bmu-klimaschutzinitiative.de/en/results>

¹¹⁰⁸ Federal Ministry for the Environment, Nature Conservation and Nuclear Safety: Germany's Energy Strategy and the Energy and Climate Fund. 17 October 2011. Date of Access: 13 January 2013.

http://climatepolicyinitiative.org/wp-content/uploads/2011/12/Sach_Germanys-Energy-Strategy-and-the-EKF.pdf

¹¹⁰⁹ Deutsche Bank Research: The German Feed-in Tariff, Recent Policy Changes. September 2012. Date of Access: 13 January 2013.

http://www.dbresearch.com/PROD/DBR_INTERNET_EN-PROD/PROD000000000294376/The+German+Feed-in+Tariff%3A+Recent+Policy+Changes.pdf

to reduce reliance on more conventional forms of energy production, which are often responsible for the production of SLCPs such as black carbon.

In April 2013, the Institute for Governance & Sustainable Development highlighted actions taken by the German government in a report on SLCP's, notably the implementation of "mandatory refrigerant leakage checks for mobile equipment" and increasing the role of "producer responsibility" regarding the recovery of hydrofluorocarbons.¹¹¹⁰ The report also named Germany as one of the principle donors to the CCAC's "dedicated Trust Fund."

Germany has been awarded a score of +1 for upholding its commitment to partner with the CCAC and introducing tangible measures to reduce the use of SLCPs.

Analyst: Liam Moloney

Italy: -1

Italy has failed to comply with its commitments to take significant legislative and funding action to reduce the use of short-lived climate pollutants (SLCPs). Although it has joined the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC), it has failed to participate actively in Coalition's work.

On 05 June 2012, Minister of Environment Corrado Clini announced that his ministry would be working to introduce policies concerning the efficient management of natural resources, including the development of renewables and better waste disposal.¹¹¹¹ While this could impact Italy's SLCP emissions, the announcement did not make specific reference to these emissions reductions.

On 24 July 2012, the United Nations Environment Programme (UNEP) stated that, among other nations, Italy had joined the CCAC.¹¹¹² However, it has not yet provided funding to the CCAC, and there is no evidence of other contributions to the organization.¹¹¹³

On 05 December 2012, at the Climate Conference in Doha, Italy announced that it would partner with Iraq to pursue joint initiatives to mitigate climate change. Included in this agreement is the reduction of emissions (such as methane) from oil and natural gas development.¹¹¹⁴

On 06 December 2012, Italy and other country partners of the CCAC agreed to take strong actions to reduce SLCP emissions, such as black carbon and methane.¹¹¹⁵ Despite Italy's

¹¹¹⁰ Institute for Governance & Sustainable Development: Primer on Short-Lived Climate Pollutants. April 2013. Date of Access: 19 May 2013

<http://www.igsd.org/documents/PrimeronShort-LivedClimatePollutants23april2013EV.pdf>

¹¹¹¹ Ministero dell'ambiente e della tutela del territorio e del mare: Inserire la gestione efficiente delle risorse naturali all'interno delle strategie per la crescita del. 05 June 2012. Date of Access: 29 January 2013.

paesehttp://www.minambiente.it:80/home_it/showitem.html?lang=&item=/documenti/comunicati/comunicato_0393.html.

¹¹¹² CCAC Website: World-Wide Action on Short-Lived Pollutants Grows. 24 July 2012. Date of Access: 25 January 2013. <http://www.unep.org/ccac/News/World-WideActiononShort-LivedPollutantsGrows/tabid/102488/Default.aspx>.

¹¹¹³ CCAC Website: Country Partners, Italy. January 2013. Date of Access: 13 January 2013.

<http://www.unep.org/ccac/Partners/CountryPartners/tabid/101711/Default.aspx>

¹¹¹⁴ Ministero dell'ambiente e della tutela del territorio e del mare: Intesa tra Italia e Iraq per rafforzare la cooperazione ambientale. 05 December 2012. Date of Access: 29 January 2013.

http://www.minambiente.it:80/home_it/showitem.html?lang=&item=/documenti/comunicati/comunicato_0525.html.

participation in this agreement, there is no evidence thus far that it has taken comprehensive actions to limit the use of SLCPs within its borders.

On 25 January 2013, Minister of Environment Corrado Clini signed an official declaration supporting the reduction of SLCP emissions from oil and gas operations.¹¹¹⁶ The report notably references the significant amount of methane and black carbon emissions released into the atmosphere as a result of natural gas production.¹¹¹⁷ It remains to be seen whether Italy will enact legislation in support of this declaration.

To this end, Italy is awarded a score of -1 for failing to undertake significant legislative or funding initiatives to reduce the use of SLCPs.

Analysts: George L. Grobe IV and Tegan Hansen-Hoedeman

Japan: 0

Japan has partially complied with its commitment to fund action to reduce the use of short-lived climate pollutants (SLCPs) and to join the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC).

On 4 September 2012, the Japanese International Cooperation Agency signed a loan agreement with Brazil totaling over JPY16 billion. The loan, which involves Japan providing the loan to Brazil's state of Para, is aimed at improving the transportation system in the Belem metropolitan area. By improving the transportation system, and thus decreasing traffic congestion, Japan and Brazil are hoping to also reduce harmful emissions in the area, such as those from diesel buses.¹¹¹⁸

On 12 October 2012, the Japan International Cooperation Agency signed agreements with the Government of Peru, the agreements supplying Peru with around JPY13 billion in loans to be used in the implementation of sustainable development. The agreements signed by Japan and Peru call for mid and long-term financing for institutions that promote energy efficiency. The agreements will also work to help priority cities in Peru develop sustainable waste management systems.¹¹¹⁹ A portion of this sum will fund the Solid Waste Management Project, which aims to improve waste collection systems in 23 prioritized cities.¹¹²⁰ This project will contribute to the reduction of SLCPs, as methane is the primary emission of solid waste.

On 22 October 2012, Japanese Government officials said that Japan's ability to reduce emissions would be severely constrained since Japan stopped using nuclear power after the Fukushima

¹¹¹⁵ Bellona International: In a rare success from Doha, members agree to cut short term greenhouse gases. 07 December 2012. Date of Access: 27 January 2013.

http://www.bellona.org/articles/articles_2012/CCAC_achievements.

¹¹¹⁶ CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. http://www.unep.org/ccac/Portals/24183/docs/CCAC_Ministers'_Statement_25_January_2013.pdf.

¹¹¹⁷ CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. http://www.unep.org/ccac/Portals/24183/docs/CCAC_Ministers'_Statement_25_January_2013.pdf.

¹¹²⁰ Japan International Cooperation Agency: Signing of Japanese ODA Loan Agreement with the Republic of Peru., Japan International Cooperation Agency (Tokyo) 9 January 2013. Date of Access: 13 January 2013. http://www.jica.go.jp/english/news/press/2012/130109_01.html.

disaster,¹¹²¹ and has increased its reliability on more “dirty” forms of energy, such as fossil fuels.¹¹²²

On 8 January 2013, it was announced that Japan and Mongolia signed an agreement aimed at bilateral emissions reduction.¹¹²³ According to the Japanese Government, Japan seeks to expand the market for green technology (its export targets for the sale of green technology are almost JPY21 trillion by 2020, compared to the JPY10 trillion expected in 2015),¹¹²⁴ while Mongolia is in demand of such technology in order to reduce harmful emissions. The Japanese government has already financed feasibility studies to be used to help with the schemes part of the agreement. Japan’s Environment Agency has also announced that similar agreements are in the works between Japan and Bangladesh, Indonesia, and Vietnam.¹¹²⁵

On 9 January 2013, the Japan International Cooperation Agency and the Government of Peru signed a Japanese ODA loan agreement that involves Japan providing about JPY5 billion to the North Lima Metropolitan Area Water Supply and Sewage Optimization Project. Included in this loan is the construction of waste disposal facilities in rural areas, which are expected to contribute to the reduction of methane emissions from solid waste.¹¹²⁶

On 4 February 2013, an Asia-wide meeting focused on the reduction SLCPs was hosted by Japan, Bangladesh, and UNEP with the support of the Climate and Clean Air Coalition. Methods that can quickly be adopted and integrated into existing protocols aimed at protecting the environment were discussed at this first-ever Asia-wide SLCP meeting.¹¹²⁷

On 14 April 2013, U.S. Secretary of State John Kerry and Japanese Minister for Foreign Affairs Fumio Kishida announced in a joint statement that the United States and Japan would be entering into a treaty, together with India and China, aimed at creating “an ambitious post-2020 agreement applicable to all countries” in regards to climate change. The goal is for the treaty to be adopted at the 21st session of the UNFCCC Conference.¹¹²⁸ The treaty is expected to further support and carry out UNFCCC commitments such as increasing international initiatives like the Climate and

¹¹²¹ The Japan Times: New Priorities turn Kyoto Goals into an Afterthought. 22 October 2012. Date of Access: 13 January 2013. <http://www.japantimes.co.jp/text/nn20121022a1.html>.

¹¹²² The Japan Times: Caught in Crisis, Tokyo Weights Cutting Ambitious Emissions Target. 6 December 2012. Date of Access: 13 January 2013. <http://www.japantimes.co.jp/text/nb20121206a3.html>.

¹¹²³ The Wall Street Journal: Japan, Mongolia Sign Emissions-Reduction Pact. 8 January 2013. Date of Access: 13 January 2013. <http://online.wsj.com/article/SB10001424127887323482504578229110342851462.html>.

¹¹²⁴ The Wall Street Journal: Japan, Australia to Test Carbon Capture Method. 12 December 2012. Date of Access: 13 January 2013. <http://online.wsj.com/article/SB10001424127887323981504578174751584218508.html>.

¹¹²⁵ The Wall Street Journal: Japan, Mongolia Sign Emissions-Reduction Pact. 8 January 2013. Date of Access: 13 January 2013. <http://online.wsj.com/article/SB10001424127887323482504578229110342851462.html>.

¹¹²⁷ Climate and Clean Air Coalition: Asia Pacific Countries Chart Course to Put Brakes on Short-Lived Climate Pollutants. 4 February 2013. Date of Access: 19 May 2013. <http://www.unep.org/ccac/News/CountriesChartCourseToPutBrakesOnSLCPs.aspx>

¹¹²⁸ Environment News Service: U.S., Japan, G* Commit to Climate Change Action. 18 April 2013. Date of Access: 19 May 2013. <http://ens-newswire.com/2013/04/18/u-s-japan-g8-commit-to-climate-change-action/>

Clean Air Coalition while also mobilizing funds to support climate mitigation actions in developing countries.¹¹²⁹

On 19 April 2013, the Japanese Cabinet passed the “Act for Partial Revision of the Act Ensuring the Implementation of Recovery and Destruction of Fluorocarbons concerning Designated Products.” This act has created new requirements that must be complied with, such as companies needing to manufacture and import air conditioning and refrigeration units that are either fluorocarbon-free or low in global warming fluorocarbons by certain deadlines.¹¹³⁰

On 16 May 2013, it was announced that Japan’s Science and Technology Research Partnership for Sustainable Development (SATREPS) has adopted ten new projects in Asia and Central and South America for the 2013 fiscal year. The projects are described as being aimed towards promoting joint research that uses advanced science and technology from Japan. The goal is to acquire knowledge that can in the future be used to tackle issues related to the environment, energy, and bioresources.¹¹³¹

Japan was awarded a score of 0 for partnering with the CCAC and fulfilling its obligations as a country partner by taking measures to assist other countries to reduce emissions. However, Japan has not enacted new legislation reduce SLCPs emissions domestically during the compliance period.

Analyst: Michelle Cramer

Russia: -1

Russia has failed to comply with its commitment to reduce short-lived climate pollutants.

On 5-6 February 2013, Russian Minister of Natural Resources and Environment Sergey Donskoy took part in the Second Environment Ministers Meeting of the Arctic Council countries in Jukkasjärvi (Sweden). The negative impact of the short-lived pollutants on the climate in the Arctic and the possible ways to reduce the emission thereof were among the topics discussed at the meeting. The minister presented the Russian perspective of the issue and noted the importance of further, in-depth study of the short-lived pollutants’ impact on the environment. He also emphasized the necessity to continue the international cooperation and knowledge sharing in this field.¹¹³²

However, Russia is not yet a country partner in the Climate and Clean Air Coalition to Reduce Short-Lived Climate Pollutants.¹¹³³

¹¹²⁹ U.S. Department of State: U.S.-Japan Fact Sheet on Climate Change Cooperation. 14 April 2013. Date of Access: 19 May 2013. <http://www.state.gov/r/pa/prs/ps/2013/04/207479.htm>

¹¹³⁰ The Wall Street Journal: Japan to Phase-down HFCs: Important Step to Combat Climate Change, But Not Quite There. 3 May 2013. Date of Access: 19 May 2013. <http://online.wsj.com/article/PR-CO-20130503-912583.html>

¹¹³¹ Japan International Cooperation Agency: Countermeasures towards Global Issues through Science and Technology Research Partnership (SATREPS). 16 May 2013. Date of Access: 19 May 2013. http://www.jica.go.jp/english/news/press/2013/130516_01.html

¹¹³² Russian minister of natural resources and environment Sergey Donskoy headed the Russian delegation at the II environment ministers meeting of the Arctic Council countries, Russian Ministry of Natural Resources and environment 7 February 2013. Date of Access: 16 May 2013. http://www.mnr.gov.ru/news/detail.php?ID=130232&sphrase_id=295984

¹¹³³ Country Partners, Climate and Clean Air Coalition to Reduce Short-Lived Climate Pollutants. Date of Access: 16 May 2013. <http://www.unep.org/ccac/Partners/CountryPartners/tabid/101711/Default.aspx>.

No facts of Russia's legislative or funding actions to address the issue of short-lived climate pollutants undertaken during the monitoring period have been found.

No information on Russia's actions towards reducing short-lived climate pollutants has been registered. Thus, it gets a score of -1.

Analyst: Andrei Sakharov

United Kingdom: 0

The United Kingdom has partially complied with its commitment to reduce the use of short-lived climate pollutants (SLCPs) and partner with the Climate and Clean Air Coalition (CCAC).

On 24 July 2012, UNEP formally announced that the United Kingdom would join the CCAC.¹¹³⁴ In doing so, the UK directly complied with part of its commitment to the G8.

On 8 October 2012, entrepreneurs were invited to bid for a GBP2 million bioenergy scheme. The money is aimed specifically at encouraging innovation in bioenergy production on wetlands.¹¹³⁵ Bioenergy has the potential to reduce methane and other harmful emissions.

On 22 November 2012 the UK published a review of GHG emissions and existing government action addressing these issues. Included in this report was an indicator framework to assess emissions from agriculture, including methane and other non-carbon emissions.¹¹³⁶ The UK plans to use this information to strengthen its approach to reducing these SLCP emissions.¹¹³⁷

On 4 December 2012 the UK announced two new programs to be funded by the UK: renewable energy in parts of Africa and sustainable farming in Colombia. In particular, this initiative will help reduce methane emissions from agriculture and assist developing nations to reduce harmful emissions in general.¹¹³⁸

On 6 December 2012, the UK Department of Energy and Climate Change partnered with the German federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) to launch the Nationally Appropriate Mitigating Actions (NAMA) Facility in Doha, to support developing countries to implement ambitious action to mitigate climate change.¹¹³⁹ The UK

¹¹³⁴ CCAC Website: World-Wide Action on Short-Lived Pollutants Grows. 24 July 2012. Accessed 25 January 2013. <http://www.unep.org/ccac/News/World-WideActiononShort-LivedPollutantsGrows/tabid/102488/Default.aspx>.

¹¹³⁵ Department of Energy and Climate Change: £2 million bioenergy scheme opens to applications..08 October 2012. Date of Access: 13 January 2013. http://tools.decc.gov.uk/en/content/cms/news/pn12_118/pn12_118.aspx.

¹¹³⁶ Department of Environment, Food & Rural Affairs: Greenhouse gas emissions from agriculture, a framework of leading indicators. 22 November 2012. Date of Access: 29 November 2013. <http://www.defra.gov.uk/statistics/foodfarm/enviro/indicatorsghg/>.

¹¹³⁷ Department of Energy and Climate Change: Reducing the UK's greenhouse gas emissions by 80% by 2050. 22 January 2013. Date of Access: 29 January 2013. <https://www.gov.uk/government/policies/reducing-the-uk-s-greenhouse-gas-emissions-by-80-by-2050/supporting-pages/reducing-greenhouse-gas-emissions-from-agriculture>.

¹¹³⁸ Department of Energy and Climate Change: New climate programmes in Africa, South America, and other vulnerable countries. 4 December 2012. Date of Access: 13 January 2013. <https://www.gov.uk/government/news/uk-announces-new-climate-programmes-in-africa-south-america-and-other-vulnerable-countries-through-the-international-climate-fund>.

¹¹³⁹ Department of Energy and Climate Change: Germany and the United Kingdom Launch "NAMA Facility" in Doha. 06 December 2012. Date of Access: 13 January 2013. <https://www.gov.uk/government/news/germany-and-the-united-kingdom-launch-nama-facility-in-doha>.

government will provide about GBP25 million to the NAMA Facility in order to fund low-emissions development in these countries.¹¹⁴⁰

On 13 December 2012, Energy and Climate Change Secretary Edward Davey announced that the UK would continue developing hydraulic fracturing for shale gas.¹¹⁴¹ While methane represents a significant emission from this process, Davey also issued a study of the impacts of shale gas development in regards to harmful climate emissions and referred to existing legislation that aims to minimize methane emissions.¹¹⁴²

On 9 January 2013, seven British entrepreneurs were awarded a share of GBP292,000 to encourage the development of bioenergy. Energy and Climate Change Minister Greg Barker said that “bioenergy has an important part to play in our energy mix, increasing the amount of power we get from clean green sources.”¹¹⁴³

On 25 January 2013, Edward Davey signed an official declaration supporting the reduction of SLCP emissions from oil and gas operations.¹¹⁴⁴ This report, also signed by representatives from Italy, France, and the United States, notes the significant amount of methane and black carbon emissions released into the atmosphere as a result of natural gas production.¹¹⁴⁵ The UK is expected to work with the CCAC by providing cost-effective opportunities to assist companies in reducing these emissions.¹¹⁴⁶

Thus the United Kingdom is awarded a score of 0: although it has joined the CCAC and has actively participated in the work of the Coalition, the United Kingdom has not succeed in enacting significant legislative action to specifically reduce the use of SLCPs.

Analysts: Mikhail Aryn and Tegan Hansen-Hoedeman

United States: 0

The United States has partially complied with its commitment to reduce short-lived climate pollutants (SLCPs) and partner with the Climate and Clean Air Coalition (CCAC).

¹¹⁴⁰ Department of Energy and Climate Change: Germany and the United Kingdom Launch “NAMA Facility” in Doha. 06 December 2012. Date of Access: 13 January 2013.

<https://www.gov.uk/government/news/germany-and-the-united-kingdom-launch-nama-facility-in-doha>.

¹¹⁴¹ Department of Energy and Climate Change: New controls announced for shale gas exploration. 13 December 2012. Date of Access: 29 January 2013. <https://www.gov.uk/government/news/new-controls-announced-for-shale-gas-exploration>.

¹¹⁴² Department of Energy and Climate Change: Written statement by Edward Davey, Exploration for New controls announced for shale gas exploration. 13 December 2012. Date of Access: 29 January 2013.

<https://www.gov.uk/government/news/new-controls-announced-for-shale-gas-exploration>.

¹¹⁴³ Department of Energy and Climate Change: £292,000 boost for bioenergy entrepreneurs. 09 January 2013. Date of Access: 13 January 2013. <https://www.gov.uk/government/news/292-000-boost-for-bioenergy-entrepreneurs>.

¹¹⁴⁴ CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. [http://www.unep.org/ccac/Portals/24183/docs/CCAC Ministers' Statement 25 January 2013.pdf](http://www.unep.org/ccac/Portals/24183/docs/CCAC%20Ministers%27%20Statement%2025%20January%202013.pdf).

¹¹⁴⁵ CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. [http://www.unep.org/ccac/Portals/24183/docs/CCAC Ministers' Statement 25 January 2013.pdf](http://www.unep.org/ccac/Portals/24183/docs/CCAC%20Ministers%27%20Statement%2025%20January%202013.pdf).

¹¹⁴⁶ CCAC Website: Climate and Clean Air Coalition Working with Oil and Gas Companies to Reduce Methane and Black Carbon Emissions. 28 January 2013. Date of Access: 29 January 2013. <http://www.unep.org/ccac/News/tabid/101655/Default.aspx>.

The US-led CCAC, a global initiative to reduce SLCPs, was launched by the United States in partnership with five other nations in February 2012.¹¹⁴⁷ Although this falls outside the compliance period, it indicates US participation in the Coalition, which is a significant aspect of this commitment.

On 25 September 2012, the United States announced a total investment of US\$114 million in support of the Global Alliance for Clean Cookstoves, which aims to reduce SLCP emissions through providing more efficient household cooking solutions.¹¹⁴⁸

On 11 October 2012, the US Environmental Protection Agency allocated \$30 million towards clean diesel projects through the Diesel Emission Reduction Program in efforts to reduce black carbon emissions by replacing older diesel-powered engines like marine vessels, locomotives, trucks, and buses.¹¹⁴⁹

On 6 December 2012, the US actively participated with other members of the Climate and Clean Air Coalition at Doha in talks to vastly reduce SLCPs by 2050.¹¹⁵⁰

On 25 January 2013, both Secretary of State Hilary Clinton and Environmental Protection Agency Administrator Lisa Jackson signed an official declaration supporting the reduction of SLCP emissions from oil and gas operations.¹¹⁵¹ The report importantly refers to the significant amount of methane and black carbon emissions released into the atmosphere as a result of natural gas production.¹¹⁵²

On 20 May 2013, US Congressman Scott Peters introduced a bill in the US House of Representatives to create a task force to tackle SLCPs. The bill would see government programs at multiple levels combine and coordinate efforts to increase efficiency in the effort to reduce SLCPs.¹¹⁵³ However, the bill is currently in early stages. If passed, it would constitute significant legislative effort to combat SLCPs.

¹¹⁴⁷ United Nations Environmental Program: Secretary Clinton Announces the Climate and Clean Air Coalition to Reduce Short-Lived Climate Pollutants. 16 February 2012. Date of Access: 12 January 2013. <http://www.unep.org/ccac/News/tabid/101655/Default.aspx>

¹¹⁴⁸ US Department of State: The United States Commitment to the Global Alliance for Clean Cookstoves. 25 September 2012. Date of Access: 13 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/09/198181.htm>

¹¹⁴⁹ EPA: EPA Awards \$30 Million for Clean Diesel Projects, United States Environmental Protection Agency. 11 October 2012. Date of Access: 12 January 2013. <http://yosemite.epa.gov/opa/admpress.nsf/d0cf6618525a9efb85257359003fb69d/9f2fc24a89ba11df85257a94004d5d1b!OpenDocument>

¹¹⁵⁰ The Guardian: Rare note of harmony at Doha as action agreed on black carbon. 6 December 2012. Date of Access: 12 January 2013. <http://www.guardian.co.uk/environment/2012/dec/06/doha-conference-black-carbon-methane>

¹¹⁵¹ CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. [http://www.unep.org/ccac/Portals/24183/docs/CCAC Ministers' Statement_25 January 2013.pdf](http://www.unep.org/ccac/Portals/24183/docs/CCAC%20Ministers%27%20Statement%2025%20January%202013.pdf)

¹¹⁵² CCAC Website: Official Declaration by Ministers on Accelerating Cost-Effective Reductions of Short-Lived Climate Pollutants from Global Oil and Natural Gas Operations. 25 January 2013. Date of Access: 27 January 2013. [http://www.unep.org/ccac/Portals/24183/docs/CCAC Ministers' Statement_25 January 2013.pdf](http://www.unep.org/ccac/Portals/24183/docs/CCAC%20Ministers%27%20Statement%2025%20January%202013.pdf)

¹¹⁵³ CCAC Website: U.S. Congressman Introduces Bill to Establish SLCP Task Force. 20 May 2013. Date of Access: 21 May 2013. <http://www.unep.org/ccac/News/CongressmantablesbilltocreateSLCPTaskForce/tabid/106304/Default.aspx>

Since the 2012 Camp David Summit, the United States has actively engaged in talks to reduce SLCPs within the framework of the CCAC. Although there is evidence of funding towards programs to reduce SLCPs, the United States has failed to implement any significant legislative measures to reduce the impact of these pollutants. Thus, the United States has been awarded a score of 0.

Analyst: Aman Gill

European Union: +1

The European Union has complied fully with its commitments to take significant legislative and funding action to reduce short-lived climate pollutants (SLCPs) and to partner with the Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants (CCAC).

The European Commission is currently working to create an emissions inventory for black carbon with the goal of reducing overall black carbon emission levels in the European Union. At the same time, the Commission is reviewing the ‘European Union Strategy on Air Pollution’ for the purposes of identifying further ways to reduce SLCPs from power plants, ships, agriculture, machinery, landfills, and automobiles: the recommendations from this review are likely to become new legislation and funding action by the next G8 Summit.¹¹⁵⁴¹¹⁵⁵

The European Commission is also reviewing the EU’s Thematic Strategy on Waste, with the goal of reducing methane emissions from landfill. This initiative includes the reduction of biodegradable waste deposited in landfill by 65% in 2018.¹¹⁵⁶

The European Union has also been working internationally to reduce SLCPs by providing information and technological aid at a conference in Thailand, along with continuing to support the Global Climate Change Alliance.¹¹⁵⁷ The EU has financially supported emissions reducing projects in Africa through the mechanism of the European Development Fund.¹¹⁵⁸ The European Union has put pressure on the United Nations to draw up a global climate change agreement to cut emissions worldwide over the rest of the decade.¹¹⁵⁹

On 24 April 2012, the United Nations Environment Programme (UNEP) stated that the European Commission had announced its intention to join the CCAC, thereby directly fulfilling part of its

¹¹⁵⁴ Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants: The European Commission. Accessed January 20, 2013.

<http://www.unep.org/ccac/Partners/CountryPartners/EuropeanCommission/tabid/105109/Default.aspx>.

¹¹⁵⁵ European Commission: National Emission Ceilings. 30 November 2012. Accessed 20 January, 2013. <http://ec.europa.eu/environment/air/pollutants/ceilings.htm>.

¹¹⁵⁶ Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants: The European Commission. Accessed 20 January 2013.

<http://www.unep.org/ccac/Partners/CountryPartners/EuropeanCommission/tabid/105109/Default.aspx>.

¹¹⁵⁷ European Commission: Climate Change. 13 December 2012. Accessed 20 January, 2013.

http://ec.europa.eu/europeaid/where/acp/regional-cooperation/climate-change_en.htm.

¹¹⁵⁸ Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants: The European Commission. Accessed 20 January, 2013.

<http://www.unep.org/ccac/Partners/CountryPartners/EuropeanCommission/tabid/105109/Default.aspx>.

¹¹⁵⁹ European Commission; What is the EU doing about climate change? 07 Jan 2013. Accessed 20 January, 2013. http://ec.europa.eu/clima/policies/brief/eu/index_en.htm.

commitment.¹¹⁶⁰ It has also provided 1 million Euros of funding to the CCAC, in addition to actively participating in the work of the CCAC.¹¹⁶¹

To this end, the European Union is awarded a score of +1 for undertaking significant legislative and funding initiatives to reduce short-lived climate pollutants, along with joining the CCAC and actively participating in its work.

Analyst: George L. Grobe IV

¹¹⁶⁰ European Commission: European Commission joins Climate and Clean Air Coalition. 25 April 2012. Accessed 20 January, 2013. http://ec.europa.eu/clima/news/articles/news_2012042502_en.htm.

¹¹⁶¹ Climate and Clean Air Coalition to Reduce Short-lived Climate Pollutants: The European Commission. 20 January, 2013. <http://www.unep.org/ccac/Partners/CountryPartners/EuropeanCommission/tabid/105109/Default.aspx>.

12. Development: Capital Markets Access [90]

Commitment

“[In response to transition countries’ request for support in promoting economic stabilization necessary to pursue reform, G-8 members will take the following actions:] Launch a new Capital Markets Access Initiative to provide credit enhancements, bilaterally where such instruments exist and in conjunction with multilateral institutions, to help transition countries regain access to international capital markets to spur growth and jobs.”

G8 Camp David Declaration, 2012

Assessment

Country	Lack of Compliance	Work in Progress	Full Compliance
Canada		0	
France		0	
Germany	-1		
Italy		0	
Japan			+1
Russia	-1		
United Kingdom		0	
United States			+1
European Union	-1		
Average		-0.11	

Background

At the 2011 Deauville Summit, members launched the Deauville Partnership with Arab Countries in Transition, in response to political upheavals in Egypt, Jordan, Libya, Morocco, and Tunisia. These countries, which as of November 2012 include Yemen, are the Arab countries in transition.¹¹⁶² The Partnership includes the Arab countries in transition (including, as of November 2012, Yemen), and the G8 members, the European Union, Kuwait, Qatar, Saudi Arabia, Turkey, and the United Arab Emirates, and international financial institutions and organizations.¹¹⁶³

The Partnership is founded 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.¹¹⁶⁴

At the 2012 Camp David Summit, members made the commitment to maintain support for the Partnership initiative in four key areas: job creation, integration, participation/governance and stabilization.¹¹⁶⁵ In keeping with the stabilization element, at Camp David the G8 declared its

¹¹⁶² The Deauville Partnership with Arab Countries in Transition Meeting on Policies for Small and Medium-Sized Enterprises in London, United Kingdom. 8 November 2012. Date of Access: 15 December 2012. <http://www.state.gov/r/pa/prs/ps/2012/11/200329.htm>

¹¹⁶³ Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition. 19 May 2012. Date of Access: 15 December 2012. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-deauville-partnership-arab-countries-transition>

¹¹⁶⁴ Declaration of the G8o on the Arab Spring, G8 Summit of Deauville. 26-27 May, 2012. Date of Access: 15 December 2012. <http://www.canadainternational.gc.ca/g8/summit-sommet/2011/g8declaration-arab-arabes-2011-05-27.aspx?view=d>

¹¹⁶⁵ Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition. 19 May 2012. Date of Access: 15 December 2012. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-deauville-partnership-arab-countries-transition>

continued commitment to improving access to crucial finances for the Arab partnership countries through loans, grants and guarantees.¹¹⁶⁶

The Capital Markets Access Initiative is one of the stabilization measures noted in the Declaration. The Access Initiative aims to make reintegration into international capital markets possible, which will allow transitioning governments and private sectors to fill fiscal gaps and invest in job creation. With the involvement of international financial organizations, the Initiative creates a collective approach to credit enhancement.¹¹⁶⁷ Through this process, G8 members will stimulate growth and jobs, and contribute to the macroeconomic security of their partners in transition.

Commitment Features

Members will be assessed on measures they implement to improve the ability of the partnership countries to access the financing necessary to achieve macroeconomic stability. Such measures may include but are not limited to: risk-sharing instruments, guarantees, concessional credit loans, project bonds, budget support or technical assistance.¹¹⁶⁸ These measures may be carried out in bilateral or multilateral agreements, or with the assistance of multilateral development banks.¹¹⁶⁹

Full compliance entails that the member state is active in two areas. The member must have (1) provided direct access to capital by issuing a concessional credit loan, purchasing a project bond from the partnership government, or guaranteeing a loan from a development bank or other state. The member must also provide (2) some measure of structural support such as budget support, technical assistance, or facilitating relations with multilateral banks.

Scoring

-1	The member has not provided direct access to finance through loan, project bond or guaranteeing a loan, AND has not provided structural assistance such as budget support, technical support, or facilitating negotiations with development banks.
0	The member has provided direct access to finance through loan, project bond or guaranteeing a loan, OR has provided structural assistance such as budget support, technical support, or facilitating negotiations with development banks.
+1	The member has provided direct access to finance through loan, project bond or guaranteeing a loan, AND has provided structural assistance such as budget support, technical support, or facilitating negotiations with development banks.

Canada: 0

Canada has partially complied with its commitment to provide Arab countries in transition with greater access to capital markets.

¹¹⁶⁶ Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition. 19 May 2012. Date of Access: 15 December 2012. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-deauville-partnership-arab-countries-transition>

¹¹⁶⁷ State Dept. on Deauville Partnership's Efforts on Finance, US Department of State (Washington) 21 May, 2012. Date of Access: 15 December 2012. <http://iipdigital.usembassy.gov/st/english/texttrans/2012/05/201205216106.html#axzz2DSmLOCyR>

¹¹⁶⁸ Fact Sheet: G-8 Action on the Deauville Partnership with Arab Countries in Transition. 19 May 2012. Date of Access: 15 December 2012. <http://www.whitehouse.gov/the-press-office/2012/05/19/fact-sheet-g-8-action-deauville-partnership-arab-countries-transition>

¹¹⁶⁹ Deauville Partnership Finance Ministers' Meeting Communique, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 15 December 2012. <http://www.fin.gc.ca/n12/12-045-eng.asp>

On 21 September 2012, Minister of International Trade Ed Fast announced a free trade agreement (FTA) between Canada and Jordan to take effect on 1 October 2012.¹¹⁷⁰ The FTA reduces tariffs on Canadian exports to Jordan.¹¹⁷¹ This marked Canada's first trade agreement with an Arab country.

On 29 September 2012, Minister of International Cooperation Julian Fantino discussed Canada's commitment to a transition fund aimed at providing technical assistance to Arab countries looking to modernize their economies.¹¹⁷² He stated, "Canada supports reform efforts underway in Deauville Partnership countries, as well as those taking place elsewhere across the region."¹¹⁷³

On 12 October 2012, the Deauville Partnership Ministerial Meeting was held in Tokyo. Ministers along with regional and international financial institutions met to advance the objective of a sustainable and growing Middle East region.¹¹⁷⁴ G8 members, including Canada, announced their proposed contributions to a Middle East and North Africa (MENA) Transition Fund. The Transition Fund was launched to provide Partnership countries with technical assistance to undertake policy reforms. Proposals made in Tokyo total USD165 million towards a goal of USD250 million over several years.¹¹⁷⁵ Canada's proposes USD15 million which is to be allocated evenly between Egypt, Libya, Tunisia, Morocco, and Jordan.¹¹⁷⁶ Canada states the fund is meant to "promote knowledge exchanges between international financial institutions, countries in the Middle East and North Africa and donors."¹¹⁷⁷

Canada's online Project Browser claims "The [MENA] Fund aims to provide grants to public and private institutions in five countries in the region (Egypt, Jordan, Libya, Morocco and Tunisia) for projects in the following areas: (a) investments in sustainable growth; (b) inclusive

¹¹⁷⁰ Harper Government Announces Latest Milestone in Pro-trade Plan to Open New Markets for Canadian Exports, Department of Foreign Affairs and International Trade (Ottawa) 21 September 2012. Date of Access: 9 January 2013. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/09/21a.aspx?view=d

¹¹⁷¹ Harper Government Announces Latest Milestone in Pro-trade Plan to Open New Markets for Canadian Exports, Department of Foreign Affairs and International Trade (Ottawa) 21 September 2012. Date of Access: 9 January 2013. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/09/21a.aspx?view=d

¹¹⁷² Minister Fantino champions Canada's leadership at the United Nations General Assembly, Canadian International Development Agency (Ottawa) 29 September 2012. Date of Access: 8 January 2013. <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-928162249-RWB>

¹¹⁷³ Minister Fantino champions Canada's leadership at the United Nations General Assembly, Canadian International Development Agency (Ottawa) 29 September 2012. Date of Access: 8 January 2013. <http://www.acdi-cida.gc.ca/acdi-cida/ACDI-CIDA.nsf/eng/FRA-928162249-RWB>

¹¹⁷⁴ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 8 January 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹¹⁷⁵ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 8 January 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹¹⁷⁶ Project profile for Middle East and North Africa Transition Fund, Canadian International Development Agency (Ottawa). Date of Access: 8 January 2013. <http://www.acdi-cida.gc.ca/CIDAWEB/cpo.nsf/vWebProjByStatusSCEn/61B6B17A0E35A95085257AB9003B1D2E>

¹¹⁷⁷ Project profile for Middle East and North Africa Transition Fund, Canadian International Development Agency (Ottawa). Date of Access: 8 January 2013. <http://www.acdi-cida.gc.ca/CIDAWEB/cpo.nsf/vWebProjByStatusSCEn/61B6B17A0E35A95085257AB9003B1D2E>

development and job creation; (c) enhanced economic governance; and (d) trade competitiveness and integration.”¹¹⁷⁸

On 2 January 2013, the World Bank reported that the Middle East and North Africa (MENA) Transition Fund receives USD37.7 million from Canada, the United Kingdom, and France as part of their proposals made in Tokyo on 12 October 2012.¹¹⁷⁹

Though Canada has provided structural support through their contributions to the Transition Fund, they have failed to provide direct access to capital through the issuance of loans or purchase or sovereign project bonds. Therefore Canada has received a compliance score of 0.

Analyst: Hamoon Yousefzadeh

France: 0

France has partially complied with its commitments to the Deauville Partnership and the Capital Markets Access Initiative.

At the 12 October 2012 meeting of the Deauville Partnership, France committed EUR10 million to the Deauville Partnership Transition Fund.¹¹⁸⁰ The Fund is intended to provide technical assistance to strengthen public institutions and foster the country-specific action plans developed with the Partnership countries.¹¹⁸¹ Building capacity in financial practices is expected to improve Partnership countries’ access to finance.¹¹⁸²

On 19 April 2013, France attended a meeting of the Deauville Partnership in Washington. The French Finance Minister re-affirmed France’s commitment to the growth of the transitional Arab partners.¹¹⁸³

France’s pledge to the Transition Fund will provide structural support towards improving access to capital. France has not yet established any bilateral mechanism for providing direct access to capital through facilitating a loan or purchasing project bonds. France is thus awarded a score of 0 for partial compliance.

Analyst: Emily Johnson

¹¹⁷⁸ Project profile for Middle East and North Africa Transition Fund, Canadian International Development Agency (Ottawa). Date of Access: 8 January 2013. <http://www.acdi-cida.gc.ca/CIDAWEB/cpo.nsf/vWebProjByStatusSCEn/61B6B17A0E35A95085257AB9003B1D2E>

¹¹⁷⁹ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, World Bank (Washington) 2 January 2013. Date Accessed: 8 January 2013. <http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

¹¹⁸⁰ Deauville Partnership with Arab Countries in Transition: Chairman’s Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 21 January 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹¹⁸¹ The Deauville Partnership with Arab Countries in Transition of the Meeting on Policies for Small and Medium-Sized Enterprises, US Department of State (Washington) 8 November 2012. Date of Access: 22 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/11/200330.htm>

¹¹⁸² The Deauville Partnership with Arab Countries in Transition of the Meeting on Policies for Small and Medium-Sized Enterprises, US Department of State (Washington) 8 November 2012. Date of Access: 22 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/11/200330.htm>

¹¹⁸³ Chair Summary of the Deauville Partnership with Arab Countries in Transition meeting, Inside Government, UK. 20 April 2013. Date of Access: 23 May 2013. <https://www.gov.uk/government/news/chair-summary-of-the-deauville-partnership-with-arab-countries-in-transition-meeting>

Germany: -1

Germany has not yet complied with its commitments to the Capital Markets Access Initiative of the Deauville Partnership.

On 12 October 2012, Germany met with the G8 members of the Deauville Partnership Ministerial Meeting in Tokyo alongside the IMF's annual meeting.¹¹⁸⁴ Germany chose not to contribute to the MENA Transition Fund established by the other G8 countries. It stated that it was already committed to "numerous bilateral instruments and projects that have similar goals."¹¹⁸⁵

On 1 November 2012, Germany participated in the meeting of the Deauville Partnership Meeting on Policies for Small and Medium-Sized Enterprises in London.¹¹⁸⁶

Germany has not yet participated in the Capital Markets Access Initiative. The government has not contributed to the Deauville Partnership Transition Fund.¹¹⁸⁷ Germany has not otherwise contributed to increasing transition countries' access to international capital markets. The country has not provided direct access to funds through loans, guarantees, or purchase of government bonds. Germany is thus far awarded a score of -1.

Analyst: Jenny Lieu, Emily Johnson

Italy: 0

Italy has not yet complied with its commitments to the Capital Markets Access Initiative under the Deauville Partnership.

On 18 July 2012, Ambassador Giandomenico Magliano of the Italian Ministry of Foreign Affairs chaired a meeting of the Deauville Partnership alongside the United States. The meeting discussed the development of small and medium-sized enterprises in the transition countries.¹¹⁸⁸

On 14 September 2012, Italy received a visit from Egyptian President Mohamed Morsi and pledged to invest EUR800 million in Egypt.¹¹⁸⁹

¹¹⁸⁴ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 22 January 2013.

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹¹⁸⁵ IMF and World Bank Annual Meeting in Tokyo, German Federal Ministry of Finance, (Berlin) 17 October 2012. Date of Access: 22 January 2013.

http://www.bundesfinanzministerium.de/Content/EN/Standardartikel/Topics/Financial_markets/Articles/2012-10-17-imf-and-world-bank-annual-meeting-in-tokyo.html

¹¹⁸⁶ The Deauville Partnership with Arab Countries in Transition of the Meeting on Policies for Small and Medium-Sized Enterprises, US Department of State (Washington) 8 November 2012. Date of Access: 22 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/11/200330.htm>

¹¹⁸⁷ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 22 January 2013.

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹¹⁸⁸ The Deauville Partnership with Arab Countries in Transition Co-Chairs' Summary of the Meeting on Policies for Small and Medium-Sized Enterprises, US Department of State (Washington) July 20, 2012. Date of Access: 22 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/07/195326.htm>

¹¹⁸⁹ Egypt to see \$1bn in Italian investments, Ahram Online, 15 September 2012. Date of Access: 23 January 2013. <http://english.ahram.org.eg/NewsContent/3/12/52975/Business/Economy/Egypt-to-see-bn-in-Italian-investments.aspx>

On 1 November 2012, Italy attended a meeting of the Deauville Partnership in London to discuss the development of small and medium-sized enterprises in the transition countries.¹¹⁹⁰

Italy has participated in meetings of the Deauville Partnership, but has not contributed noticeably to measures proposed, and has not acted on the Capital Markets Access Initiative in particular. Though Italy has pledged large-scale investments in Egypt, the investment will not directly improve Egypt's access to capital markets and further funds. The country has not provided direct access to funds through loans, guarantees, or purchase of government bonds. Italy is thus far awarded a score of 0.

Analyst: Emily Johnson

Japan +1

Japan has fully complied with its commitment to the Deauville Partnership's Capital Markets Access Initiative and efforts to provide technical and budgetary support for Arab Countries in Transition.

In January 2011, President Zine El Abidine Ben Ali's 23 years of authoritarian control in Tunisia ended when he fled the country, making way for democratic elections.¹¹⁹¹ Following the end of the revolution, economic conditions did not improve immediately. A 55 per cent fall in tourism revenues,¹¹⁹² lower receipts from foreign direct investment, and a worsening trade balance slowed the economy substantially.¹¹⁹³

In response to the G8 action pledge on the Deauville Partnership,¹¹⁹⁴ on 26 June 2012 Tunisian Minister of Foreign Affairs Dr. Rafik Abdesslem paid an official visit to Mr. Koichiro Gemba, Minister for Foreign Affairs of Japan. At this meeting, both Ministers affirmed their intention to further develop a strong bilateral relationship between Japan and Tunisia.¹¹⁹⁵ In doing so, Minister Abdesslem affirmed Tunisia's intention to receive a guarantee from the Japanese Bank for International Cooperation if Tunisia decided to issue bonds on the Tokyo market.¹¹⁹⁶ Additionally, Minister Gemba assured that Japan would provide direct funding for technical

¹¹⁹⁰ The Deauville Partnership with Arab Countries in Transition of the Meeting on Policies for Small and Medium-Sized Enterprises, US Department of State (Washington) 8 November 2012. Date of Access: 22 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/11/200330.htm>

¹¹⁹¹ Tunisia profile, BBC UK, 15 June 2012. Date of Access: January 10, 2012.

<http://www.bbc.co.uk/news/world-africa-14107241>

¹¹⁹² Tunisia's Central Bank Sells Samurai Bonds Backed by Japan Bank, Bloomberg Businessweek (New York City) 6 December 2012. Date of Access: 10 January 2013. <http://www.businessweek.com/news/2012-12-06/tunisia-s-central-bank-sells-samurai-bonds-backed-by-japan-bank>.

¹¹⁹³ Tunisia Overview, World Bank (Washington DC) September 2012. Date of Access: 10 January 2013. <http://www.worldbank.org/en/country/tunisia/overview>

¹¹⁹⁴ Fact Sheet: G8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 10 January 2013.

<http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

¹¹⁹⁵ Joint Statement between the Ministers of Foreign Affairs of Japan and the Republic of Tunisia, Ministry of Foreign Affairs (Tokyo) 26 June 2012. Date of Access: 10 January 2013.

http://www.mofa.go.jp/mofaj/press/release/24/6/pdfs/0626_01_02.pdf.

¹¹⁹⁶ Joint Statement between the Ministers of Foreign Affairs of Japan and the Republic of Tunisia, Ministry of Foreign Affairs (Tokyo) 26 June 2012. Date of Access: 10 January 2013.

http://www.mofa.go.jp/mofaj/press/release/24/6/pdfs/0626_01_02.pdf.

support and cooperation in order to further the goals of democratization and social development.¹¹⁹⁷

In response, on 12 October 2012, the Government of Japanese and Government of Tunisia began discussing a Tunisian-issued, yen-denominated bond to be issued by both the Central Bank of Tunisia (CBT) and the Japanese Bank for International Cooperation (JBIC).¹¹⁹⁸ On 14 December 2012 the CBT issued USD303 million worth of these bonds.¹¹⁹⁹ The bond is being sold at an annual interest rate of 1.19 per cent, one of the lowest interest rates on a Tunisian bond since 1994.¹²⁰⁰

Additionally at the Tokyo meeting, the Deauville Partnership members established the Middle East and North African (MENA) Transition Fund.¹²⁰¹ Housed at the World Bank, this fund will provide support for technical cooperation and the establishment of new economic policies.¹²⁰² Japan has thus far pledged USD12 million to the fund to be disbursed over a period of three years and disbursed its first installment of USD4 million in May 2013.¹²⁰³ By February 2013, the Fund's Steering Committee had already allocated USD50 million in strategic funds.¹²⁰⁴ At an April 2013 meeting of Deauville Partnership and Arab Countries in Transition Finance Ministers, ministers called upon partnership countries to meet their initial goal of raising USD250 million as soon as possible (currently only USD176 million has been pledged), and encouraged partnership nations to disburse funds as soon as possible.^{1205 1206}

¹¹⁹⁷ Joint Statement between the Ministers of Finance of Japan and the Republic of Tunisia, Ministry of Foreign Affairs (Tokyo) 26 June 2012. Date of Access: 10 January 2013. http://www.mofa.go.jp/mofaj/press/release/24/6/pdfs/0626_01_02.pdf.

¹¹⁹⁸ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Foreign Affairs (Tokyo) 12 October 2012. Date of Access: 10 January 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf.

¹¹⁹⁹ Tunisia's Central Bank Sells Samurai Bonds Backed by Japan Bank, Bloomberg Businessweek (New York City) 6 December 2012. Date of Access: 10 January 2013. <http://www.businessweek.com/news/2012-12-06/tunisia-s-central-bank-sells-samurai-bonds-backed-by-japan-bank>.

¹²⁰⁰ Tunisia Seeks to Raise Funds on Samurai Bond Market, TunisiaLive (Tunis) 18 December 2012. Date of Access: 10 January 2013. <http://www.tunisia-live.net/2012/12/18/tunisia-seeks-to-raise-funds-on-japanese-samurai-bond-market/>.

¹²⁰¹ Japan Pledges \$12 mln Over Three Years to 'Arab Spring' Support Fund, The Asahi Shimbun (Tokyo) 12 October 2012. Date of Access: 17 May 2013. http://ajw.asahi.com/article/behind_news/politics/AJ201210120088.

¹²⁰² Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Foreign Affairs (Tokyo) 12 October 2012. Date of Access: 10 January 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf.

¹²⁰³ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, World Bank (Washington DC) 2 January 2013. Date of Access: 10 January 2013. <http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>.

¹²⁰⁴ Chair Summary of the Deauville Partnership with Arab Countries in Transition Meeting, AME Info (Dubai) 27 April 2013. Date of Access: 17 May 2013. <http://www.ameinfo.com/chair-summary-deauville-partnership-arab-countries-339227>

¹²⁰⁵ Chair Summary of the Deauville Partnership with Arab Countries in Transition Meeting, AME Info (Dubai) 27 April 2013. Date of Access: 17 May 2013. <http://www.ameinfo.com/chair-summary-deauville-partnership-arab-countries-339227>

¹²⁰⁶ MENA Transition Fund, Donors and Partners, Middle East and North Africa Transition Fund (New York City) Date of Access: 17 May 2013. <http://www.menatransitionfund.org/content/bailleurs-de-fonds-et-partenaires>

Having allowed the Tunisian government to sell bonds backed by the Japanese Bank for International Cooperation, as well as pledging to a grants based transition fund aimed at providing technical support for the newly Transition Countries' budgets and new economic policies, Japan has fully complied with its commitments to the Capital Markets Access Initiative.

Analyst: Zack Medow

Russia: -1

Russia has not complied with the commitment on providing access to the financial market for the Arab countries in transition.

During the compliance period no facts that Russia has provided direct access to finance, or structural assistance in this area to any of the Arab countries in transition have been found. Thus, Russia receives a score of -1.

Analyst: Andrey Shelepov

United Kingdom: 0

The United Kingdom has partially complied with its commitment to help capital markets in the Arab countries in transition.

The UK created the Arab Partnership Economic Facility (APEF) to follow its commitment of helping individual countries and the region as a whole stabilize and develop¹²⁰⁷ The APEF has three projects targeting specific countries. One supporting policy making in Egypt,¹²⁰⁸ another focusing on the development of Libya's private sector,¹²⁰⁹ and a last one aiding the African Development Bank "pilot social entrepreneurship in Tunisia."¹²¹⁰

The APEF has six projects targeting the entire region. The first provides "technical assistance to improve and expand private sector provision of education for employment services."¹²¹¹ The next is the Country Impact Fund for the "support of inclusive and sustainable economic growth."¹²¹² The third helps international institutions better target their "technical assistance and investment."¹²¹³ The fourth was made to help the Arab partnership countries access loans from the World Bank and the ADB.¹²¹⁴ The fifth aims at helping MSMEs accessing loans.¹²¹⁵ And the

¹²⁰⁷ Arab Partnership Economic Facility, Department of International Development. 25 March 2013. Date of Access 22 May 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/Arab-Partnership-Economic-Facility/>

¹²⁰⁸ Support to Egyptian Integrated Development Network, Arab Partnership Economic Facility. Date of Access: 11 January 2013. <http://projects.dfid.gov.uk/project.aspx?Project=203168>

¹²⁰⁹ Libya Private Sector Development Program, Arab Partnership Economic Facility. Date of Access: 11 January 2013. <http://projects.dfid.gov.uk/project.aspx?Project=203620>

¹²¹⁰ Support to the African Development Bank to Pilot Social Entrepreneurship in Tunisia, Arab Partnership Economic Facility 1 January 2012. Date of Access: 11 January 2013 <http://projects.dfid.gov.uk/project.aspx?Project=203055>

¹²¹¹ Education for Employment Program for Middle East and North Africa Region (International Finance Corporation/Islamic Development Bank) 1 October 2012. Date of Access: 11 January 2013. <http://projects.dfid.gov.uk/project.aspx?Project=203235>

¹²¹² Country Impact Fund, Arab Partnership Economic Facility 1 June 2012. Date of Access: 11 January 2013. <http://projects.dfid.gov.uk/project.aspx?Project=203236>

¹²¹³ Support to African Development Bank to establish a Secretariat for a Private Sector Development Coordination Partnership for Middle East and North Africa, Arab Partnership Economic Facility 1 January 2012. Date of Access: 11 January 2013. <http://projects.dfid.gov.uk/project.aspx?Project=203053>

¹²¹⁴ World Bank/AfDB MENA Trust Funds, Arab Partnership Economic Facility 1 June 2012. Date of Access: 11 January 2013. <http://projects.dfid.gov.uk/project.aspx?Project=203238>

sixth project will favor the European Bank of Reconstruction and Development give technical assistance.¹²¹⁶

On 12 October 2013, UK ministers participated in a meeting of the Deauville Partnership in Tokyo and established a Middle East and North African (MENA) Transition Fund.¹²¹⁷ The fund, stewarded by the World Bank, is aimed at providing technical support for the transitioning Arab partners. The UK has pledged USD25 million to the fund, alongside nine other donors.¹²¹⁸

As of 1 January 2013, the UK took over the rotating one-year Presidency of the G8 and thus the Chairmanship of the Deauville Partnership.¹²¹⁹ ¹²²⁰ It has chaired meetings of the MENA Transition Fund in February 2013 and May 2013, each of which approved several projects utilizing funds already pledged by partners.¹²²¹

The UK has committed funds to structural assistance for the Partnership countries through the Transition Fund and the APEF, but has not provided immediate access to finances through a direct loan, purchasing government bonds or guaranteeing a loan. The UK is awarded a score of 0 for partial compliance.

Analysts: Philippe Daudelin, Emily Johnson

United States: +1

The United States has fully complied with its commitment to the Capital Markets Access Initiative. In its capacity as chair of the 38th G8 Summit, the US has coordinated with development banks to facilitate development in the Arab world since the Camp David summit.

¹²¹⁵ Support to World Bank/International Finance Corporation technical assistance to expand access to Micro, Small and Medium Sized Enterprise finance in Middle East and North Africa, Arab Partnership Economic Facility 1 January 2012. Date of Access: 11 January 2013.

<http://projects.dfid.gov.uk/project.aspx?Project=203054>

¹²¹⁶ European Bank for Reconstruction and Development Cooperation Fund in Middle East and North Africa, Arab Partnership Economic Facility 1 January 2012. Date of Access: 11 January 2013.

<http://projects.dfid.gov.uk/project.aspx?Project=203056>

¹²¹⁷ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Foreign Affairs (Tokyo) 12 October 2012. Date of Access: 22 May 2013.

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹²¹⁸ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Foreign Affairs (Tokyo) 12 October 2012. Date of Access: 10 January 2013.

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹²¹⁹ The UK's G8 priorities, Inside Government, Announcements (London) 1 January 2013. Date of Access: 22 May 2013. <https://www.gov.uk/government/news/the-uks-g8-priorities>

¹²²⁰ Working for peace and long-term stability in the Middle East and North Africa, Inside Government, Policies (London) 20 March 2013. Date of Access: 22 May 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>

¹²²¹ Economic boost for Arab Spring countries, Inside Government, News (London) 22 May 2013. Date of Access: 23 May 2013. <https://www.gov.uk/government/news/economic-boost-for-arab-spring-countries>

On 14 July 2012, the United States guaranteed a USD485 million sovereign bond issued by Tunisia.¹²²² This seven- year sovereign bond marked Tunisia's first sovereign debt issuance since 2007.¹²²³

On 28 September 2012, foreign ministers of the Deauville Partnership met to review its progress since the summit. The European Bank for Reconstruction and Development (of which all G8 nations are members) activated a fund enabling it to invest up to USD1.3 billion in growing private sectors in Egypt, Jordan, Morocco and Tunisia.¹²²⁴

At a meeting in Tokyo on 12 October 2012, the Deauville Partnership members established the Middle East and North African (MENA) Transition Fund.¹²²⁵ The fund aims to provide support for technical cooperation and the establishment of new economic policies.¹²²⁶ The United States has pledged USD50 million to the fund.¹²²⁷

The US has contributed to structural assistance through its provision for the MENA Transition Fund, and has guaranteed direct access to capital markets for a Partnership country. The US is therefore award a score of +1 for full compliance.

Analyst: Emily Johnson

European Union: -1

The European Union has thus far not complied with its commitments to expanding access to capital markets for the Deauville Partnership countries.

At the 12 October 2012 Ministerial Meeting of the Deauville Partnership in Tokyo, the EU declared its intention to explore providing credit enhancements for project bonds in the Partnership countries.¹²²⁸ The EU would begin to review bonds on a project-by-project basis beginning in 2013. It would work in conjunction with the World Bank, the EBRD and the

¹²²² Government of Tunisia issues U.S. \$485 million bond with US guarantee, USAID Press Office (Washington) 14 July, 2012. Date of Access: 20 January 2013. <http://www.usaid.gov/news-information/press-releases/government-tunisia-issues-us-485-million-bond-us-guarantee>

¹²²³ Final Update on the U.S. G-8 Presidency, US Department of State (Washington) 31 December 2012. Date of Access: 9 January 2013. [p. 8] www.state.gov/documents/organization/202643.pdf

¹²²⁴ The Deauville Partnership With Arab Countries in Transition Chair's Summary of the Foreign Ministers Meeting, US Department of State (Washington) 1 October 2012. Date of Access: 9 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/10/198514.htm>

¹²²⁵ Japan Pledges \$12 mln Over Three Years to 'Arab Spring' Support Fund, The Asahi Shimbun (Tokyo) 12 October 2012. Date of Access: 17 May 2013. http://ajw.asahi.com/article/behind_news/politics/AJ201210120088.

¹²²⁶ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Foreign Affairs (Tokyo) 12 October 2012. Date of Access: 10 January 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹²²⁷ Donors and Partners, MENA Transition Fund. Date of Access: 22 May 2013. <http://www.menatransitionfund.org/content/donors-and-partners-0>

¹²²⁸ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 22 January 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

European Investment Bank. These measures would provide Partnership countries with the access to private capital necessary to conduct infrastructure projects.¹²²⁹

Additionally at the Tokyo meeting, the EU pledged that its Neighbourhood Investment Facility would provide risk coverage to improve access to finance for MSMEs (Micro, Small, and Medium Enterprises) in Tunisia, Jordan, Egypt, and Morocco.¹²³⁰

The EU's European Neighbourhood and Partnership Instrument funds bilateral programs with countries including Egypt, Jordan, Libya, Morocco and Tunisia.¹²³¹ These bilateral programs do not include measures or loans to improve access to capital markets for Deauville Partnership Countries.¹²³²

On 20 January 2013, European Council President Herman van Rompuy announced that the EU's planned USD6.5 billion loan, first planned in November, to Egypt depends on the finalization of the International Monetary Fund's loan to Egypt.^{1233 1234} As of May 2013, no loan agreement with the IMF has yet been reached, as Egypt must first adhere to certain fiscal reforms.¹²³⁵ The EU's loan has therefore not been concluded.

The EU's plans to provide a direct loan to Egypt have not yet materialized. The EU has not yet provided direct access credit enhancement through project bonds as suggested at the Tokyo meeting.¹²³⁶ It has not provided technical or structural assistance for any of the Arab partners in transition.

The EU is therefore awarded a score of -1 for non-compliance.

Analyst: Emily Johnson

¹²²⁹ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 8 January 2013.

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹²³⁰ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 8 January 2013.

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹²³¹ European Neighbourhood Policy, European Commission, 28 March 2011. Date of Access: 23 January 2013. http://ec.europa.eu/world/enp/funding_en.htm

¹²³² Delegation of the European Union of Egypt, List of Projects. Date of Access: 23 January 2013.

http://eeas.europa.eu/delegations/egypt/projects/list_of_projects/projects_en.htm

¹²³³ EU 'approves \$6.5bn Egypt financial aid package' BBC UK (London) 14 November 2012. Date of Access: 23 January 2013. <http://www.bbc.co.uk/news/world-middle-east-20322407>

¹²³⁴ EU loan to Egypt dependent on IMF deal, Al Bawaba Business, 20 January 2012. Date of Access: 23 January 2013. <http://www.albawaba.com/business/egypt-imf-eu-464953>

¹²³⁵ Egypt shares rise most in 2 months as new cabinet spurs IMF bets, Bloomberg, 7 May 2013. Date of Access: 23 May 2013. <http://www.bloomberg.com/news/2013-05-07/egypt-shares-rise-most-in-2-months-as-new-cabinet-spurs-imf-bets.html>

¹²³⁶ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo) 12 October 2012. Date of Access: 22 January 2013.

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

13. Labour and Employment [94]

Commitment

[In response to transition countries' request for support in promoting job creation and allowing their economies to benefit all citizens, G-8 members endorse the following actions:] Provide a new generation of young, hard-working and determined men and women with the skills they need to get good jobs in a competitive economy by supporting increased vocational education through new schools, exchanges, and training programs.

G8 Action on the Deauville Partnership with Arab Countries in Transition

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

The G8 has expressed an ongoing interest in the economic, political and social transition of countries within the Middle East and Northern Africa (MENA).¹²³⁷ The Deauville Partnership was established in May 2010 under the French Presidency as a means supporting five MENA countries in their political transition towards democracy and providing an economic means to foster “sustainable and inclusive growth.”¹²³⁸

More specifically, in helping partner countries realize their developmental potential, the Deauville Partnership aspires “to create jobs and enshrine the fair rule of law, while ensuring that economic stability underpins the challenge of transition to stable democracies.”¹²³⁹ Furthermore they note open economic participation through increased employment opportunity to be a critical factor in democratic transition.¹²⁴⁰

In a June 2012 report the International Monetary Fund (IMF) recognized “at about 25%, the youth unemployment rate in the MENA exceeds that of any other region in the world.”¹²⁴¹ Additionally, they note that recent transition has led to an increase in the national unemployment

¹²³⁷ Fact Sheet: G8 Action on the Deauville Partnership with Arab Countries in Transition. 19 May 2012. Date of Access: 25 November 2012. . <http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>

¹²³⁸ Declaration of the G8 of Arab States. 27 May 2012. Date of Access: 25 November 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹²³⁹ Declaration of the G8 of Arab States. 27 May 2012. Date of Access: 25 November 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹²⁴⁰ Declaration of the G8 of Arab States. 27 May 2012. Date of Access: 25 November 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹²⁴¹ Youth Unemployment in the MENA Region: Determinants and Challenges. June 2012. Date of Access: 26 November 2012. <http://www.imf.org/external/np/vc/2012/061312.htm>

rates of MENA nations.¹²⁴² The report emphasizes the importance of future facilitation of such “youth-oriented training programs” as the Education For Employment Foundation (EFE), which is being implemented in a number of MENA countries. EFE is focused on providing youth with the skills they need to find employment.¹²⁴³

On 21 May 2012, at the conclusion of the Camp David Summit, the Deauville Partnership launched its Capital Markets Access Initiative as part of their effort to promote fair and open development within Partnership nations through international economic integration.¹²⁴⁴ In doing so, the Capital Markets Access Initiative aims to help Partnership nations to “fill their sizable financing gaps and to allow their enterprises to invest in job-creating projects.”¹²⁴⁵

As part of this initiative the Deauville Partnership has pledged to work in conjunction with International Financial Institutions to finance post-secondary education within the MENA region.¹²⁴⁶ Additionally, the Partnership aims to promote economic modernization within the region through “supporting the private sector, particularly SMEs, to aid job creation, and developing human capital and skills.” Additionally, the Deauville Partnership aims to foster equal opportunity for employment.¹²⁴⁷

Commitment Features

Upon conclusion of the 2012 Camp David Summit, the G8 committed to promoting youth job creation through active training within the Arab region so that every citizen could contribute openly to economic society. In achieving this commitment, member nations must first of all work with International Financial Institutions to promote national initiatives for youth employment within Deauville Partnership nations through supporting a variety of domestic training programs.

Secondly, G8 nations must continue to foster economic integration and expansion within the region through promotion of innovation within domestic industry, most notably with regards to small and medium enterprises. In particular, successful compliance with this commitment will involve G8 member investment towards the establishment of a more innovative, expansive domestic industry.

Scoring

-1	Member nation has taken no action to promote the establishment of youth training programs AND has contributed no investment towards domestic industry
0	Member nation has taken action to promote the establishment of youth training programs OR has contributed investment toward domestic industry
+1	Member nation has taken action to promote the establishment of youth training programs AND has contributed investment toward domestic industry

¹²⁴² Youth Unemployment in the MENA Region: Determinants and Challenges. June 2012. Date of Access: 26 November 2012. <http://www.imf.org/external/np/vc/2012/061312.htm>

¹²⁴³ Youth Unemployment in the MENA Region: Determinants and Challenges. June 2012. Date of Access: 26 November 2012. <http://www.imf.org/external/np/vc/2012/061312.htm>

¹²⁴⁴ Deauville Partnership with Arab Countries in Transition Fact Sheet on Finance. 21 May 2012. Date of Access: 27 November 2012 <http://www.treasury.gov/press-center/press-releases/Pages/tg1589.aspx>

¹²⁴⁵ Deauville Partnership with Arab Countries in Transition Fact Sheet on Finance. 21 May 2012. Date of Access: 27 November 2012. <http://www.treasury.gov/press-center/press-releases/Pages/tg1589.aspx>

¹²⁴⁶ Deauville Partnership with Arab Countries in Transition Fact Sheet on Finance. 21 May 2012. Date of Access: 27 November 2012. <http://www.treasury.gov/press-center/press-releases/Pages/tg1589.aspx>

¹²⁴⁷ Declaration of the G8 of Arab States. 27 May 2012. Date of Access: 25 November 2012.

<http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

Canada: +1

Canada has fully complied with its commitment to support the economic transition of countries within the Middle East and North Africa (MENA).

On 19 May 2012 at the Camp David Summit, Prime Minister Stephen Harper announced the Jordan-Canada Partnership for Youth Empowerment and Employability Project.¹²⁴⁸ This initiative aims to facilitate job creation and create access to education and skills training for Jordanian youth.¹²⁴⁹

On 29 June 2012, Canada's free trade agreement with Jordan received Royal Assent.¹²⁵⁰ The agreement came into force on 1 October 2012.¹²⁵¹ It is the first free trade agreement Canada has signed with an Arab country.¹²⁵² Jordan's Minister of Trade Shabeeb Amari stated that the agreement would increase investment between the two countries in "various fields."¹²⁵³

On 14 October 2012, Prime Minister Stephen Harper announced that Canada would be contributing CAD10 million to the Extractive Industries Technical Advisory Facility (EITAF).¹²⁵⁴ This initiative advises developing countries on the formulation of policy and agreements pertaining to extractive industries.¹²⁵⁵ Yemen is an EITAF country; thus Canada is financially contributing to the development of Yemen's extractive industry.¹²⁵⁶

On 2 January 2013, the World Bank announced that Canada, along with France and the United Kingdom, had recently contributed a combined USD37.7 billion to the MENA Transition

¹²⁴⁸ Canada-Jordan Relations, Department of Foreign Affairs and International Trade (Ottawa) 10 December 2012. Date of Access: 11 January 2013. http://www.canadainternational.gc.ca/jordan-jordanie/bilateral_relations_bilaterales/canada-jordan-jordanie.aspx?view=d

¹²⁴⁹ Canada-Jordan Relations, Department of Foreign Affairs and International Trade (Ottawa) 10 December 2012. Date of Access: 11 January 2013. http://www.canadainternational.gc.ca/jordan-jordanie/bilateral_relations_bilaterales/canada-jordan-jordanie.aspx?view=d

¹²⁵⁰ Canada-Jordan Economic Growth and Prosperity Act Receives Royal Assent, Department of Foreign Affairs and International Trade (Ottawa) 29 June 2012. Date of Access: 11 January 2013. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/06/29b.aspx?lang=eng&view=d

¹²⁵¹ Harper Government Announces Latest Milestone in Pro-trade Plan to Open New Markets for Canadian Exports, Department of Foreign Affairs and International Trade (Ottawa) 21 September 2012. Date of Access: 11 January 2013. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/09/21a.aspx?view=d

¹²⁵² Harper Government Announces Latest Milestone in Pro-trade Plan to Open New Markets for Canadian Exports, Department of Foreign Affairs and International Trade (Ottawa) 21 September 2012. Date of Access: 11 January 2013. http://www.international.gc.ca/media_commerce/comm/news-communiqués/2012/09/21a.aspx?view=d

¹²⁵³ Free-trade Agreement with Canada to Open Up New Markets in Jordan, The National Post (Toronto) 10 October 2012. Date of Access: 11 January 2013. <http://news.nationalpost.com/2012/10/10/free-trade-agreement-with-canada-to-open-up-new-markets-in-jordan/>

¹²⁵⁴ Extractive Industries, Office of the Prime Minister (Ottawa) 14 October 2012. Date of Access: 11 January 2013. <http://pm.gc.ca/eng/media.asp?id=5100>

¹²⁵⁵ Project profile for Extractive Industries Technical Advisory Facility, Canadian International Development Agency (Ottawa) 15 October 2012. Date of Access: 11 January 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vLUWebProjEn/D5E5586C79F3AC87852579CD004F1F63?OpenDocument>

¹²⁵⁶ Project profile for Extractive Industries Technical Advisory Facility, Canadian International Development Agency (Ottawa) 15 October 2012. Date of Access: 11 January 2013. <http://www.acdi-cida.gc.ca/cidaweb/cpo.nsf/vLUWebProjEn/D5E5586C79F3AC87852579CD004F1F63?OpenDocument>

Fund.¹²⁵⁷ A World Bank press release stated that the contribution was made to “support good governance, sustainable growth, and greater employment opportunities for youth.”¹²⁵⁸

Thus, Canada has been awarded a score of +1 for its support for economic transition of MENA countries in the Deauville Partnership.

Analyst: Wesley Fassl

France: +1

France has fully complied with its commitment to promote the establishment of youth training programs and has contributed investment toward domestic industry.

On 2 January 2013, the World Bank announced that the Middle East and North Africa (MENA) Transition Fund had received US\$37.7 million from Canada, the United Kingdom, and France jointly.¹²⁵⁹ The MENA Transition Fund will provide grants to member nations to support good governance, sustainable growth, institution building, and inclusive development and job creation.¹²⁶⁰ Its first grant of US\$1.5 million has been earmarked to help build sustainable technical capacity in the Jordan Water Authority and Yarmouk Water Company and create a hospitable foundation for future private sector involvement in water services in Jordan.¹²⁶¹

France committed EUR30 million to support Egyptian agricultural SMEs in a project co-financed by the European Commission’s Neighbourhood Investment Facility, which contributed an additional EUR22 million to the project.¹²⁶² The Support for Agricultural SMEs project will “target job opportunities and income generation in rural areas and seek to develop the agricultural sector.”¹²⁶³

From 1-3 October 2012, the Government of France’s Agence Francaise de Développement (AFD) hosted a workshop on active employment in Cairo.¹²⁶⁴ The workshop aimed to assist the

¹²⁵⁷ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, The World Bank (Washington DC) 2 January 2013. Date of Access: 11 January 2013.
<http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

¹²⁵⁸ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, The World Bank (Washington DC) 2 January 2013. Date of Access: 11 January 2013.
<http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

¹²⁵⁹ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, World Bank (Washington) 2 January 2013. Date of Access: 11 January 2013.
<http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

¹²⁶⁰ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, World Bank (Washington) 2 January 2013. Date of Access: 11 January 2013.
<http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

¹²⁶¹ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, World Bank (Washington) 2 January 2013. Date of Access: 11 January 2013.
<http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

¹²⁶² EU-Egypt Task Force — Co-chairs conclusions. 12 November 2012. Date of Access: 21 January 2012.
http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/133511.pdf

¹²⁶³ EU-Egypt Task Force — Co-chairs conclusions. 12 November 2012. Date of Access: 21 January 2012.
http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/133511.pdf

¹²⁶⁴ Employment in the Southern Mediterranean: A renewed priority following the Arab Spring, Agence Francaise de Développement (Paris) 15 October 2012. Date of Access: 11 January 2013.

Egyptian government's in identifying sound policies to promote employment growth.¹²⁶⁵ The workshop focused on: increasing employment opportunities; improving technical education and job training; increasing labour market information; and supporting access to employment for youth and women.¹²⁶⁶

On 22-23 January 2013 a meeting was held by the MENA-OECD Working Group on Investment Policies and Promotion at the OECD Conference Centre in Paris, France.¹²⁶⁷ High level delegates from MENA and OECD countries were in attendance with an objective to “deepen a common understanding about issues related to regulatory policy in the countries of the MENA region and OECD” and to “offer a forum to exchange experiences, ideas and best practices.”¹²⁶⁸

Additionally, on 19-20 March 2013 the Annual Meeting of the MENA-OECD Working Group on Investment Policies and Promotion was held at the OECD Conference Centre in Paris, France to address declining FDI inflows to the MENA region. The meeting was focused on “Mitigating Risks and Seeking new Opportunities” and included four sessions; (1) reviving investment in the region by addressing current opportunities and risks, (2) using innovative tools for risk mitigation and investment attraction, (3) Fostering regional initiatives to strengthen the enabling investment environment and (4) encouraging responsible business conduct.¹²⁶⁹

As a result of their promotion of youth training programs and through their financial assistance towards the domestic industries of Arab nations in transition, France has been awarded a score of +1.

Analyst: Bianca Vong

Germany: +1

Germany has fully complied with its commitment to promote the establishment of youth training programs and has contributed investments towards the domestic industries of Arab countries in transition.

In 2011, following revolution in Egypt, Germany's Federal Ministry for Economic Cooperation and Development (BMZ) established the Regional Project for Youth Training and

<http://www.afd.fr/lang/en/home/pays/mediterranee-et-moyen-orient>

¹²⁶⁵ Employment in the Southern Mediterranean: A renewed priority following the Arab Spring, Agence Francaise de Développement (Paris) 15 October 2012. Date of Access: 11 January 2013.

<http://www.afd.fr/lang/en/home/pays/mediterranee-et-moyen-orient>

¹²⁶⁶ Employment in the Southern Mediterranean: A renewed priority following the Arab Spring, Agence Francaise de Développement (Paris) 15 October 2012. Date of Access: 11 January 2013.

<http://www.afd.fr/lang/en/home/pays/mediterranee-et-moyen-orient>

¹²⁶⁷ Regulatory Quality for competitiveness and inclusive growth. Date of Access: 19 May 2013.

<http://www.oecd.org/gov/regulatory-policy/Agenda%20for%20web.pdf>

¹²⁶⁸ Regulatory Quality for competitiveness and inclusive growth. 22 January 2013. Date of Access: 19 May 2013. <http://www.oecd.org/gov/regulatory-policy/Agenda%20for%20web.pdf>

¹²⁶⁹ Annual Meeting of the MENA-OECD Working Group on Investment Policies and Promotion. Date of Access: 19 May 2013. http://www.pavingtheway-msp.eu/media/Draft_Agenda_OECD.pdf

Employment¹²⁷⁰ This project includes allocation of EUR8 million from 2011 to 2014 to assist Egyptian youth in gaining “better social and economic prospects.”¹²⁷¹

In the past year, the German Agency for International Cooperation (GIZ), in partnership with private Arab donors, has been implementing a project to improve the education sector and vocational training program in Yemen. The program is worth EUR8.6 million. The initiative will build 18 vocational training centres. Additionally, the GIZ will be “developing the academic curriculum, the training modules and the testing standards”¹²⁷² over the next four years.

The German Agency for International Cooperation (GIZ), on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) has been executing the Economic Integration of Women in the MENA Region (EconoWin) project. The objective of this project is to improve the “conditions for the integration of women in economy and employment in four countries Egypt, Jordan, Morocco and Tunisia.”¹²⁷³ The project will be implemented in the timeframe of spring 2012 until spring 2016.

From 9-14 July 2012, Germany’s Parliamentary State Secretary to the Federal Minister for Economic Cooperation and Development Gudrun Kopp, visited Tunisia to launch a tourism initiative in the city of Hammamet. This initiative is a joint effort with German tourism company TUI.¹²⁷⁴ The program aims to train young people and better equip workers with the skills needed for permanent employment opportunities. Both the Federal Ministry for Economic Cooperation and Development and TUI has provided EUR500 thousand to this program.¹²⁷⁵

Germany’s Federal Ministry for Economic Cooperation and Development has also implemented a number of vocational training programs to help improve the Moroccan workforce.¹²⁷⁶ In October 2012 the first meeting of the Germany-Morocco Joint Economic Commission was held in Berlin.¹²⁷⁷ The Commission called for stronger economic cooperation between the two countries

¹²⁷⁰ Egypt Situation and Cooperation, Federal Ministry for Economic Cooperation and Development (Bonn). Date of Access: 11 January 2013
http://www.bmz.de/en/what_we_do/countries_regions/naher_osten_mittelmeer/aegypten/zusammenarbeit.html

¹²⁷¹ Egypt Situation and Cooperation, Federal Ministry for Economic Cooperation and Development (Bonn). Date of Access: 11 January 2013
http://www.bmz.de/en/what_we_do/countries_regions/naher_osten_mittelmeer/aegypten/zusammenarbeit.html

¹²⁷² GIZ IS awarded two government contracts in Yemen, German Agency for International Cooperation (Schulze). Date of Access: 18 May 2013

<http://www.giz.de/en/mediacenter/641.html>

¹²⁷³ Economic Integration of Women in the MENA Region (EconoWin) (Wasmuth) Date of Access: 18 May 2013

<http://www.giz.de/themen/en/36184.htm>

¹²⁷⁴ Opening doors for Tunisian women — Gudrun Kopp visits Hammamet, launches tourism initiative with German tourism company TUI, Federal Ministry for Economic Cooperation and Development (Bonn) 10 July 2012. Date of Access: 11 January 2013

http://www.bmz.de/en/press/aktuelleMeldungen/2012/July/20120710_pm_170_tunesien/index.html

¹²⁷⁵ Go-ahead for sustainable tourism project in Tunisia, Federal Ministry for Economic Cooperation and Development (Bonn) 9 March 2012. Date of Access: 11 January 2013

http://www.bmz.de/en/press/aktuelleMeldungen/2012/March/20120309_pm_60_tunesien/index.html

¹²⁷⁶ Morocco Situation and Cooperation, Federal Ministry for Economic Cooperation and Development (Bonn). Date of Access: 11 January 2013

http://www.bmz.de/en/what_we_do/countries_regions/naher_osten_mittelmeer/marokko/zusammenarbeit.html

¹²⁷⁷ Close Cooperation with Morocco. 23 November 2012. Date of Access: 16 January 2012

http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Aktuelle_Artikel/Marokko/121123-BMEIOthmani.html

and led to the establishment of a joint protocol with respect to “energy, investments, business cooperation, rural development, transport and infrastructures.”¹²⁷⁸ The Federal Ministry for Economic Cooperation and Development has also helped to fund a workplace-based training system, ensuring that Morocco has a “bigger well-trained workforce in the future.”¹²⁷⁹

Thus, Germany has earned a score of +1 for its commitment to promoting the establishment of youth training programs and contributing investment towards the domestic industries of the Arab countries in transition.

Analyst: Michael Outar

Italy: +1

Italy has fully complied with their commitment through their promotion of youth training and employment programs and through their investment in the domestic industries of Arab nations in transition.

On 17 July 2012 the Italian Ministry of Foreign Affairs co-chaired the sixth meeting of the MENA-OECD Working Group on SME Policy, Entrepreneurship and Human Capital Development in Rome.¹²⁸⁰ Participants of the meeting emphasized the importance in establishing policies for acceleration of high-performance and women-led enterprises as a result of their heavy impact on job creation and growth.¹²⁸¹ As a result, the MENA-OECD Working Group developed a number of initiatives such as the launch of an OECD-IDRC report on Policies for high Performance and Young Enterprises and the development of more stringent guidelines for strengthening such policies.¹²⁸²

On 18 July 2012 Director General for Globalization in the Ministry of Foreign Affairs of Italy chaired a meeting in Rome of the Deauville Partnership with Arab Countries in Transition in joint cooperation with United States Secretary of State for Economic Growth, Energy and the Environment Robert Hormats.¹²⁸³ The purpose of the meeting was to discuss “development and promotion of small and medium-sized enterprises in the transition countries of Egypt, Morocco,

¹²⁷⁸ Rösler: Joint Economic Commission strengthens German-Moroccan economic relations. 24 October 2012. Date of Access: 16 January 2012. <http://www.bmwi.de/English/Navigation/Press/press-releases,did=522032.html>

¹²⁷⁹ Morocco Situation and Cooperation, Federal Ministry for Economic Cooperation and Development (Bonn). Date of Access: 11 Jan 2013 http://www.bmz.de/en/what_we_do/countries_regions/naher_osten_mittelmeer/marokko/zusammenarbeit.html

¹²⁸⁰ MENA-OECD Working Group on SME Policy, Entrepreneurship and Human Capital Development. 17 July 2012. Date of Access: 20 January 2012. <http://www.oecd.org/mena/investment/mena-oecdworkinggrouponsmepolicyentrepreneurshipandhumancapitaldevelopment.htm>

¹²⁸¹ MENA-OECD Working Group on SME Policy, Entrepreneurship and Human Capital Development. 17 July 2012. Date of Access: 20 January 2012. <http://www.oecd.org/mena/investment/mena-oecdworkinggrouponsmepolicyentrepreneurshipandhumancapitaldevelopment.htm>

¹²⁸² MENA-OECD Working Group on SME Policy, Entrepreneurship and Human Capital Development. 17 July 2012. Date of Access: 20 January 2012. <http://www.oecd.org/mena/investment/mena-oecdworkinggrouponsmepolicyentrepreneurshipandhumancapitaldevelopment.htm>

¹²⁸³ The Deauville Partnership with Arab Countries in Transition Co-Chairs’ Summary of the Meeting on Policies for Small and Medium-Sized Enterprises on July 18, 2012, Rome, Italy. 20 July 2012. Date of Access: 20 January 2012. <http://www.state.gov/r/pa/prs/ps/2012/07/195326.htm>

Tunisia, Libya and Jordan.”¹²⁸⁴ In a statement, the Partnership noted that they are “reviewing legal, regulatory, and administrative practices” to assist in the development and growth of SMEs within the MENA region. Additionally, the Italian government has agreed to develop templates for short-term, country-specific plans for the growth and development of SMEs within MENA countries.¹²⁸⁵

On 27 November 2012 at the International Conference for Productive Work for Youth in Tunisia and the MENA Region a collaborative effort was established between the United Nations Industrial Development Organization (UNIDO), the US Agency for International Development (USAID), Hewlett Packard Company (HP) and the Government of Italy.¹²⁸⁶ As part of this project, parties have agreed to the allocation of USD3.3 million towards sustainable employment opportunities for young people in Tunisia through investment in SMEs.¹²⁸⁷ The effort has two main components: “improved access and quality of services provided to predominantly young entrepreneurs by local institutions, and direct capacity-building for enterprises with high employment potential.”¹²⁸⁸

The project also includes HP’s Learning Initiative for Entrepreneurs (HP LIFE), an entrepreneurship and IT training programme. HP LIFE has already worked to establish 122 training facilities, over 270 trainers and has assisted in the training of over 50,000 students within the MENA region and throughout the world.¹²⁸⁹

On 11 April 2013 Italian officials attended a joint event organized by the Arab British Chamber of Commerce (ABCC) and the Italian Chamber of Commerce and Industry for the UK held at the office of the ABCC.¹²⁹⁰ The conference was organized for the purpose of exploring “areas of shared interest in doing business with the countries of the MENA region” with a specific interest

¹²⁸⁴ The Deauville Partnership with Arab Countries in Transition Co-Chairs’ Summary of the Meeting on Policies for Small and Medium-Sized Enterprises on July 18, 2012, Rome, Italy. 20 July 2012. Date of Access: 20 January 2012. <http://www.state.gov/r/pa/prs/ps/2012/07/195326.htm>

¹²⁸⁵ The Deauville Partnership with Arab Countries in Transition Co-Chairs’ Summary of the Meeting on Policies for Small and Medium-Sized Enterprises on July 18, 2012, Rome, Italy. 20 July 2012. Date of Access: 20 January 2012. <http://www.state.gov/r/pa/prs/ps/2012/07/195326.htm>

¹²⁸⁶ New collaboration to invest over USD 3 million to help create jobs for youth in Tunisia. 27 November 2012. Date of Access: 21 January 2012.

http://www.unido.org/index.php?id=7881&tx_ttnews%5Btt_news%5D=1282&cHash=c4f811bba6baa6d9966070699c879a1c

¹²⁸⁷ New collaboration to invest over USD 3 million to help create jobs for youth in Tunisia. 27 November 2012. Date of Access: 21 January 2012.

http://www.unido.org/index.php?id=7881&tx_ttnews%5Btt_news%5D=1282&cHash=c4f811bba6baa6d9966070699c879a1c

¹²⁸⁸ New collaboration to invest over USD 3 million to help create jobs for youth in Tunisia. 27 November 2012. Date of Access: 21 January 2012.

http://www.unido.org/index.php?id=7881&tx_ttnews%5Btt_news%5D=1282&cHash=c4f811bba6baa6d9966070699c879a1c

¹²⁸⁹ New collaboration to invest over USD 3 million to help create jobs for youth in Tunisia. 27 November 2012. Date of Access: 21 January 2012.

http://www.unido.org/index.php?id=7881&tx_ttnews%5Btt_news%5D=1282&cHash=c4f811bba6baa6d9966070699c879a1c

¹²⁹⁰ London, Italy and the MENA Countries. 11 April 2013. Date of Access: 19 May 2013.

<http://www.abcc.org.uk/London-Italy-and-the-MENA-Countries>

in “boosting exports as well as new business in the healthcare, education, financial services and IT sectors.”¹²⁹¹

Italy has been successful in their commitment through their cooperative establishment of youth employment and training projects and through their investment in domestic SMEs in Arab nations in transition. Thus, Italy has been awarded a score of +1 for full compliance.

Analyst: Katy Macdonald

Japan: +1

Japan has fully complied with its commitment to support the economic transition of countries within the Middle East and North Africa (MENA). This commitment has two components: (1) take action to promote the establishment of youth training programs; (2) contribute investment towards domestic industry.

On 9 June 2012, the Yemeni government signed a document to inaugurate a project entitled the “Pro-Poor Youth Economic Empowerment.”¹²⁹² As part of this initiative, the Japanese government committed USD2 million to provide access to job training and equal employment opportunities—among other goals—to Yemeni youth and women.¹²⁹³

On 14 August 2012, the Japanese International Cooperation Agency (JICA) signed an ODA loan agreement with Jordan.¹²⁹⁴ Under the agreement, Japan will provide a loan of up to YEN12.234 billion for the Human Resource Development and Social Infrastructure Improvement Project.¹²⁹⁵ This project aims to expand vocational training opportunities, extend postsecondary education opportunities, and support industrial development, among other goals for Jordan’s economic advancement.¹²⁹⁶

On 13 October 2012, then-Finance Minister Koriki Jojima confirmed that Japan would contribute USD12 million to the MENA Transition Fund.¹²⁹⁷ This contribution will be made over three

¹²⁹¹ London, Italy and the MENA Countries. 11 April 2013. Date of Access: 19 May 2013.

<http://www.abcc.org.uk/London-Italy-and-the-MENA-Countries>

¹²⁹² UNDP Expands its Economic, Social, and Developmental Support to the Youth of Yemen, United Nations Development Programme (New York) 9 June 2012. Date of Access: 11 January 2013.

<http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2012/06/09/undp-expands-its-economic-social-and-developmental-support-to-the-youth-of-yemen/>

¹²⁹³ UNDP Expands its Economic, Social, and Developmental Support to the Youth of Yemen, United Nations Development Programme (New York) 9 June 2012. Date of Access: 11 January 2013.

<http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2012/06/09/undp-expands-its-economic-social-and-developmental-support-to-the-youth-of-yemen/>

¹²⁹⁴ Signing of a Japanese ODA Loan Agreement with the Hashemite Kingdom of Jordan, Japanese International Cooperation Agency (Tokyo) 14 August 2012. Date of Access: 11 January 2013.

<http://www.jica.go.jp/english/news/press/2012/120814.html>

¹²⁹⁵ Signing of a Japanese ODA Loan Agreement with the Hashemite Kingdom of Jordan, Japanese International Cooperation Agency (Tokyo) 14 August 2012. Date of Access: 11 January 2013.

<http://www.jica.go.jp/english/news/press/2012/120814.html>

¹²⁹⁶ Signing of a Japanese ODA Loan Agreement with the Hashemite Kingdom of Jordan, Japanese International Cooperation Agency (Tokyo) 14 August 2012. Date of Access: 11 January 2013.

<http://www.jica.go.jp/english/news/press/2012/120814.html>

¹²⁹⁷ Address by Finance Minister Koriki Jojima at the 86th Meeting of the World Bank-IMF Development Committee, Ministry of Finance Japan (Tokyo) 13 October 2012. Date of Access: 11 January 2013.

http://www.mof.go.jp/english/international_policy/imf/ibrd/wb_imf_121013st.pdf

years.¹²⁹⁸ Jojima stated this contribution “will facilitate the provision of vocational training and the improvement of investment climate” in the region.¹²⁹⁹

On 20 October 2012, Japan agreed a USD600 million loan guarantee to Tunisia.¹³⁰⁰ Tunisia’s central bank governor Chadli Ayari said “the Japanese government granted Tunisia [its] approval to enable them to issue a loan on the international financial market worth USD600 million before the end of the year.”¹³⁰¹ The loan is intended to support Tunisia’s democratic transition and economic recovery.¹³⁰²

On 10 January 2013, the JICA and the United Nations Development Programme (UNDP) renewed the agreement to reinforce their partnership and advance the implementation of infrastructure and economic development projects in Iraq.¹³⁰³ One area targeted by the agreement is ‘industry.’¹³⁰⁴ The projects utilize concessional loans by the JICA that are implemented by Iraqi ministries.¹³⁰⁵ The loans have a value of USD4.1 billion and the use of funds are monitored by a joint committee of the governments of Iraq and Japan with JICA and UNDP.

On 7 February 2013, the Government of Japan contributed USD1487532 towards the Palestinian Industrial Estate and Free Zone Authority’s (PIEFZA) and the UNDP’s plan to build an administration building for the Jericho Agro-Industrial Park.¹³⁰⁶ Minister of National Economy, H.E. Dr. Jawad Naji noted “the Ministry is currently working on developing a comprehensive strategy for [such] industrial zones which includes incentives, marketing elements and other

¹²⁹⁸ Address by Finance Minister Koriki Jojima at the 86th Meeting of the World Bank-IMF Development Committee, Ministry of Finance Japan (Tokyo) 13 October 2012. Date of Access: 11 January 2013. http://www.mof.go.jp/english/international_policy/imf/ibrd/wb_imf_121013st.pdf

¹²⁹⁹ Address by Finance Minister Koriki Jojima at the 86th Meeting of the World Bank-IMF Development Committee, Ministry of Finance Japan (Tokyo) 13 October 2012. Date of Access: 11 January 2013. http://www.mof.go.jp/english/international_policy/imf/ibrd/wb_imf_121013st.pdf

¹³⁰⁰ Japan agrees to grant Tunisia \$600 mln loan guarantee, Reuters US Edition (News York) 19 October 2012. Date of Access: 11 January 2012. <http://www.reuters.com/article/2012/10/19/japan-tunisia-loan-idAFL5E8LJS020121019>

¹³⁰¹ Japan agrees to grant Tunisia \$600 mln loan guarantee, Reuters US Edition (New York) 19 October 2012. Date of Access: 11 January 2012. <http://www.reuters.com/article/2012/10/19/japan-tunisia-loan-idAFL5E8LJS020121019>

¹³⁰² Japan agrees to grant Tunisia \$600 mln loan guarantee, Reuters US Edition (New York) 19 October 2012. Date of Access: 11 January 2012. <http://www.reuters.com/article/2012/10/19/japan-tunisia-loan-idAFL5E8LJS020121019>

¹³⁰³ JICA and UNDP sign Partnership Agreement to Accelerate Economic Recovery in Iraq, United Nations Development Programme (New York) 10 January 2013. Date of Access: 16 May 2013. <http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2013/01/10/jica-and-undp-sign-partnership-agreement-to-accelerate-economic-recovery-in-iraq/>

¹³⁰⁴ JICA and UNDP sign Partnership Agreement to Accelerate Economic Recovery in Iraq, United Nations Development Programme (New York) 10 January 2013. Date of Access: 16 May 2013. <http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2013/01/10/jica-and-undp-sign-partnership-agreement-to-accelerate-economic-recovery-in-iraq/>

¹³⁰⁵ JICA and UNDP sign Partnership Agreement to Accelerate Economic Recovery in Iraq, United Nations Development Programme (New York) 10 January 2013. Date of Access: 16 May 2013. <http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2013/01/10/jica-and-undp-sign-partnership-agreement-to-accelerate-economic-recovery-in-iraq/>

¹³⁰⁶ The Palestinian Industrial Estate and UNDP sign an Exchange of Letters funded by the Government of Japan, United Nations Development Programme (Ramallah) 7 February 2013. Date of Access: 16 May 2013. <http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2013/02/07/the-palestinian-industrial-estate-and-free-zone-authority-and-the-united-nations-development-programme-sign-an-exchange-of-letters-funded-by-the-government-of-japan/>

commercial activities that shall form an enabling environment for investment.”¹³⁰⁷ Approximately 7600 workdays will be generated by the project, providing short-term employment opportunities for the Jericho and Jordan Valley regions.¹³⁰⁸

Thus, Japan has been awarded a score of +1 for its support for economic transition of MENA countries in the Deauville Partnership.

Analyst: Wesley Fassl

Russia: -1

Russia has failed to comply with the commitment on promoting employment in Deauville Partnership countries.

No facts on Russia’s actions to promote the establishment of youth training or exchange programs and invest in the development of transition countries’ education systems have been found. Thus, it has been awarded a score of -1.

Analyst:

United Kingdom: +1

The United Kingdom has fully complied with its commitment to facilitating the growth youth education and employment opportunities and investing in domestic industry within Arab nations in transition.

The United Nations Arab Partnership fund was established in May 2011 as part of the G8 Deauville Partnership to “provide expertise and support to countries... as they implement their plans for reform and economic growth.”¹³⁰⁹ The United Kingdom has provided funding GBP110 million for the Arab Partnership that will span over the course of three years, GBP90 million of which comes directly from the UK’s Department for Economic Development.¹³¹⁰

The United Kingdom has agreed to invest GBP16 million in contributions to the Deauville Transition Fund through the mechanism of the Department for International Development’s Arab Partnership Economic Facility (APEF).¹³¹¹ These funds will be provided over the course of four years, from 2012 to 2015, and will go towards the establishment of country-owned projects focused specifically on inclusive development and job creation, increasing economic

¹³⁰⁷The Palestinian Industrial Estate and UNDP sign an Exchange of Letters funded by the Government of Japan, United Nations Development Programme (Ramallah) 7 February 2013. Date of Access: 16 May 2013. <http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2013/02/07/the-palestinian-industrial-estate-and-free-zone-authority-and-the-united-nations-development-programme-sign-an-exchange-of-letters-funded-by-the-government-of-japan/>

¹³⁰⁸The Palestinian Industrial Estate and UNDP sign an Exchange of Letters funded by the Government of Japan, United Nations Development Programme (Ramallah) 7 February 2013. Date of Access: 16 May 2013. <http://www.undp.org/content/rbas/en/home/presscenter/pressreleases/2013/02/07/the-palestinian-industrial-estate-and-free-zone-authority-and-the-united-nations-development-programme-sign-an-exchange-of-letters-funded-by-the-government-of-japan/>

¹³⁰⁹ Arab Partnership. Date of Access: 21 January 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/>

¹³¹⁰ Arab Partnership. Date of Access: 21 January 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/>

¹³¹¹ Arab Partnership Economic Facility. Date of Access: 21 January 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/Arab-Partnership-Economic-Facility/>

competitiveness and integration, enhancing economic governance and investing in sustainable growth within MENA nations.¹³¹²

Additionally, the APEF has established a GBP7 million Country Impact Fund (CIF) to “support economic reform and growth in the Middle East/North Africa region” and is “designed to support local interventions” through grant funding towards projects in individual nations.¹³¹³ After the 2012/2013 round of bidding, six projects have been approved for establishment under the CIF in Tunisia, Jordan and Egypt with respect to youth vocational training, business development strategies, and technical support for SMEs.¹³¹⁴ The Shell Foundation/GroFin Jordan Enterprise Facility, for instance, will create 2000 jobs through development assistance to SMEs, with women accounting for at least 25% of their target group.¹³¹⁵

On 11 April 2013 officials from the United Kingdom attended a joint event organized by the Arab British Chamber of Commerce (ABCC) and the Italian Chamber of Commerce and Industry for the UK held at the office of the ABCC. The conference was organized for the purpose of exploring “areas of shared interest in doing business with the countries of the MENA region” with a specific interest in “boosting exports as well as new business in the healthcare, education, financial services and IT sectors.”¹³¹⁶

In May 2013 UN Special Envoy for Global Education and UK Member of Parliament Gordon Brown represented the United Kingdom at the 13th annual Doha Forum and Enriching the Middle East’s Economic Future Conference.¹³¹⁷ Discussions at the conference touched base on such topics as current global economic issues and their impacts on development, challenges facing new democracies in the Middle East and the influence of global economic crisis on human rights.¹³¹⁸ In a statement, Brown expressed his hope that the Doha Forum will “create a development plan to meet the infrastructure needs of the region.”¹³¹⁹

Thus, the United Kingdom has been awarded a score of +1 for fully complying with its commitment to promote youth employment in through the establishment of education and training programs and through their financial support for the domestic industries of Arab nations in transition.

Analyst: Katy Macdonald

¹³¹² Arab Partnership Economic Facility. Date of Access: 21 January 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/Arab-Partnership-Economic-Facility/>

¹³¹³ Arab Partnership Economic Facility. Date of Access: 21 January 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/Arab-Partnership-Economic-Facility/>

¹³¹⁴ Arab Partnership Economic Facility. Date of Access: 21 January 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/Arab-Partnership-Economic-Facility/>

¹³¹⁵ Arab Partnership Economic Facility. Date of Access: 21 January 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/Arab-Partnership-Economic-Facility/>

¹³¹⁶ London, Italy and the MENA Countries. 11 April 2013. Date of Access: 19 May 2013. <http://www.abcc.org.uk/London-Italy-and-the-MENA-Countries>

¹³¹⁷ Gordon Brown calls for MENA development bank. 20 May 2012. Date of Access: 21 May 2012. <http://www.gulf-times.com/qatar/178/details/353355/gordon-brown-calls-for-mena-development-bank>

¹³¹⁸ 13th Doha Annual Forum. Date of Access: 21 May 2013. <http://dohaforum2013.qatarconferences.org/home.html#panal0>

¹³¹⁹ Gordon Brown calls for MENA development bank. 20 May 2012. Date of Access: 21 May 2012. <http://www.gulf-times.com/qatar/178/details/353355/gordon-brown-calls-for-mena-development-bank>

United States: +1

The United States has fully complied with its commitment to promote the establishment of youth training programs and contribute investment toward domestic industry in Arab countries in transition.

On 14 July 2012, William Burns, the Deputy Secretary met with Libyan Prime Minister Elkeib. Mr. Burns emphasized that enhancing the educational opportunities in Libya are a top priority.¹³²⁰ In May, the US and Libya governments launched the U.S.-Libya Higher Education Task Force “to expand educational exchanges and cooperation.”¹³²¹

On 14 December 2012, the Office of the Special Coordinator for Middle East Transitions (MET) released a fact sheet regarding the government assistance to Tunisia.¹³²² The document specified that US plans to launch a Workforce Development Scholarship Fund by 2013 “for Tunisian students to study at American universities and community colleges to build skills and professional abilities.”¹³²³ It also mentioned Peace Corps volunteers are expecting to “arrive in Tunisia in mid to late 2013 to offer English language training and skills development programs.”¹³²⁴

The US has also provided capital for Tunisia to fill their sizable financing gaps. In July 2012, according to the Final Update on the US G-8 Presidency, the US government provided a guarantee to “the repayment of principal and interest on a \$485 million, 7-year sovereign bond to Tunisia.”¹³²⁵ The US has committed \$30 million for this guarantee to “raise funds to support Tunisia’s stabilization and economic reform plans.”¹³²⁶

Additionally, on 14 December 2012, the government assistance to Tunisia fact sheet stated that the “US provided \$100 million to pay directly debt that Tunisia owed the World Bank and African Development Bank to accelerate its economic growth and job creation.”¹³²⁷

On 9 September 2012, Deborah A. McCarthy, the Principal Deputy Assistant Secretary from the Bureau of Economic and Business Affairs spoke on the Arab Spring, the actions taken by the Overseas Private Investment Corporation (OPIC), an independent US government agency, in Egypt and Tunisia.¹³²⁸ In Egypt, OPIC has approved a \$250 million loan guarantee facility to support lending to women-owned or managed SMEs as well as SMEs in lower income

¹³²⁰ US Government Assistance to Libya. 14 August 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/d/met/releases/198354.htm>

¹³²¹ US Government Assistance to Libya. 14 August 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/d/met/releases/198354.htm>

¹³²² US Government Assistance to Tunisia. 14 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/d/met/releases/198355.htm>

¹³²³ US Government Assistance to Tunisia. 14 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/d/met/releases/198355.htm>

¹³²⁴ US Government Assistance to Tunisia. 14 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/d/met/releases/198355.htm>

¹³²⁵ Final Update on the U.S. G-8 Presidency. 31 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/documents/organization/202643.pdf>

¹³²⁶ Final Update on the U.S. G-8 Presidency. 31 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/documents/organization/202643.pdf>

¹³²⁷ US Government Assistance to Tunisia. 14 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/d/met/releases/198355.htm>

¹³²⁸ State’s McCarthy on Infrastructure’s Role in Arab Spring. 9 September 2012. Date of Access: 12 January 2013

<http://translations.state.gov/st/english/texttrans/2012/09/20120907135637.html#axzz2HmLcSH3p>

regions.¹³²⁹ The United States Agency for International Development (USAID) has provided a \$10 million grant to cover operating costs associated with the program. In Tunisia, OPIC has designed a \$50 million facility to support Tunisian franchisees and the SMEs in their supply chain. Mr. McCarthy believed these franchises could ultimately create entrepreneurship opportunities and thousands of jobs for Tunisians, particularly youth.¹³³⁰

On 24 September 2012, the Office of the Special Coordinator for Middle East Transitions (MET) released a fact sheet of government assistance to Egypt. The documents emphasized that US has provided \$90 million for Egyptian economic recovery goals, including creating short-term employment through the extension projects of clean water and wastewater services to poor communities; promoting the founding of new business and the network of “angel investor” through the Global Entrepreneurship Program; and establishing SME center to streamline registration, licenses and permits to improve the ease of doing business.¹³³¹

On 12 December 2012, the United States collaborated with the United Arab Emirates to organize the 3rd Global Entrepreneurship Summit (GES) in Dubai.¹³³² US Deputy Secretary for Management and Resources Thomas Nides, spoke on the summit and reiterated the importance of entrepreneurship in Middle East for job creation and decreased unemployment.¹³³³ The summit aimed to encourage US economic leadership, banks, venture capitalists, and investors to support entrepreneurship in the Middle East.¹³³⁴

On 13 December 2012, Deputy Secretary William J. Burns, while speaking at the 9th Forum of Future at Tunisia, mentioned that United States has launched Egyptian-American and Tunisian-American Enterprise Funds with an initial capitalization of \$60 million in Egypt and \$20 million in Tunisia to invest in promising small and medium-sized businesses to create jobs.¹³³⁵

On 13 February 2013 in a visit to the Tunisia Business School, Special Coordinator for Middle East Transitions at the Department of State, William Taylor formally launched an educational partnership between the USA and Tunisia.¹³³⁶ The US Embassy committed a \$250,000 grant for students, teachers and administrators from the Tunis Business School to participate educational conferences.

¹³²⁹ State’s McCarthy on Infrastructure’s Role in Arab Spring. 9 September 2012. Date of Access: 12 January 2013

<http://translations.state.gov/st/english/texttrans/2012/09/20120907135637.html#axzz2HmLcSH3p>

¹³³⁰ State’s McCarthy on Infrastructure’s Role in Arab Spring. 9 September 2012. Date of Access: 12 January 2013

<http://translations.state.gov/st/english/texttrans/2012/09/20120907135637.html#axzz2HmLcSH3p>

¹³³¹ US Government Assistance to Egypt. 24 September 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/d/met/releases/198353.htm>

¹³³² Remarks at the Global Entrepreneurship summit. 12 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/dmr/remarks/2012/201814.htm>

¹³³³ Remarks at the Global Entrepreneurship summit. 12 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/dmr/remarks/2012/201814.htm>

¹³³⁴ Remarks at the Global Entrepreneurship summit. 12 December 2012. Date of Access: 12 January 2013.

<http://www.state.gov/s/dmr/remarks/2012/201814.htm>

¹³³⁵ Remarks at Forum for the Future. 13 December 2012. Date of Access: 12 January 2013.

<http://translations.state.gov/st/english/texttrans/2012/12/20121213139949.html#ixzz2HmPK2V64>

¹³³⁶ U.S. Embassy Launches New \$250,000 University Partnership between the USA and the Tunis Business School. 13 Feb 2012. Date of Access: 18 May 2013.

<http://tunisia.usembassy.gov/u.s.-embassy-launches-new-250000-university-partnership-between-the-usa-and-the-tunis-business-school.html>

On 7 March 2013 the US Office of the Spokesperson released the factsheet of government assistance to Yemen. In Fiscal Year 2012, the United States has committed \$356 million to Yemen to address its urgent needs and to facilitate its long-term development, growth, and stability.¹³³⁷ United States supports Yemen on job creation and capacity building of local communities through infrastructure rehabilitation, micro-finance and small enterprise support, and agriculture development.

The United States has taken actions to promote active youth training programs and has invested a considerable amount toward domestic industry, specifically in Tunisia. Thus, the United States has been awarded a score of +1 for full compliance with this commitment.

Analyst: Yang Zhao

European Union: +1

¹³³⁷ State Dept. Fact Sheet on U.S. Assistance to Yemen. 7 Mar 2012. Date of Access: 18 May 2013. <http://translations.state.gov/st/english/texttrans/2013/03/20130307143789.html#ixzz2TfgU8WWp>

The European Union has fully complied with their commitment through their promotion of the establishment of youth training and education programs and their investment in the development of domestic industry within transitioning nations.

On 28-29 August 2012, 120 policy makers, experts, researchers, youth and youth organizations from Europe and the Southern Mediterranean took part in a symposium cooperatively organized by the European Commission and the Council of Europe.¹³³⁸ Following the symposium, representatives announced the formation of the Arab Youth Forum to take place in Egypt in 2013.¹³³⁹ The forum is anticipated to lay groundwork for four key proposals: (1) the establishment of a Mediterranean Youth and Development University in Tunisia; (2) the establishment of a Meghreb or Arab Centre for Training and Development; (3) development of a Euro-Arab online youth platform; and (4) establishment of a network of European and Arab youth researchers.¹³⁴⁰

Between 25 and 27 September 2012 delegates of the European Union met with representatives from various nations in transition at the Conference on Education and Jobs in the Mediterranean hosted by the European Training Foundation (ETF) in Jordan.¹³⁴¹ The ETF was established by the European Union to tackle issues of youth unemployment in transitioning nations. Participants at the conference acknowledged that youth unemployment and lack of meaningful jobs was a primary cause for instability within the Arab region.¹³⁴² ETF Director Madlen Serben announced the establishment of a new project worth EUR2 million directed at improving policy governance to enhance employability within the region.¹³⁴³ In a final statement, participants agreed to “enhance access to skills development opportunities, to improve the transition from school to work, in particular for young women, and to further support entrepreneurial learning.”¹³⁴⁴

¹³³⁸ EU-CoE youth policy conference in Tunis: role of young people in Arab Spring and beyond. 12 September 2012. Date of Access: 17 January 2012. <http://www.enpi-info.eu/medportal/news/latest/30154/EU-CoE-youth-policy-conference-in-Tunis:-role-of-young-people-in-Arab-Spring-and-beyond>

¹³³⁹ EU-CoE youth policy conference in Tunis: role of young people in Arab Spring and beyond. 12 September 2012. Date of Access: 17 January 2012. <http://www.enpi-info.eu/medportal/news/latest/30154/EU-CoE-youth-policy-conference-in-Tunis:-role-of-young-people-in-Arab-Spring-and-beyond>

¹³⁴⁰ EU-CoE youth policy conference in Tunis: role of young people in Arab Spring and beyond. 12 September 2012. Date of Access: 17 January 2012. <http://www.enpi-info.eu/medportal/news/latest/30154/EU-CoE-youth-policy-conference-in-Tunis:-role-of-young-people-in-Arab-Spring-and-beyond>

¹³⁴¹ ETF Conference On Education And Jobs In Mediterranean Opens In Jordan. 25 September 2012. Date of Access: 17 January 2012. http://www.etf.europa.eu/web.nsf/pages/ETF_conference_on_education_and_jobs_in_Mediterranean_opens_in_Jordan_EN

¹³⁴² ETF Conference On Education And Jobs In Mediterranean Opens In Jordan. 25 September 2012. Date of Access: 17 January 2012. http://www.etf.europa.eu/web.nsf/pages/ETF_conference_on_education_and_jobs_in_Mediterranean_opens_in_Jordan_EN

¹³⁴³ ETF Conference On Education And Jobs In Mediterranean Opens In Jordan. 25 September 2012. Date of Access: 17 January 2012. http://www.etf.europa.eu/web.nsf/pages/ETF_conference_on_education_and_jobs_in_Mediterranean_opens_in_Jordan_EN

¹³⁴⁴ Arab Countries Agree On New Initiatives To Tackle Youth Unemployment. 29 September 2012. Date of Access: 17 January 2012. http://www.etf.europa.eu/web.nsf/pages/Arab_countries_agree_on_new_initiatives_to_tackle_youth_unemployment_EN

On 13 November 2012, Foreign Ministers of the European Unions met with the League of Arab States in Cairo at their second ministerial conference.¹³⁴⁵ Participants issued a Joint Declaration reaffirming their commitment to “democratic reform and the promotion of human rights” through cooperative establishment of developmental projects.¹³⁴⁶ In a public statement, EU High Representative Catherine Ashton announced the establishment of the Joint Working Programme.¹³⁴⁷ This project consists of a number of cooperative steps geared towards enhancement of human rights, “including the right to economic and social development” and “enhancing women’s contribution to society.”¹³⁴⁸

On 20 December 2012 the European Union announced they would be providing Jordan with EUR10 million in additional funding towards the Support for Enterprise and Export Development (SEED) program. This funding will go towards “sustainable and inclusive growth and economic development, particularly for small and medium-sized (SMEs) enterprises.”¹³⁴⁹ SEED is devoted to enhancing the competitiveness of domestic industry within Jordan as well as promoting exports and contributing to reduction of the national trade imbalance.¹³⁵⁰

In April 2013 the European Union funded a week-long transitional justice immersion training seminar in Tunisia as part of the International Center for Transitional Justice’s (ICTJ) Gender Justice Program.¹³⁵¹ This is one of many workshops focused on “building the capacity of women’s rights groups in the MENA region” through increasing their knowledge with respect to utilizing transitional justice to address gender-based violence.¹³⁵² Gender equality is one of the main pillars in promoting sound, equitable economic development within the MENA region.

On 8 April 2013 the MENA-OECD Task Force on Energy and Infrastructure announce the release of a new publication entitled *Renewable energies in the Middle East and North Africa: policies to support private investment*.¹³⁵³ The publication was presented at a gala dinner organized cooperatively by the OECD, the European Union Delegation to Egypt and the Confederation of the Euro Arab Chambers of Commerce following the meeting of the Task Force in Cairo.¹³⁵⁴ Originally published on 20 March 2013, the report “makes the case for a stronger

¹³⁴⁵ EU and Arab League ministers pledge deeper cooperation and commitment to reform. 14 November 2012. Date of Access: 17 January 2012. http://www.enpi-info.eu/mainmed.php?id_type=1&id=31026

¹³⁴⁶ EU and Arab League ministers pledge deeper cooperation and commitment to reform. 14 November 2012. Date of Access: 17 January 2012. http://www.enpi-info.eu/mainmed.php?id_type=1&id=31026

¹³⁴⁷ EU and Arab League ministers pledge deeper cooperation and commitment to reform. 14 November 2012. Date of Access: 17 January 2012. http://www.enpi-info.eu/mainmed.php?id_type=1&id=31026

¹³⁴⁸ EU and Arab League ministers pledge deeper cooperation and commitment to reform. 14 November 2012. Date of Access: 17 January 2012. http://www.enpi-info.eu/mainmed.php?id_type=1&id=31026

¹³⁴⁹ New EU support for business in Jordan. 20 December 2012. Date of Access: 17 January 2012. <http://www.enpi-info.eu/medportal/news/latest/31600/New-EU-support-for-businesses-in-Jordan>

¹³⁵⁰ New EU support for business in Jordan. 20 December 2012. Date of Access: 17 January 2012. <http://www.enpi-info.eu/medportal/news/latest/31600/New-EU-support-for-businesses-in-Jordan>

¹³⁵¹ North Africa: In Negotiation of Women’s Rights After Revolution, MENA Activists Take Lessons From Tunisia. 8 May 2013. Date of Access: 20 May 2013. <http://allafrica.com/stories/201305091154.html?page=2>

¹³⁵² North Africa: In Negotiation of Women’s Rights After Revolution, MENA Activists Take Lessons From Tunisia. 8 May 2013. Date of Access: 20 May 2013. <http://allafrica.com/stories/201305091154.html?page=2>

¹³⁵³ Piloting renewable energy sources in the MENA region. 8 April 2012. Date of Access: 20 May 2013. http://www.pavingtheway-msp.eu/media/Draft_agenda_8_April_2013_Cairo_meeting_final.pdf

¹³⁵⁴ Piloting renewable energy sources in the MENA region. 8 April 2012. Date of Access: 20 May 2013. http://www.pavingtheway-msp.eu/media/Draft_agenda_8_April_2013_Cairo_meeting_final.pdf

deployment of renewables in the Middle East and North Africa and identifies the appropriate support policies required to stimulate the necessary private investment.”¹³⁵⁵

Thus, the European Union has been awarded a score of +1 for fully complying with their commitment through their promotion of the establishment of youth training and education programs and financing of domestic industry within Arab nations in transition.

Analyst: Katy Macdonald

¹³⁵⁵ Renewable Energies in the Middle East and North Africa: Policies to Support Private Investment. 20 March 2013. Date of Access: 20 May 2013. <http://www.oecd.org/daf/psd/renewable-energies-mena-2013.htm>

14. Crime and Corruption: Asset Recovery [123]

Commitment

“[Specific actions by G8 members to promote effective cooperation in asset recovery will include:] Promote transparency and effective cooperation. Each G8 member will: publish a guide that describes specific steps required for assistance and cooperation in matters related to tracing, freezing, confiscation, and return of proceeds of corruption, whether through formal mutual legal assistance (MLA) or other forms of cooperation and make the guide available in Arabic.”

G8 Action on the Deauville Partnership with Arab Countries in Transition

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			+1
European Union	-1		
Average Score		0.56	

Background

On 4 December 2000 in its resolution 55/61 the United Nations General Assembly found it necessary to supplement the United Nations Convention against Transnational Organized Crime with an effective international legal instrument against corruption.¹³⁵⁶

The United Nations Convention against Corruption (UNCAC) was adopted by the General Assembly in 2003 and entered into force on 14 December 2005.¹³⁵⁷ The Convention is distinguished from other multilateral agreements of its kind in that it criminalizes not only basic forms of corruption like bribery and the embezzlement of public funds, but also the concealment and laundering of the proceeds of corruption.¹³⁵⁸

As of 9 November 2012, all members of the G8 had signed the UNCAC, and all but Germany and Japan had ratified it.¹³⁵⁹ UNCAC reaffirms the importance of effective interstate cooperation in promoting the core value of transparency as a preventive anti-corruption measure. Its Article 5 obliges member states to “develop and implement or maintain effective, coordinated anti-

¹³⁵⁶ United Nations Convention against Corruption, United Nations Office on Drugs and Crime (Vienna). Date of Access: 7 December 2012. <http://www.unodc.org/unodc/en/treaties/CAC/>.

¹³⁵⁷ United Nations Convention against Corruption, United Nations Office on Drugs and Crime (Vienna). Date of Access: 7 December 2012. <http://www.unodc.org/unodc/en/treaties/CAC/>.

¹³⁵⁸ United Nations Convention against Corruption, United Nations Office on Drugs and Crime (Vienna). Date of Access: 7 December 2012. <http://www.unodc.org/unodc/en/treaties/CAC/convention-highlights.html#Criminalization>.

¹³⁵⁹ Signatories to the United Nations Convention Against Corruption, United Nations Office on Drugs and Crime. (New York) 9 November 2012. Date of Access: 7 December 2012. <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>.

corruption policies...that reflect the principles of the rule of law, proper management of public affairs and public property, integrity, transparency and accountability.”¹³⁶⁰

UNCAC’s Article 2 defines “proceeds of crime” as any property derived either directly or indirectly through the commission of an offence.¹³⁶¹ Article 31 urges all state parties to make use of their domestic legal systems to “take such measures as may be necessary to enable the identification, tracing, freezing or seizure” of proceeds of crime for the purpose of confiscation.¹³⁶² Article 46 exhorts states to “afford one another the widest measure of mutual legal assistance in investigations, prosecutions and judicial proceedings in relation to the offences covered by this Convention.”¹³⁶³ Chapter V urges states to cooperate in the return of assets of corruption and to provide each other mutual legal assistance to this end.¹³⁶⁴

This commitment is inspired by G8 member states’ obligations under UNCAC, as well as their stated commitment in the Deauville Partnership with Arab Councils in Transition to support the economic reform, open governance, trade, investment and integration in the Middle East.¹³⁶⁵ The G8 launched the Deauville Partnership on 27 May 2011. It entails a political process in support of democratic transitions in the Middle East by fostering governance reforms, notably combatting corruption and the strengthening of institutions to ensure transparency and accountability in the region.¹³⁶⁶ During the 2012 Camp David Summit the G8 renewed its commitment to the Partnership.¹³⁶⁷

Commitment Features

The commitment has two basic parts and full compliance entails fulfilling both parts of the commitment.

The first part demands that G8 member states publish a guide that describes specific steps required for assistance and cooperation in tracing, freezing, confiscation, and return of proceeds of corruption, either through formal mutual legal assistance (MLA) *or* other forms of cooperation. To fulfill this part of the commitment, each member’s report must address all four: tracing, freezing, confiscation, and return of proceeds of corruption. Failure to mention all four areas

¹³⁶⁰ United Nations Convention Against Corruption, United Nations Office on Drugs and Crime (New York) 2004. Date of Access: 7 December 2012.

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf, p. 9.

¹³⁶¹ United Nations Convention Against Corruption, United Nations Office on Drugs and Crime (New York) 2004. Date of Access: 7 December 2012.

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf, p.8

¹³⁶² United Nations Convention Against Corruption, United Nations Office on Drugs and Crime (New York) 2004. Date of Access: 7 December 2012.

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf, p. 24

¹³⁶³ United Nations Convention Against Corruption, United Nations Office on Drugs and Crime (New York) 2004. Date of Access: 7 December 2012.

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf, p. 33

¹³⁶⁴ United Nations Convention Against Corruption, United Nations Office on Drugs and Crime (New York) 2004. Date of Access: 7 December 2012.

http://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf, p.42, 44.

¹³⁶⁵ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

¹³⁶⁶ Declaration of the G8 on the Arab Springs (Deauville) 27 May 2011. Date of Access: 7 December 2012.

<http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>.

¹³⁶⁷ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

results in only partial fulfillment of the first part of the commitment. That is, if only two of the four areas are addressed, then the first part of the commitment is only partially fulfilled.

The second part of the commitment asks that all G8 member states make the guide available in Arabic. A guide will be considered available if it is reachable (physically accessible) and affordable (economically accessible), and meets the minimum standard of quality. To be accessible in this context a guide must be obtainable, so that it could be used by the public.

If only one of the two parts of the commitment is fulfilled, then a G8 member state has only partially complied with the commitment. However, partial compliance can also be warranted if the first part of the commitment is partially fulfilled. That is, if the guide addresses some of the four areas and is made available to the public, then the state has partially complied with its commitment.

Scoring

-1	The member country has not published a guide that describes specific steps required for assistance and cooperation in <i>all four areas</i> of tracing, freezing, confiscation, and return of proceeds of corruption, either through formal mutual legal assistance or other forms of cooperation AND therefore it has not made the guide available in Arabic.
0	The member country has published a guide that describes specific steps required for assistance and cooperation in <i>all four areas</i> of tracing, freezing, confiscation, and return of proceeds of corruption, either through formal mutual legal assistance or other forms of cooperation BUT it has not made the guide available in Arabic; OR The member country has published a guide that describes specific steps required for assistance and cooperation in <i>some of the four areas</i> of tracing, freezing, confiscation, and return of proceeds of corruption, either through formal mutual legal assistance or other forms of cooperation AND it has made the guide available in Arabic.
+1	The member country has published a guide that describes specific steps required for assistance and cooperation in <i>all four areas</i> of tracing, freezing, confiscation, and return of proceeds of corruption, either through formal mutual legal assistance or other forms of cooperation AND it has made the guide available in Arabic.

Lead Analyst: Anna Postelnyak

Canada: +1

Canada has fully complied with its commitment to promote transparency and effective cooperation in asset recovery. It has published a guide that describes specific steps required for assistance and cooperation in all four areas of tracing, freezing, confiscation, and return of proceeds of corruption through formal mutual legal assistance (MLA), and it has made the guide available in Arabic. The guide is physically and economically accessible and can be obtained for use by the public.

From 11 to 13 September 2012, Canada participated with 200 senior officials and 25 other countries in the Arab Forum on Asset Recovery held in Doha, Qatar.¹³⁶⁸ The State of Qatar and the United States Presidency of the G8 mutually organized the meeting with support from the Stolen Asset Recovery Initiative (StAR). As a requirement for the forum, Canada published a

¹³⁶⁸ Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/ArabForum/About>.

guide in both English¹³⁶⁹ and Arabic¹³⁷⁰ that contains tools and procedures on asset recovery measures. Specifically, “Canada’s Asset Recovery Tools: A Practical Guide” provides an overview for seeking the freezing, restraint, seizure, and confiscation of assets through mutual legal assistance.¹³⁷¹

With respect to freezing assets, under the Freezing Assets of Corrupt Foreign Officials Act (FACFOA), Canada may issue orders or regulations that freeze the assets of foreign states, former leaders, and senior officials under specific preconditions.¹³⁷² Correspondingly, the guide stipulates that when a foreign state wants to seek restraint, seizure, and confiscation of criminal proceeds it may do so in one of two circumstances: (1) by making a mutual legal assistance request to Canada through a court of criminal jurisdiction in the requesting state; or (2) by requesting that Canada pursue a domestic proceeds of crime investigation through a mutual legal assistance process.¹³⁷³

Thus, Canada has been awarded a score of +1 for fully complying with its commitment to promote transparency and effective cooperation in asset recovery. It has published a guide that includes specific steps required for assistance and cooperation in all four areas of tracing, freezing, confiscation, and return of proceeds of corruption through mutual legal assistance. It has also made the guide available for easy public access in English and Arabic.

Analyst: Selena Lucien

France: 0

France has partially complied with its commitment on asset recovery. The guide published by the French government, entitled “Guide for Asset Recovery in France,” outlines a method for freezing and confiscating stolen assets.¹³⁷⁴ It does not describe the necessary steps to trace the

¹³⁶⁹ Canada’s Asset Recovery Tools: A Practical Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/sites/star/files/Canada%E2%80%99s-Asset-Recovery-Tools-A-Practical-Guide.pdf>.

¹³⁷⁰ Canada’s Asset Recovery Tools: A Practical Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/sites/star/files/Canada%E2%80%99s-Asset-Recovery-Tools-A-Practical-Guide-%28Arabic%29.pdf>.

¹³⁷¹ Canada’s Asset Recovery Tools: A Practical Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/sites/star/files/Canada%E2%80%99s-Asset-Recovery-Tools-A-Practical-Guide.pdf>.

¹³⁷² Canada’s Asset Recovery Tools: A Practical Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/sites/star/files/Canada%E2%80%99s-Asset-Recovery-Tools-A-Practical-Guide.pdf>.

¹³⁷³ Canada’s Asset Recovery Tools: A Practical Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/sites/star/files/Canada%E2%80%99s-Asset-Recovery-Tools-A-Practical-Guide.pdf>.

¹³⁷⁴ Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France.pdf>.

stolen assets, nor does it describe the necessary steps to return the stolen assets to the victims of these crimes.¹³⁷⁵ However, the guide is published in Arabic as prescribed in the commitment.¹³⁷⁶

The guide published by the French government largely focuses on Mutual Legal Assistance (MLA) or requests for MLAs. It includes the “General Guidelines for MLA” and “Practical Steps to Follow When Seeking Mutual Assistance from France.”¹³⁷⁷ These guidelines are welcomed but are not necessary to comply with the commitment. In addition, the guide details the procedures for freezing and confiscating assets.¹³⁷⁸ Although a large part of the guide is focused on the identification of assets, it fails to provide a plan for tracing the stolen assets.¹³⁷⁹ Furthermore, there is no mention of a plan or method to return the stolen assets to the proprietor(s) as mandated by the commitment.

The guide is available in French, English, and as specified by the commitment, in Arabic.¹³⁸⁰ It should be noted however, that the guide can only be found on the Stolen Asset Recovery Initiative (StAR) website, but not on the French Ministry of Foreign Affairs website.¹³⁸¹

France partly complies with the Camp David Summit Commitment on corruption. The Guide on Asset Recovery in France solely discusses the procedures for freezing and confiscating embezzled assets, and it does not provide information or steps required to trace and return the proceeds of corruption.¹³⁸² But the guide is available in Arabic, and thus, France is awarded a score of 0 for partial compliance.

Analyst: Camille Beaudoin

Germany: +1

Germany has fully complied with its commitment to promote transparency and effective cooperation in the recovery and return of stolen assets. Germany, as a member of the Deauville Partnership, with efforts to support Arabic countries in transition towards democracy, has published a guide that outlines the requirements for assistance and cooperation in all four areas of

¹³⁷⁵ Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France.pdf>.

¹³⁷⁶ Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France-%28Arabic%29.pdf>.

¹³⁷⁷ Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France.pdf>.

¹³⁷⁸ Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France.pdf>.

¹³⁷⁹ Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France.pdf>.

¹³⁸⁰ Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France-%28Arabic%29.pdf>.

¹³⁸¹ Country Guides for Asset Recovery, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/ArabForum/country-guides-asset-recovery-0>.

¹³⁸² Guide for Asset Recovery in France, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2013. <http://star.worldbank.org/star/sites/star/files/Guide-for-Asset-Recovery-in-France.pdf>.

tracing, freezing, confiscation and return of proceeds of corruption. The guide has been published in both German and Arabic and is physically accessible by the public.¹³⁸³

Furthermore, between 11 to 13 September 2012, Germany, as part of the G8, participated with 200 senior officials and 25 other countries in the Arab Forum on Asset Recovery held in Doha, Qatar. The State of Qatar and the United States Presidency of the G8 organized the meeting with support from the Stolen Asset Recovery Initiative.¹³⁸⁴

Thus, Germany receives a score of +1

Analyst: Michael Humeniuk

Italy: +1

Italy has fully complied with its commitment to publish a guide detailing how to receive assistance in recovering proceeds of corruption and it provided an Arabic translation of the guide.

In September 2012, the Government of Italy published a guide on the StAR website entitled “Italian Asset Recovery Tools and Procedures: A Practical Guide for International Cooperation.”¹³⁸⁵ The guide identifies bilateral treaties and multilateral conventions as the primary legal frameworks for receiving Mutual Legal Assistance (MLA), though Letters of Request not based in a treaty may also be accepted. The guide further details how to receive MLA from Italy and outlines the process of tracing, freezing, confiscating, and returning assets. Contact information for the relevant judicial authorities and police agencies is provided. The guide is available in English, French and Arabic versions, all of which can be downloaded by the public.¹³⁸⁶

Thus, Italy receives a score of +1 for publishing a guide detailing specific steps for asset recovery, as well as making it available in Arabic.

Analyst: Colin McEwen

Japan: 0

Japan has fully complied with its commitment to publish a guide on asset recovery laws and procedures and to make the guide available in Arabic.

In September 2012, the Government of Japan published a guide on the website of StAR entitled “Practical Guide for Assets Recovery: How to Return the Assets Concerned.”¹³⁸⁷

The guide specifies the process of receiving Mutual Legal Assistance from Japan in the locating, seizure, and returning of proceeds from corruption.¹³⁸⁸ The guide is available in English, French,

¹³⁸³ Vermögensabschöpfung im deutschen Recht, StAR (Germany). Date of access: 5 January 2013.

<http://star.worldbank.org/star/sites/star/files/Asset-Recovery-in-German-Law-%28German%29.pdf>

¹³⁸⁴ Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/ArabForum/About>.

¹³⁸⁵ Italian Asset Recovery Tools & Procedures: A Practical Guide for International Cooperation, Ministry of Foreign Affairs (Rome) September 2012. Date of Access: 28 May 2013.

star.worldbank.org/star/sites/star/files/Italy-Asset-Recovery-tools-and-procedures.pdf.

¹³⁸⁶ Country Guides for Asset Recovery, The Stolen Asset Recovery Initiative (Washington DC). Date of Access: 17 January 2013. <http://star.worldbank.org/star/ArabForum/country-guides-asset-recovery-0>.

¹³⁸⁷ Country Guides for Asset Recovery, The Stolen Asset Recovery Initiative (Washington DC). Date of Access: 17 January 2013. <http://star.worldbank.org/star/ArabForum/country-guides-asset-recovery-0>.

and Arabic and the public can download all three versions. However, an Arabic translation of Japan's report has not been published. The existing Arabic version seems to be identical to the one released by Italy and features contact information in Italy, and therefore does not constitute Japan's independent effort at making its own report available in Arabic.

While Japan's guide explains the process of tracing, freezing, confiscating, and returning the proceeds of corruption, its guide is not available in Arabic and therefore Japan receives a score of 0 for partial compliance.

Analyst: Colin McEwen

Russia: -1

Russia has failed to comply with the commitment on Asset Recovery.

On 11-13 September 2012, representatives of the Russian authorities participated in the first meeting of the Arab Forum on Asset Recovery in Doha. Head of the Office for Bilateral Cooperation of the International Cooperation Department of the Russian Federal Financial Monitoring Service I. Boychenko moderated a session on creating an enabling legal environment.¹³⁸⁹

In December 2012, the US G8 Presidency reported that Russia "is working, to complete the legal framework that will permit compilation of ... a guide [on Asset Recovery]."¹³⁹⁰

However, no information on Russia's publication of a guide that describes specific steps required for assistance and cooperation in the areas of tracing, freezing, confiscation, and return of proceeds of corruption has been found. The Stolen Asset Recovery Initiative (StAR) web-page indicates that the Russia's guide is "coming soon"¹³⁹¹

Thus, Russia has been awarded a score of -1.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to promote transparency and effective cooperation in asset recovery. It has published a guide that describes specific steps required for assistance and cooperation in all four areas of tracing, freezing, confiscation, and return of proceeds of corruption through formal mutual legal assistance (MLA) and it has made the guide available in Arabic. The guide is physically and economically accessible and can be obtained for use by the public.

From 11 to 13 September 2012, United Kingdom participated with 200 senior officials and 25 other countries in the Arab Forum on Asset Recovery held in Doha, Qatar.¹³⁹² The State of Qatar

¹³⁸⁸ Japan's Practical Guide for Assets Recovery: How to return the assets concerned. Ministry of Justice (Tokyo) September 2012. Date of Access: 27 December 2012. star.worldbank.org/star/sites/star/files/Japan-practical-guide-for-asset-recovery.pdf

¹³⁸⁹ Report of the First Meeting of the Arab Forum on Asset Recovery, STAR. Date of Access: 5 February 2013. http://star.worldbank.org/star/sites/star/files/report_arab_forum_on_asset_recovery.pdf.

¹³⁹⁰ Final Update on the U.S. G-8 Presidency, US Department of State 31 December 2012. Date of Access: 5 February 2013. <http://www.state.gov/documents/organization/202643.pdf>.

¹³⁹¹ Country Guides for Asset Recovery, STAR. Date of Access: 5 February 2013. <http://star.worldbank.org/star/ArabForum/country-guides-asset-recovery>.

¹³⁹² Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012. <http://star.worldbank.org/star/ArabForum/About>.

and the United States Presidency of the G8 organized the meeting with support from the Stolen Asset Recovery Initiative (StAR). As a requirement for the forum, the United Kingdom published a guide in both English¹³⁹³ and Arabic¹³⁹⁴ that contains tools and procedures on asset recovery measures. Specifically, the guide addresses all four areas required for assistance and cooperation. With regards to the tracing of assets, the guide emphasizes intelligence as the key component to securing asset confiscation and recovery and the development of more effective mutual legal aid requests.¹³⁹⁵

With respect to the freezing of assets and gathering evidence of corruption the guide states that if a foreign jurisdiction has evidence of proceeds of crime in the United Kingdom, it should submit an MLA request.¹³⁹⁶ Concerning the return of the proceeds of corruption, the guide points out that once proceeds of corruption have been located, “they will be disposed under the provisions of the United Nations Convention Against Corruption (UNCAC) and will be returned to recipient country.”¹³⁹⁷ Cases that do not fall under UNCAC can be shared with the recipient country if it enters into an asset sharing agreement with the United Kingdom.¹³⁹⁸

Accordingly, the United Kingdom has complied with its commitment to promote transparency and effective cooperation in asset recovery. It has been awarded a score of +1 for publishing a publicly accessible guide in English and Arabic that describes the specific steps required for assistance and cooperation in all four areas through mutual legal assistance.

Analyst: Selena Lucien

United States: +1

The United States (US) has entirely complied with its commitment to “enhance transparency by publishing a guide on its asset recovery laws and procedures”¹³⁹⁹ in order to move ahead with,

¹³⁹³ Obtaining Assistance from the United Kingdom in Asset Recovery: A Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012.

<http://star.worldbank.org/star/sites/star/files/UK-Guide-to-Asset-Recovery.pdf>.

¹³⁹⁴ Obtaining Assistance from the United Kingdom in Asset Recovery: A Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Initiative (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012.

<http://star.worldbank.org/star/sites/star/files/UK-Guide-to-Asset-Recovery-%28Arabic%29.pdf>

¹³⁹⁵ Obtaining Assistance from the United Kingdom in Asset Recovery: A Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Program (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012.

<http://star.worldbank.org/star/sites/star/files/UK-Guide-to-Asset-Recovery.pdf>.

¹³⁹⁶ Obtaining Assistance from the United Kingdom in Asset Recovery: A Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012 (English Version).

<http://star.worldbank.org/star/sites/star/files/UK-Guide-to-Asset-Recovery.pdf>

¹³⁹⁷ Obtaining Assistance from the United Kingdom in Asset Recovery: A Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Program (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012.

<http://star.worldbank.org/star/sites/star/files/UK-Guide-to-Asset-Recovery.pdf>.

¹³⁹⁸ Obtaining Assistance from the United Kingdom in Asset Recovery: A Guide for International Partners at the Stolen Asset Recovery Institute for the Arab Forum on Asset Recovery, The Stolen Asset Recovery Program (Qatar: Doha) 11-30 September 2012. Date of Access: 21 December 2012.

<http://star.worldbank.org/star/sites/star/files/UK-Guide-to-Asset-Recovery.pdf>.

¹³⁹⁹ Country Guides for Asset Recovery, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2012. <http://star.worldbank.org/star/ArabForum/country-guides-asset-recovery-0>.

and continue working on, the Deauville Partnership with Arab Countries in Transition.¹⁴⁰⁰ The guide is published by the Government of the United States and makes clear the steps necessary to investigate, freeze, seize, confiscate stolen assets, and enforce restraint and confiscation orders.¹⁴⁰¹ Additionally, the guide is available in Arabic.¹⁴⁰²

On 21 May 2012 the US published “The US Asset Recovery Tools and Procedures: A Practical Guide for International Cooperation Assistance in Asset Training.”¹⁴⁰³ The United States, has committed itself to both tracing and identifying stolen assets. The following are methods prescribed by the guide to accomplish the aforementioned task: informal evidence gathering, investigative networks, mutual legal assistance requests, 314(a) requests, and Egmont requests. Furthermore, the guide details the “US Confiscation Authority” as well as the “US Authority to Restrain Assets Based on Foreign Asset/Charge Enforcement Order,” complying with its commitment to confiscate and restrain stolen assets.

Lastly, the guide discusses the procedures and regulations in the case of “Asset Disposition/Return,” which entails the measures necessary to share forfeited assets with a foreign government that participated directly or indirectly in the investigation leading to forfeiture.¹⁴⁰⁴ The guide is also made available in Arabic to fully comply with the commitment. It should also be noted that the guide is accessible on both the US Department of State website,¹⁴⁰⁵ and the StAR (Stolen Asset Recovery Initiative) website.¹⁴⁰⁶

By publishing a guide that describes the specific steps required for assistance and cooperation in matters related to tracing, freezing, confiscation, and return of proceeds of corruption, and by making the guide available in Arabic, the USA fully complies with the commitment made at the Camp David Summit.¹⁴⁰⁷ Therefore, it is awarded a score of +1 for full compliance.

Analyst: Camille Beaudoin

¹⁴⁰⁰ Deauville Partnership With Arab Countries in Transition: Asset Recovery Action Plan, US Department of State (Washington, DC) 21 May 2012. Date of Access: 5 January 2013.

<http://www.state.gov/r/pa/prs/ps/2012/05/190489.htm>.

¹⁴⁰¹ US Asset Recovery Tools & Procedures: A Practical Guide for International Cooperation Assistance in Asset Training, US Department of State (Washington, DC) 21 May 2012. Date of Access: 5 January 2013.

<http://www.state.gov/documents/organization/190690.pdf>.

¹⁴⁰² Deauville Partnership With Arab Countries in Transition: Asset Recovery Action Plan, US Department of State (Washington, DC) 21 May 2012. Date of Access: 5 January 2013.

<http://www.state.gov/r/pa/prs/ps/2012/05/190489.htm>.

¹⁴⁰³ US Asset Recovery Tools & Procedures: A Practical Guide for International Cooperation Assistance in Asset Training, US Department of State (Washington, DC) 21 May 2012. Date of Access: 5 January 2013.

<http://www.state.gov/documents/organization/190690.pdf>.

¹⁴⁰⁴ US Asset Recovery Tools & Procedures: A Practical Guide for International Cooperation Assistance in Asset Training, US Department of State (Washington, DC) 21 May 2012. Date of Access: 5 January 2013.

<http://www.state.gov/documents/organization/190690.pdf>.

¹⁴⁰⁵ Deauville Partnership With Arab Countries in Transition: Asset Recovery Action Plan, US Department of State (Washington, DC) 21 May 2012. Date of Access: 5 January 2013.

<http://www.state.gov/r/pa/prs/ps/2012/05/190489.htm>.

¹⁴⁰⁶ Country Guides for Asset Recovery, Stolen Asset Recovery Initiative (Washington, DC) 2012. Date of Access: 6 January 2012. <http://star.worldbank.org/star/ArabForum/country-guides-asset-recovery-0>.

¹⁴⁰⁷ Deauville Partnership With Arab Countries in Transition: Asset Recovery Action Plan, US Department of State (Washington, DC) 21 May 2012. Date of Access: 5 January 2013.

<http://www.state.gov/r/pa/prs/ps/2012/05/190489.htm>.

European Union: -1

The European Union has not complied with its commitment to promote transparency and effective cooperation in the recovery and return of stolen assets. The EU has not published a comprehensive guide, or released any statements indicating which requirements, if any, is needed for assistance and cooperation in the four areas of tracing, freezing, confiscation and the return of proceeds of corruption. Thus, the EU has been given a -1.

Analyst: Michael Humeniuk

15. Health [14]

Commitment

“To protect public health and consumer safety, we also commit to exchange information on rogue internet pharmacy sites in accordance with national law and share best practices on combating counterfeit medical products.”

Camp David Declaration

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	+1		

Background

Since the 2000 G8 Summit in Okinawa, the G8 has consistently committed itself to tackling global health problems.¹⁴⁰⁸ During recent summits, however, it began recognizing a link between global health issues and Intellectual Property Rights (IPR) on the internet. However, this year marks the first time that the G8 has attempted to address global health concerns through the internet.

At the 2009 G8 Summit in L'Aquila, the G8 acknowledged the importance of innovation for addressing global policy challenges in the area of global public health. It also expressed a belief that innovation can be promoted by ensuring an effective Intellectual Property Rights (IPR) system at the international level.¹⁴⁰⁹

At the 2010 G8 Summit in Muskoka, member states launched the Muskoka Initiative for Maternal, Newborn and Child Health according to which they would seek to improve maternal health and reduce child mortality as a means to fulfill their Millennium Development Goals.¹⁴¹⁰ This undertaking was aimed at strengthening country-led national health systems in developing countries in order to enable successful delivery.¹⁴¹¹

¹⁴⁰⁸ Responsible Leadership for a Sustainable Future, G8 Information Centre (Toronto) 8 July 2009. Date of access: 18 December 2012. <http://www.g8.utoronto.ca/summit/2009laquila/2009-declaration.html#health>.

¹⁴⁰⁹ Responsible Leadership for a Sustainable Future, G8 Information Centre (Toronto) 8 July 2009. Date of access: 18 December 2012. <http://www.g8.utoronto.ca/summit/2009laquila/2009-declaration.html>.

¹⁴¹⁰ Muskoka Declaration: Recovery and New Beginnings, G8 Information Centre (Toronto) 26 June 2010. Date of access: 18 December 2012. <http://www.g8.utoronto.ca/summit/2010muskoka/communique.html>.

¹⁴¹¹ Muskoka Declaration: Recovery and New Beginnings, G8 Information Centre (Toronto) 26 June 2010. Date of access: 18 December 2012. <http://www.g8.utoronto.ca/summit/2010muskoka/communique.html>.

Member states reaffirmed their commitment to the Muskoka Initiative at the 2011 G8 Summit in Deauville.¹⁴¹² At Deauville, member states also committed themselves to protecting IPR on the internet, specifying that national legal frameworks must improve the protection of intellectual property, in particular copyright, trademarks, trade secrets and patents in cyberspace.¹⁴¹³ The G8 viewed a strong intellectual property system as an incentive to innovate and a catalyst for economic growth.¹⁴¹⁴

During the 2012 Camp David Summit, the G8 announced a goal of promoting economic growth and job creation in order to help the global economic recovery.¹⁴¹⁵ Given the perceived importance of intellectual property rights for stimulating economic growth, the G8 affirmed the significance of high standards of IPR protection and enforcement, both through international legal means and mutual assistance agreements.¹⁴¹⁶ Its commitment to exchange information on rogue internet pharmacy sites and experience in combating counterfeit medical products is a corollary of its commitment to protect IPR through mutual assistance.¹⁴¹⁷

Commitment Features

The commitment has two parts and both must be fulfilled in order for the commitment to be fully satisfied.

The first part commits member states to exchange information on rogue internet pharmacy sites in accordance with national law. To fulfill this part of the commitment, exchanging information with at least one other member state of the G8 is requisite.

The second part demands that member states share best practices on combating counterfeit medical products. The sharing must take place between the state and at least one other member of the G8. “Best practices” in this context can be any practices the state deems as optimal. Thus, whatever practices a state decides to share can qualify as “best practices.” “Sharing” can take many forms and can range from a simple exchange of information in a report that is made available to other G8 member(s), as long as there exists evidence that the exchange of information took place, to a member state hosting an international conference or a ministerial meeting on this issue. In addition, to satisfy the commitment, a state need only discuss or begin solving the issue, and it is therefore not required that it finalize its approach to this issue.

Scoring

-1	The member country has not exchanged information on rogue internet pharmacy sites in accordance with national law with any of the other member(s) of the G8 AND it has not shared practices it deems best for combating counterfeit medical products
----	--

¹⁴¹² G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of access: 18 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html>.

¹⁴¹³ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of access: 7 December, 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html>.

¹⁴¹⁴ ¹⁴¹⁴ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of access: 7 December, 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html>.

¹⁴¹⁵ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

¹⁴¹⁶ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

¹⁴¹⁷ Camp David Declaration, G8 Information Centre (Toronto) 19 May 2012. Date of access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-declaration.html>.

	with any other member(s) of the G8.
0	The member country has exchanged information on rogue internet pharmacy sites in accordance with national law with any of the other member(s) of the G8 OR it has shared practices it deems best for combating counterfeit medical products with any other member(s) of the G8.
+1	The member country has exchanged information on rogue internet pharmacy sites in accordance with national law with any of the other member(s) of the G8 AND it has shared practices it deems best for combating counterfeit medical products with any other member(s) of the G8.

Lead Analyst: Anna Postelnyak

Canada: +1

Canada has fully complied with its commitment to exchange information on rogue internet pharmacy sites in accordance with national law and to share the practices it deems best for combating counterfeit medical products with other members of the G8.¹⁴¹⁸ Canada continues to participate in international organizations dedicated to combating online pharmaceutical crime and to partake in international efforts, such as Operation Pangea V, that aim to curb the illicit online sale of medicines.¹⁴¹⁹

From 25 September to 2 October 2012, the RCMP collaborated with the Canada Border Services Agency (CBSA), INTERPOL, and other international organizations as part of an international effort to combat the illegal distribution of pharmaceuticals online in an operation called Pangea V.¹⁴²⁰ This annual operation tackles the online sale of illegal and falsified medicines, and raises awareness about the dangers of using medicines purchased from unauthorized dealers online.¹⁴²¹ Customs, health regulators, national police and private sector groups from 100 countries participated in this event. In Canada, 3799 packages were inspected, of which 2185 were seized, and over CAD1 million worth of illicit and fake pills originating from 18 countries were confiscated.¹⁴²²

Among the drugs seized were sleeping pills, anti-depressants, heart medications, weight loss products, erectile dysfunction drugs, and hormone replacement therapies.¹⁴²³ Several investigations have been initiated as a result of the importation and distribution of these counterfeit and illicit pharmaceuticals.¹⁴²⁴ As well, approximately 4000 websites affiliated with Canada are now under investigation by Canadian authorities for allegedly engaging in illegal pharmaceutical related activity.¹⁴²⁵

¹⁴¹⁸ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴¹⁹ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴²⁰ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴²¹ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴²² Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴²³ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴²⁴ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴²⁵ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

On 4 October 2012, RCMP Commissioner Bob Paulson was quoted as saying, “the RCMP recognizes that fighting this type of crime requires an international effort. We strongly support INTERPOL and work hand in hand with our partners in Canada and abroad in bringing global attention to the dangers of online sales of counterfeit and illicit medicines.”¹⁴²⁶

From 19 to 21 November 2012, Canada came together with other members of the World Health Organization (WHO) to discuss international cooperation in combatting the distribution of counterfeit medical products.¹⁴²⁷ Canada was represented at the meeting by Ms. K. Dayman-Rutkis, Director, Health Products and Food Branch Inspectorate, Health Canada, and Ms. Melissa Ramphal, Senior Policy Analyst, Office of International Affairs for the Health Portfolio, Public Health Agency.¹⁴²⁸ The meeting concluded with the WHO delegates agreeing to a work-plan that requires cooperation from national authorities in order to share the best practises and experiences related to combatting the problem on counterfeit medical products.¹⁴²⁹ It was also agreed upon at the meeting that a global committee of two delegates from each WHO region would be responsible for ensuring that the work-plan got implemented.¹⁴³⁰ In addition to the WHO, it should be noted that Canada maintains open lines of communication with other members of the G8 though various international bodies, one being the Permanent Forum on International Pharmaceutical Crime (PFIPC).¹⁴³¹

Thus, Canada has been awarded a score of +1 for its participation in international organizations dedicated to combatting online pharmaceutical crime and its contributions to INTERPOL’s Operation Pangea V.¹⁴³²

Analyst: Andrea Farquharson

France: +1

France has fully complied with its commitment to exchange information on optimal practices for combating counterfeit medical products and rogue internet pharmacy sites

On 25 September 2012, INTERPOL initiated Operation Pangea V.¹⁴³³ The global initiative involving 100 countries, including France, aimed to address illegal sales of pharmaceuticals online. During this operation the French customs seized more than 427000 drugs from smuggling

¹⁴²⁶ Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴²⁷ First Meeting of the Member State Mechanism on Substandard/Spurious/Falsely-Labelled/Falsified/Counterfeit Medical Products, the World Health Organization (Geneva) 26 October 2012. Date of Access: 17 January 2013. http://apps.who.int/gb/ssffc/pdf_files/ssffc-listofparticipants.pdf.

¹⁴²⁸ First Meeting of the Member State Mechanism on Substandard/Spurious/Falsely-Labelled/Falsified/Counterfeit Medical Products, the World Health Organization (Geneva) 26 October 2012. Date of Access: 17 January 2013. http://apps.who.int/gb/ssffc/pdf_files/ssffc-listofparticipants.pdf.

¹⁴²⁹ New Global Mechanism to Combat Substandard/Spurious/ Falsely Labelled/Falsified/Counterfeit Medical Products, the World Health Organization (Geneva) 27 November 2012. Date of Access: 17 January 2013. http://www.who.int/medicines/news/TRA-SE_EMP.pdf.

¹⁴³⁰ New Global Mechanism to Combat Substandard/Spurious/ Falsely Labelled/Falsified/Counterfeit Medical Products, the World Health Organization (Geneva) 27 November 2012. Date of Access: 17 January 2013. http://www.who.int/medicines/news/TRA-SE_EMP.pdf.

¹⁴³¹ News, PFIPC (n.a.) 9 January 2013. Date of Access: 14 January 2013. <http://pfipc.org/who-we-are>.

¹⁴³² Canada News Centre, Government of Canada (Ottawa) 4 October 2012. Date of Access: 14 January 2013. <http://news.gc.ca/web/article-eng.do?nid=698819>.

¹⁴³³ Agence nationale de sécurité du médicament et des produits de santé (France) 4 October 2012. Date of Access: 2 January 2013 http://ansm.sante.fr/var/ansm_site/storage/original/application/9cbdd73839bfd7b0fa250770e996cad6.pdf.

and counterfeiting and identified 236 illegal sites for online pharmacies, 52 of which were under French domain.¹⁴³⁴

France fulfilled its commitment to sharing information on combating rogue internet pharmacies selling illegal pharmaceuticals online by attending the Conference Pharmacrime 2012 at Brussels on 22-23 October 2012.¹⁴³⁵ The conference stated that one of its objectives was “[reinforcing] networking among European investigators.”¹⁴³⁶ Although there is no explicit mention of information exchange between France and other member states of the G8, the attendance of the conference is an act of compliance to the commitment.¹⁴³⁷

In addition to sharing information, France has taken concrete steps towards combating counterfeit medical products intra-nationally. On 19 December 2012, the Minister of Social Affairs and Health Marisol Touraine put forth an order for strengthening the security of the supply chain for online drug sales.¹⁴³⁸

In exchanging information at conferences and participating in international initiatives for addressing counterfeit online pharmaceutical sales, France has been given a score of +1.

Analyst: Nicholas Chong

Germany: +1

Germany has completely complied with its commitment to protect public health and consumer safety. It has exchanged information on rogue internet pharmacy sites with other nations and organizations, and it has also shared a solution to combat counterfeit medical products.

On 7-8 May 2012, Germany hosted its third annual conference on counterfeit medicines at the University of Würzburg. In attendance as speakers were individuals from Germany, France, and Switzerland, and via videoconference, a participant from the United States. The conference focused on everything from current challenges to solutions, and included case studies as well.¹⁴³⁹

Germany has also proposed to implement a security measure for its legitimate pharmaceutical websites known as securPharm. The project started on 31 August 2011 and was jointly established by the pharmaceutical associations (ABDA, BAH, BPI, PHAGRO and vfa).¹⁴⁴⁰ The

¹⁴³⁴ Agence nationale de sécurité du médicament et des produits de santé (France) 4 October 2012. Date of Access: 2 January 2013

http://ansm.sante.fr/var/ansm_site/storage/original/application/9cbdd73839bfd7b0fa250770e996cad6.pdf

¹⁴³⁵ Conference Pharmacrime 2012 (Brussels) 22-23 October 2012. Date of Access: 4 January 2013.

<http://www.pharmacrime.eu/agenda20Oct.pdf>

¹⁴³⁶ Conference Pharmacrime 2012 (Brussels) 22-23 October 2012. Date of Access: 4 January 2013.

<http://www.pharmacrime.eu/agenda20Oct.pdf>

¹⁴³⁷ Conference Pharmacrime 2012 (Brussels) 22-23 October 2012. Date of Access: 4 January 2013.

<http://www.pharmacrime.eu/agenda20Oct.pdf>

¹⁴³⁸ Ordonnance n° 2012-1427 du 19 décembre 2012 relative au renforcement de la sécurité de la chaîne d’approvisionnement des médicaments, à l’encadrement de la vente de médicaments sur internet et à la lutte contre la falsification de médicaments, Legifrance (France) 21 December 2012. Date of Access: 4 January 2012.

<http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000026805101&dateTexte=&oldAction=rechJO&categorieLien=id>

¹⁴³⁹ Strategies against falsified/counterfeit medicines (Würzburg) 7-8 May 2012. Date of access: 25 January 2013. http://www.gmp-compliance.org/daten/training/eca_counterfeit_2012_.pdf

¹⁴⁴⁰ DataMatrix Code on Pharmaceutical Packaging-Pilot Project starting in January, the European Compliance Academy (Würzburg) 31 October 2012. Date of access: 28 January 2013. http://www.gmp-compliance.org/eca_news_03374.html.

objective of the project is to implement the new safety features for medicinal products required in the new EU Directive 2001/83 (Pharma Directive).¹⁴⁴¹ The initiative's goal is to prevent falsified products from entering the legal supply chain through clear identification.¹⁴⁴² The SecurPharm initiative has announced that a nationwide pilot project will be started from January 2013 in Germany to test its safety features.¹⁴⁴³

Between 25 September 2012 and 2 October 2012 Germany, in participation with INTERPOL, the United States Food and Drug Administration, and various other G8 nations, globally executed Operation Pangea V during the International Internet Week of Awareness.^{1444 / 1445} This collaborative effort resulted in the closure of more than 18000 illegal pharmaceutical websites.¹⁴⁴⁶

Germany has participated in a joint effort with other nations, some of whom are G8 members and INTERPOL in an exchange of information relating to rogue internet pharmacy sites. It has also shared methods on combating counterfeit medical products. Thus, Germany receives a score of +1 for its compliance with both parts of the commitment.

Analyst: Kriti Bhatt

Italy: +1

Italy has fully complied with its commitment, as it has shared best practices to combat rogue internet pharmacy sites and counterfeit medicines.

On 11 December 2012, the Italian Department of Health released its 2011 Report on the Health Status of the Country. According to the report, the Italian Medicines Agency (AIFA) has increased counterfeit operator training, published books regarding counterfeit medicines, supported customs activities to seize counterfeit medicines, and also supported police activities in order to block illegal internet pharmacy sites.¹⁴⁴⁷

AIFA is also currently working on implementing the directives of the European Union (EU) and incorporating the Council of Europe MediCrime Convention into national law.¹⁴⁴⁸ These directives will further strengthen the controls on the pharmaceutical supply chain, as well as

¹⁴⁴¹ German Initiative 2D Matrix Code SecurPharm started on 31 August, the European Compliance Academy (Würzburg) 7 September 2011. Date of Access: 28 January 2013. http://www.gmp-compliance.org/eca_news_2767_7009.html.

¹⁴⁴² German Initiative 2D Matrix Code SecurPharm started on 31 August, the European Compliance Academy (Würzburg) 7 September 2011. Date of Access: 28 January 2013. http://www.gmp-compliance.org/eca_news_2767_7009.html.

¹⁴⁴³ DataMatrix Code on Pharmaceutical Packaging-Pilot Project starting in January, the European Compliance Academy (Würzburg) 31 October 2012. Date of access: 28 January 2013. http://www.gmp-compliance.org/eca_news_03374.html.

¹⁴⁴⁴ Global Crackdown on Illicit Online Pharmacies, Interpol (Lyon) 4 October 2012. Date of access: 19 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁴⁵ Interpol Crackdown on Illicit Online Pharmacies, Efpia (Brussels) 11 November 2012. Date of access: 21 January 2013. <http://www.efpia.eu/press-releases/interpol-crackdown-illicit-online-pharmacies>.

¹⁴⁴⁶ FDA takes action against thousands of illegal pharmacies, U.S. Food and Drug Administration (Maryland) 4 October 2012. Date of access: 19 January 2013. <http://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm322492.htm>.

¹⁴⁴⁷ Report of the Health Status of Country 2011, Ministero della Salute (Rome). Date of Access: 7 January 2013. http://www.rssp.salute.gov.it/rssp2011/documenti/RSSP_2011_Inglese_web.pdf.

¹⁴⁴⁸ Report of the Health Status of Country 2011, Ministero della Salute (Rome). Date of Access: 7 January 2013. http://www.rssp.salute.gov.it/rssp2011/documenti/RSSP_2011_Inglese_web.pdf.

allow the rules of criminal law that cover medicine and health products to apply to cases of forgery.¹⁴⁴⁹

Over the last year, AIFA also developed IT intelligence projects that ensure the monitoring of the internet and the identification of illegal online pharmacies, while participating in transnational police efforts to curb counterfeit medicine trafficking, such as INTERPOL's Operation Pangea V.¹⁴⁵⁰ The operation, which took place from September to October 2012, spanned 100 countries and aimed to disrupt the networks behind the illicit sale of online medicines.¹⁴⁵¹ Overall, 3.75 million counterfeit pills were confiscated, more than 18000 websites were shut down, and approximately 80 civilians are currently under investigation or arrest for a variety of offences, such as operating a laboratory producing counterfeit medicine, and operating websites selling illegal medicine.¹⁴⁵²

As a result of AIFA's work both domestically and internationally, Italy has fully complied with its G8 health commitment and thus has earned a score of +1.

Analyst: David Cosolo

Japan: +1

Japan has fully complied with its commitment to exchange information on rogue internet pharmacy sites and to share optimal practices of combating counterfeit medical products.

On 13 March 2012, preceding the Camp David Summit, Japan attended the First Asia Partnership Conference of Pharmaceutical Associations (APCPA).¹⁴⁵³ The conference dedicated discussion to addressing "electronic information dissemination" in efforts to create an efficient method of information exchange on rogue internet pharmacies.¹⁴⁵⁴

Following the conference, Japan has shown a continued commitment in a press release announcing the ongoing collaboration between the Japan Pharmaceutical Manufacturers Association (JPMA), International Federation of Pharmaceutical Manufacturers and Associations (IFPMA), Pharmaceutical Research and Manufacturers of America (PhRMA), and European Federation of Pharmaceutical Industries and Associations (EFPIA).¹⁴⁵⁵ The four associations

¹⁴⁴⁹ Report of the Health Status of Country 2011, Ministero della Salute (Rome). Date of Access: 7 January 2013. http://www.rssp.salute.gov.it/rssp2011/documenti/RSSP_2011_Inglese_web.pdf.

¹⁴⁵⁰ Report of the Health Status of Country 2011, Ministero della Salute (Rome). Date of Access: 7 January 2013. http://www.rssp.salute.gov.it/rssp2011/documenti/RSSP_2011_Inglese_web.pdf.

¹⁴⁵¹ Global crackdown on illicit online pharmacies, INTERPOL (Lyon) 4 October 2012. Date of Access: 6 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁵² Operation Pangea, INTERPOL (Lyon). Date of Access: 6 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁵³ The First Asian Partnership Conference of Pharmaceutical Associations (Tokyo) 16 March 2012. Date of Access: 8 January 2013. <http://www.jpma.or.jp/english/parj/pdf/2012.pdf>

¹⁴⁵⁴ The First Asian Partnership Conference of Pharmaceutical Associations (Tokyo) 16 March 2012. Date of Access: 8 January 2013. <http://www.jpma.or.jp/english/parj/pdf/2012.pdf>

¹⁴⁵⁵ Global pharmaceutical industry calls for broad-based cooperation to fight online sales of counterfeit medicines around the world (Washington) 23 July 2012 Date of Access: 8 January 2013. www.jpma.or.jp/media/release/pdf/120724_01_e.pdf

released a joint statement on 23 July 2012 announcing the collaborative planning to combat counterfeit medical products from online pharmacies.¹⁴⁵⁶

On 25 September 2012, Japan participated in the Interpol-initiated Operation Pangea V.¹⁴⁵⁷ The operation aimed to address illegal sales of pharmaceuticals online. By the end of the international project on 2 October 2012, 3.75 million illicit counterfeit pills were confiscated and more than 18000 websites were shut down.¹⁴⁵⁸

Japan has fully complied with its commitments and has been awarded +1 for attending the First APCPA, participating in Operation Pangea V, and continuing the initiatives of the international information exchange on addressing the issue of rogue internet pharmacy sites.

Analyst: Nicholas Chong

Russia: +1

Russia has fully complied with the commitment on health.

Russia has taken actions to exchange information on rogue internet pharmacy sites in accordance with national law with other G8 members.

On 25 October — 2 November 2012, Russia along with other INTERPOL members, including all G8 countries, participated in Operation Pangea V aimed at combating the market of fake and illicit medicines. National Central Bureau of INTERPOL, Russian Ministry of the Interior, Federal Customs Service, and other government agencies took part in the operation. The outcomes include sharing information on more than 100 rogue internet pharmacy sites registered in Russia and abroad with the Coordination Center of the INTERPOL General Secretariat and national authorities of other participating countries.¹⁴⁵⁹

Russia has shared practices it deems best for combating counterfeit medical products with other G8 members.

On 22-24 October 2012, the Russian Ministry of Industry and Trade and NGO «Anti-counterfeiting» co-organized the first international forum «Anti-counterfeiting». Participants, including top Russian officials, heads of major international companies, leading experts in the field of intellectual property rights protection, including those from France and the US, discussed ways of combating illegal production of consumer goods, such as food, medicines, and cosmetics.¹⁴⁶⁰

During the compliance period Russia has shared practices it deems best for combating counterfeit medical products, and taken actions to exchange information on rogue internet pharmacy sites in accordance with national law with other G8 members. Thus, it has been awarded a score of +1.

¹⁴⁵⁶ Global pharmaceutical industry calls for broad-based cooperation to fight online sales of counterfeit medicines around the world (Washington) 23 July 2012 Date of Access: 8 January 2013. www.jpma.or.jp/media/release/pdf/120724_01_e.pdf

¹⁴⁵⁷ Global crackdown on illicit online pharmacies, INTERPOL (Lyon) 4 October 2012. Date of Access: 17 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁵⁸ Global crackdown on illicit online pharmacies, INTERPOL (Lyon) 4 October 2012. Date of Access: 17 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁵⁹ National Central Bureau of INTERPOL of the Russian Ministry of the Interior has summarized the outcomes of international operation «Pangea», Russian Ministry of the Interior 4 October 2012. Date of Access: 31 January 2012. <http://mvd.ru/news/item/146578/>

¹⁴⁶⁰ For the civilized market without fakes and counterfeit products, Anti-Counterfeiting 2012. Date of Access: 24 January 2012. <http://en.forum-antiktrafakt.ru/index/>

Analyst: Andrei Sakharov

United Kingdom: +1

The United Kingdom has fully complied with this commitment, as it has shared information regarding rogue internet pharmacy sites and combating the spread of counterfeit medications.

In March 2012, the UK's Medicines and Healthcare Products Regulatory Agency (MHRA) released a report entitled "Falsified Medical Products Strategy 2012-2015." The document is a follow-up to the agency's 2007 anti-counterfeiting strategy and deals with counterfeit medical products in the United Kingdom. Ultimately, the MHRA hopes to implement measures to prevent falsified medical products from reaching patients, ensure a timely response to incidents involving falsified medical products, and use the law proportionately against those involved in the manufacture and distribution of counterfeit medical products.¹⁴⁶¹ The MHRA is working with local police forces, the UK Government at large, as well as international institutions such as the World Health Organization (WHO), the Permanent Forum on International Pharmaceutical Crime (PFIPC), the Council of Europe (CoE), and INTERPOL among others.¹⁴⁶²

From September to October 2012, the United Kingdom took part in INTERPOL's Operation Pangea V. The operation, which spanned 100 countries, aimed to disrupt the networks behind the illicit sale of online medicines.¹⁴⁶³ Approximately 3.75 million counterfeit pills were confiscated, more than 18000 websites were shut down, and some 80 civilians are currently under investigation or arrest for a variety of offences, such as operating a laboratory producing counterfeit medicines and operating websites selling illegal medicines.¹⁴⁶⁴ The operation as a whole involved police, customs officers, and national regulatory authorities, and also required the help of corporations such as Mastercard, Visa, and PayPal.¹⁴⁶⁵

In the United Kingdom, officers from the MHRA, together with local police, arrested two people and raided ten addresses as a part of the operation.¹⁴⁶⁶ Furthermore, the MHRA, in conjunction with the Border Force, seized more than 2.3 million doses of unlicensed medicine, worth approximately GBP3.8 million, including 68000 doses of counterfeit pills.¹⁴⁶⁷ Since then, the MHRA has been working with local police forces and international partners to tackle spam emails regarding counterfeit medicines.

In February 2013, the MHRA announced that only medicines that have been licensed for sale in the UK and labeled in English can be sold and supplied legally in the UK.¹⁴⁶⁸ This official

¹⁴⁶¹ Falsified Medical Products Strategy 2012-2015, MHRA (London) March 2012. Date of Access: 7 January 2013. <http://www.mhra.gov.uk/home/groups/ei/documents/websiteresources/con149816.pdf>.

¹⁴⁶² Falsified Medical Products Strategy 2012-2015, MHRA (London) March 2012. Date of Access: 7 January 2013. <http://www.mhra.gov.uk/home/groups/ei/documents/websiteresources/con149816.pdf>

¹⁴⁶³ Global crackdown on illicit online pharmacies, INTERPOL (Lyon) 4 October 2012. Date of Access: 6 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁶⁴ Operation Pangea, INTERPOL (Lyon). Date of Access: 6 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁶⁵ Global crackdown on illicit online pharmacies, INTERPOL (Lyon) 4 October 2012. Date of Access: 6 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁶⁶ RPS speaks out about counterfeit medicines, Royal Pharmaceutical Society (London) 5 October 2012. Date of Access: 6 January 2013. http://www.rpharms.com/pressreleases/pr_show.asp?id=666.

¹⁴⁶⁷ RPS speaks out about counterfeit medicines, Royal Pharmaceutical Society (London) 5 October 2012. Date of Access: 6 January 2013. http://www.rpharms.com/pressreleases/pr_show.asp?id=666.

¹⁴⁶⁸ Press Release: MHRA concerned over increase in sales of unlicensed European medicines in the UK, MHRA (London). Date of Access: 28 May 2013. <http://www.mhra.gov.uk/NewsCentre/Pressreleases/CON234560>

guidance came as a response to the drastic increase in unlicensed medicines originating in Poland and Eastern Europe, being sold in the UK. The MHRA hopes that this guidance will overcome any misunderstanding about product status.¹⁴⁶⁹

By drafting a national strategy to combat illicit medical products, working with international stakeholders, and aiding in INTERPOL's efforts to curb rogue Internet pharmacy sites, the United Kingdom has fully complied with the stated commitment and thus has earned a score of +1.

Analyst: David Cosolo

United States: +1

The United States has complied with its commitment to exchange information on rogue internet pharmacy sites in accordance with national law and has shared the practices it deems best for combating counterfeit medical products with other members of the G8. Notably, the United States continues to engage in international forums on pharmaceutical crime.¹⁴⁷⁰ It also persists in collaborating with INTERPOL and other international organizations' efforts to combat the online presence of counterfeit drugs.¹⁴⁷¹

On 28 September 2012, officials from the United States participated in a conference called Partnership for Safe Medicines Interchange 2012.¹⁴⁷² This annually held conference brought together policymakers, law enforcement, healthcare partners, pharmaceutical manufacturers, and anti-counterfeiting groups to discuss the public health risks of counterfeit drugs and potential solutions to the problem, with particular attention paid to online sales.¹⁴⁷³ A keynote speaker for the conference was Food and Drug Administration (FDA) commissioner Margaret Hamburg.¹⁴⁷⁴ Other government officials from the United States and the United Kingdom were also present.¹⁴⁷⁵

From 25 September to 2 October 2012, the United States took part in an international effort to combat the sale of illegal medicines online called Operation Pangea V.¹⁴⁷⁶ Coordinated by INTERPOL in partnership with several other international organizations, this annual operation tackled the online distribution of counterfeit and illicit medicines, and served to raise awareness about the hazards associated with purchasing medicines online.¹⁴⁷⁷ The participants of this event

¹⁴⁶⁹ Press Release: MHRA concerned over increase in sales of unlicensed European medicines in the UK, MHRA (London). Date of Access: 28 May 2013.

<http://www.mhra.gov.uk/NewsCentre/Pressreleases/CON234560>

¹⁴⁷⁰ Who We Are, PFIPC (n.a.) January 2013. Date of Access: 7 January 2013. <http://pfipc.org/who-we-are>.

¹⁴⁷¹ Global Crackdown on Illicit Online Pharmacies, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁷² Archive of the Conference, The Partnership for Safe Medicines (Virginia) 28 September 2012. Date of Access: 14 January 2013. <http://www.safemedicines.org/counterfeit-drug-conference-2012.html>.

¹⁴⁷³ Featured Story, The Partnership for Safe Medicines (Virginia) 14 January 2013. Date of Access: 14 January 2013. <http://www.safemedicines.org>.

¹⁴⁷⁴ Archive of the Conference, The Partnership for Safe Medicines (Virginia) 28 September 2012. Date of Access: 14 January 2013. <http://www.safemedicines.org/counterfeit-drug-conference-2012.html>.

¹⁴⁷⁵ Archive of the Conference, The Partnership for Safe Medicines (Virginia) 28 September 2012. Date of Access: 14 January 2013. <http://www.safemedicines.org/counterfeit-drug-conference-2012.html>.

¹⁴⁷⁶ Global Crackdown on Illicit Online Pharmacies, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁷⁷ Global Crackdown on Illicit Online Pharmacies, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

included customs, health regulators, national police, and private sector affiliates from 100 countries.¹⁴⁷⁸

The operation targeted the three key components used to carry out illegal trade by websites: the Internet Service Providers (ISPs), the payment systems, and the delivery service.¹⁴⁷⁹ As a result of this effort, 3.75 million illicit and counterfeit pills, valued at approximately USD10.5 million, were confiscated.¹⁴⁸⁰ In addition, more than 18 000 websites were shut down, 133 000 packages were inspected, and 6700 packages were confiscated.¹⁴⁸¹ Investigations and arrests of about 80 individuals for a range of offenses are ongoing as well.¹⁴⁸²

In the United States, Operation Pangea V helped further another effort called Project Bitter Pill.¹⁴⁸³ The rise of illegal medications in the United States has increased the risk to consumers in the United States.¹⁴⁸⁴ Project Bitter Pill was conducted as part of Operation in Our Sites, and managed by the National IPR Coordination Center, with the participation of the FDA, Customs and Boarder Protection, Immigration Customs Enforcement, Federal Bureau of Investigation, and the Department of Justice. Private companies such as Legitscript, Visa, Mastercard, and Paypal also assisted in identifying individuals and blocking payments connected to these illicit dealings.¹⁴⁸⁵

Among the falsified drugs seized in the United States during Bitter Pill were acne medications, antibiotics, and erectile dysfunction medications, to name a few.¹⁴⁸⁶ Furthermore, according to the ICE, 686 domain names have been seized by Homeland Security as part of this project for engaging in illicit online pharmaceuticals activities.¹⁴⁸⁷ According to an FDA announcement, the FDA sent warning letters to 4100 companies during Operation Pangea V.¹⁴⁸⁸ The director for FDA's Office of Criminal Investigation stated that, "because these criminals do not respect

¹⁴⁷⁸ Global Crackdown on Illicit Online Pharmacies, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁷⁹ Operations, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/Crime-areas/Pharmaceutical-crime/Operations/Operation-Pangea>.

¹⁴⁸⁰ Global Crackdown on Illicit Online Pharmacies, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁸¹ Global Crackdown on Illicit Online Pharmacies, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁸² Global Crackdown on Illicit Online Pharmacies, INTERPOL (France) 4 October 2012. Date of Access: 7 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁴⁸³ HSI seizes 686 websites selling counterfeit medicine to unsuspecting consumers, ICE (Washington) 4 October 2012. Date of Access: 7 January 2013. <http://www.ice.gov/news/releases/1210/121004washingtondc.htm>.

¹⁴⁸⁴ HSI seizes 686 websites selling counterfeit medicine to unsuspecting consumers, ICE (Washington) 4 October 2012. Date of Access: 7 January 2013. <http://www.ice.gov/news/releases/1210/121004washingtondc.htm>.

¹⁴⁸⁵ HSI seizes 686 websites selling counterfeit medicine to unsuspecting consumers, ICE (Washington) 4 October 2012. Date of Access: 7 January 2013. <http://www.ice.gov/news/releases/1210/121004washingtondc.htm>.

¹⁴⁸⁶ HSI seizes 686 websites selling counterfeit medicine to unsuspecting consumers, ICE (Washington) 4 October 2012. Date of Access: 7 January 2013. <http://www.ice.gov/news/releases/1210/121004washingtondc.htm>.

¹⁴⁸⁷ HSI seizes 686 websites selling counterfeit medicine to unsuspecting consumers, ICE (Washington) 4 October 2012. Date of Access: 7 January 2013. <http://www.ice.gov/news/releases/1210/121004washingtondc.htm>.

¹⁴⁸⁸ FDA takes action against thousands of illegal Internet pharmacies, FDA (Maryland) 4 October 2012. Date of Access: 7 January 2013. <http://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm322492.htm>.

international borders [...] international cooperation is the best way to protect the American public from the risk of unsafe drugs.”¹⁴⁸⁹

To that end, from 19-21 November 2012, representatives from the United States met with other members of the World Health Organizations (WHO) to discuss the role of international collaboration in the fight against falsified medical products.¹⁴⁹⁰ At the conclusion of the meeting, a work-plan necessitating the collaboration of national authorities to fight the distribution of counterfeit medical products was agreed upon.¹⁴⁹¹ Further, the representatives established a global committee comprised of two delegates from each WHO region to ensure the work-plan was implemented.¹⁴⁹²

From 22 to 23 October 2012, representatives from the FDA participated in a conference on ‘Pharmacrime’ organized by EUJUST and several partners.¹⁴⁹³ The conference was entitled “Methodologies for investigations on medicines, including falsified medicinal products, sold illegally over the internet.”¹⁴⁹⁴ The objectives of the conference were “to discuss and improve new guidelines on investigation methods against falsified medicines” and “to reinforce networking among European investigators.”¹⁴⁹⁵ Before the conference, a draft guide on investigation methodologies for internet falsified drug related crime was distributed to all participants.

After the conference, the guide was updated with the views and suggestions of the delegates, and prepared for publication and distribution to select European Union (EU) authorities.¹⁴⁹⁶ Listed as attendees of the conference were Austria, Belgium, Cyprus, Czech Republic, Finland, France, Germany, Greece, Hungary, Ireland, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, the Slovak Republic, the Republic of Slovenia, Sweden, United Kingdom, the United States, INTERPOL, and IRACM.¹⁴⁹⁷ Officers in charge of medicine investigations where the internet is a crime facilitator were encouraged to attend.¹⁴⁹⁸

¹⁴⁸⁹ FDA takes action against thousands of illegal Internet pharmacies, FDA (Maryland) 4 October 2012. Date of Access: 7 January 2013.

<http://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm322492.htm>.

¹⁴⁹⁰ FIRST MEETING OF THE MEMBER STATE MECHANISM ON SUBSTANDARD/SPURIOUS/FALSELY-LABELLED/FALSIFIED/COUNTERFEIT MEDICAL PRODUCTS, WHO (Geneva) 26 October 2012. Date of Access: 17 January 2012.

http://apps.who.int/gb/ssffc/pdf_files/ssffc-listofparticipants.pdf.

¹⁴⁹¹ New Global Mechanism to Combat Substandard/Spurious/ Falsely Labelled/Falsified/Counterfeit Medical Products, WHO (Geneva) 27 November 2012. http://www.who.int/medicines/news/TRA-SE_EMP.pdf.

¹⁴⁹² New Global Mechanism to Combat Substandard/Spurious/ Falsely Labelled/Falsified/Counterfeit Medical Products, WHO (Geneva) 27 November 2012. Date of Access: 17 January 2012.

http://www.who.int/medicines/news/TRA-SE_EMP.pdf.

¹⁴⁹³ Conference Pharmacrime 2012: Agenda, EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁴⁹⁴ Conference Pharmacrime 2012: Agenda, EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁴⁹⁵ Conference Pharmacrime 2012: Agenda, EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁴⁹⁶ Conference Pharmacrime 2012, EUJUST (Brussels). Date of Access: 7 January 2013.

<http://www.pharmacrime.eu/>

¹⁴⁹⁷ Conference Pharmacrime 2012: Participants. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/participants2012.htm>.

¹⁴⁹⁸ Conference Pharmacrime 2012: Agenda. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

According to the agenda of the ‘Pharmacrime’ conference, Special Agent Daniel Burke from the FDA’s Office of Criminal Investigation led four discussions on the best practises for identifying and holding accountable illicit internet pharmacies.¹⁴⁹⁹ On 22 October 2012, Burke discussed the identification process of illegal pharmaceutical websites.¹⁵⁰⁰ His main talking points on this matter involved target selection, single website and complex online pharmacy networks, affiliate networks and core networks, reactive and proactive approaches, as well as focus areas for assessing web sites.¹⁵⁰¹ Later in the day, Burke also led a forum on identifying individuals responsible for such websites, in which he discussed anonymity on the internet, borders and jurisdiction, as well as basic tools to identify website owners.¹⁵⁰² On 23 October 2012, Burke led a discussion on the financial facets of online pharmacies.¹⁵⁰³ When discussing the financial systems of online pharmacies, Burke focused on concerns relating to money trails, supporting financial systems, payment processors, and banking institutions.¹⁵⁰⁴ At the conclusion of the conference, Burke also co-led a discussion on how to improve policies and practises based on the intelligence acquired from INTERPOL’s Operation PANGAEA V.¹⁵⁰⁵

Thus, the United States has been awarded a score of +1 for its engagement in international forums on online pharmaceutical crime and its contributions to the efforts of INTERPOL’s Operation Pangea V.

Analyst: Andrea Farquharson

European Union: +1

The European Union has completely complied with its commitment to protect public health and consumer safety. It has exchanged information on rogue internet pharmacy sites with other nations and organizations, and it has also shared a solution to combat counterfeit medical products.

On 7-8 May 2012, Germany hosted its the third annual conference on counterfeit medicines, at the University of Würzburg. At this conference, the EU was allocated a session of time to deliberate its directive on mock medicines and methods on how best to rectify the situation. The EU also discussed its “revised EU good distribution practice guide.” In attendance were individuals from some G8 nations, along with a participant from the United States via videoconferencing. The conference focused on everything from current challenges to solutions, and included case studies as well.¹⁵⁰⁶

¹⁴⁹⁹ Conference Pharmacrime 201; Agenda2. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁵⁰⁰ Conference Pharmacrime 2012: Agenda. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁵⁰¹ Conference Pharmacrime 2012. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁵⁰² Conference Pharmacrime 2012. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁵⁰³ Conference Pharmacrime 2012. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁵⁰⁴ Conference Pharmacrime 2012. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁵⁰⁵ Conference Pharmacrime 2012. EUJUST (Brussels). Date of Access: 7 January 2013. <http://www.pharmacrime.eu/agenda2012.htm>.

¹⁵⁰⁶ Strategies against falsified/counterfeit medicines, the European Compliance Academy (Würzburg) 7-8 May 2012. Date of access: 27 January 2013. http://www.gmp-compliance.org/daten/training/eca_counterfeit_2012_.pdf.

Between 25 September 2012 and 2 October 2012 the European Union, in participation with INTERPOL, EUROPOL, and various other G8 nations globally executed Operation Pangea V.^{1507,1508} This collaborative effort resulted in the closure of thousands of illegal pharmaceutical websites.¹⁵⁰⁹

The EU has participated in a joint effort with other nations, and organizations, in an exchange of information relating to rogue internet pharmacy sites. It has also shared methods to solve this problem. Thus, the EU receives a score of +1 for its compliance with both parts of the commitment.

Analyst: Kriti Bhatt

¹⁵⁰⁷ Global Crackdown on Illicit Online Pharmacies, Interpol (Lyon) 4 October 2012. Date of access: 25 January 2013. <http://www.interpol.int/News-and-media/News-media-releases/2012/PR077>.

¹⁵⁰⁸ HSI Seizes 686 Websites Selling Counterfeit Medicine to Unsuspecting Consumers, I.C.E. U.S. Department of Homeland Security (Washington) 4 October 2012. Date of access: 27 January 2013 <http://www.ice.gov/news/releases/1210/121004washingtondc.htm>.

¹⁵⁰⁹ FDA takes action against thousands of illegal pharmacies, U.S. Food and Drug Administration (Maryland) 4 October 2012. Date of access: 27 January 2013. <http://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm322492.htm>.

16. International Financial Institution Reform [93]

Commitment

“Contributing G8 members will work with regional partners, the World Bank, and regional institutions such as the Islamic Development Bank to set up the fund with an initial capitalization of \$250 million.”

*G8 Action on the Deauville Partnership with Arab Countries in Transition*¹⁵¹⁰

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

The Deauville Partnership with Arab Countries in Transition is an international agreement between G8 members, Middle East and North African countries and international financial institutions.¹⁵¹¹ It was launched during the Deauville Summit in May 2011, and was intended to encourage economic privatization, modernization, transparency, regional integration as well as social development in Middle East or North African countries transitioning to democracy following the events of the Arab Spring.¹⁵¹²

This is broadly outlined through the three main pillars of governance, trade and finance.¹⁵¹³ Besides G8 members, the Deauville Partnership also includes international financial institutions like the International Monetary Fund, the World Bank, the Islamic Development Bank, The African Development Bank Group, the European Bank for Reconstruction and Development and the International Finance Corporation.¹⁵¹⁴

¹⁵¹⁰ Fact Sheet — G8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Research Group, (Toronto) 19 May 2012. Date Access: 9 November 2012.

<http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>

¹⁵¹¹ Declaration of the G8 on the Arab Springs, G8 Research Group (Toronto) 27 May 2011. Date of Access: 17 December 2012.

<http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹⁵¹² Declaration of the G8 on the Arab Springs, G8 Research Group (Toronto) 27 May 2011. Date of Access: 17 December 2012.

<http://www.g8.utoronto.ca/summit/2011deauville/2011-arabsprings-en.html>

¹⁵¹³ The Bank Group’s Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access 9 November 2012.

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

¹⁵¹⁴ Deauville Partnership — International Financial Institutions (IFI) statement, International Monetary Fund, (Washington, D.C.) September 2011. Date of Access: 9 November 2012.

During the 2012 Camp David Summit, the G8 committed itself to the creation of the Middle East and North Africa Transition Fund (MENA TF) in the spirit of the Deauville Partnership.¹⁵¹⁵ The Fund was intended to promote technical cooperation in Egypt, Tunisia, Libya, Jordan, Morocco and Yemen through grants.¹⁵¹⁶ The goals of the initiative are to facilitate projects related to sustainable growth, job creation, economic governance, competitiveness and transparency in partner countries.¹⁵¹⁷ The Fund is intended to integrate regional, bilateral and multilateral actors with an initial commitment of USD250 million¹⁵¹⁸ with the intent to have the Fund be operational by the end of 2012.¹⁵¹⁹

Commitment Features

Compliance for this commitment is thus defined by contributions and pledges towards the MENA TF. Since grants from the fund are paid by partnerships between transition governments and Implementation Support Agencies, or select international financial institutions affiliated with the Deauville Partnership, pledges and contributions are expected to pass through such institutions with the goal of supporting the MENA TF as Implementation Support Agencies (ISA's).¹⁵²⁰ While the World Bank is the fund's trustee, these institutions also include the African Development Bank, the Arab Fund for Economic and Social Development, the Arab Monetary Fund, European Bank for Reconstruction and Development, the European Investment Bank, the International Finance Corporation, the International Monetary Fund, the Islamic Development

<http://www.imf.org/external/np/dm/2011/091011.htm>

¹⁵¹⁵ The Bank Group's Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access 9 November 2012.

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

¹⁵¹⁶ The Bank Group's Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access 9 November 2012.

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

¹⁵¹⁷ The Bank Group's Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access: 9 November 2012.

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

¹⁵¹⁸ The Bank Group's Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access: 9 November 2012.

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

¹⁵¹⁹ The Bank Group's Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access: 9 November 2012.

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

¹⁵²⁰ The Bank Group's Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access: 17 December 2012.

<http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

Bank and the OPEC Fund for International Development.¹⁵²¹ Specifically, the target is for bilateral contributions of USD250 million over three to five years.¹⁵²²

Scoring

-1	Member has not allocated or promised funds to support relevant MENA TF ISAs.
0	Member has promised or discussed pledges for funds towards relevant MENA TF ISAs.
+1	Member has allocated funds intended to support relevant MENA TF ISAs.

Lead Analyst: Guillaume Kishibe

Canada: +1

Canada has fully complied with its commitment to allocate funds to the Middle East and North Africa Transition Fund (MENA TF) through relevant Implementation Support Agencies.

On 19 May 2012, Prime Minister Stephen Harper announced Canada's contribution of CAD15 million to the MENA TF from the International Assistance Envelope (IAE) as part of Canada's commitments under the Deauville Partnership for Arab Countries in Transition.¹⁵²³ The IAE is "the main planning instrument for funding the federal government's portion of Canada's aid."¹⁵²⁴ The Canadian International Development Agency specifies that Canada's contribution has been allotted to private sector development in Egypt, Jordan, Libya, Morocco, and Tunisia, with each identified country receiving 20 per cent of Canada's contribution.¹⁵²⁵

On 2 January 2013, the World Bank confirmed its receipt of US\$37.7 million for the MENA TF from Canada, France, and the United Kingdom.¹⁵²⁶

Thus, Canada has been awarded a score of +1 for directly contributing to the MENA TF through the fund's trustee.

Analyst: Alexandria Matic

¹⁵²¹ The Bank Group's Participation in the Middle East and North Africa Transition Fund, African Development Bank, (Tunis) November 2012. Date of Access: 17 December 2012. <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/The%20Bank%20Group%E2%80%99s%20Participation%20in%20the%20Middle%20East%20and%20North%20Africa%20Transition%20Fund.pdf>

¹⁵²² Role of IsDB Group in Supporting Employment Growth in Member Countries: Past Practices and Future Approaches, Islamic Development Bank Group, (New York), 17 May 2012. Date of Access: 9 November 2012. http://www.isdb.org/irj/go/km/docs/documents/IDBDevelopments/Internet/English/IDB/CM/Publications/Occasional%20Papers/EmploymentCirculation_at_UN_Forum_17May12.pdf

¹⁵²³ Support for Economic and Democratic Reforms in the Middle East and North Africa, Prime Minister's Office (Ottawa) 19 May 2012. Date of access: 9 January 2013. <http://pm.gc.ca/eng/media.asp?id=4811>.

¹⁵²⁴ Understanding International Assistance Terminology, Canadian International Development Agency (Ottawa) 2 November 2012. Date of Access: 9 January 2013. <http://www.acdi-cida.gc.ca/acdi-cida/acdi-cida.nsf/eng/CAR-61613468-NUD>.

¹⁵²⁵ Project Profile for Middle East and North Africa Transition Fund, Canadian International Development Agency (Ottawa) 7 December 2012. Date of access: 9 January 2013. <http://www.acdi-cida.gc.ca/CIDAWEB/cpo.nsf/vWebProjByStatusSCEn/0AB3207CC610B11885257AFC003E74A8>.

¹⁵²⁶ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, The World Bank (Washington) 2 January 2013. Date of access: 9 January 2013. <http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>.

France: +1

France has fully complied with its commitment to contribute to the Middle East and North Africa Transition Fund (MENA TF) through relevant Implementation Support Agencies.

On 12 October 2012 France pledged US12 million to the MENA TF at the Deauville Partnership Meeting, which was held in Tokyo during the annual meetings of the International Monetary Fund and the World Bank.¹⁵²⁷

On 14 November 2012 Mr. Dov Zerah, Chief Executive Officer of l'Agence Française de Développement (AFD), implemented an agreement to contribute EUR300 million to fund the construction of the third line of the Cairo metro during the meeting of the EU-Egypt Task Force in Cairo.¹⁵²⁸ The project is being implemented through a partnership with the European Union and the European Investment Bank, who are contributing EUR40 million and EUR600 million respectively.¹⁵²⁹

On 19 November 2012, the AFD signed an agreement with the Moroccan Agency for Solar Energy (MASEN) in Marrakech, to fund the first phase of the Ouarzazate solar power plant.¹⁵³⁰ The AFD is contributing EUR100 million to the project, which is being co-financed with several partners. These include the following Implementation Support Agencies: the European Investment Bank (EUR100 million), the African Development Bank (EUR100 million), and the World Bank (US200 million).¹⁵³¹

On 2 January 2013, the World Bank confirmed its receipt of US37.7 million for the MENA TF from France, Canada, and the United Kingdom.¹⁵³²

Thus, France has been awarded a score of +1 for contributing directly to the MENA TF, and for co-financing projects in Egypt and Morocco with relevant Implementation Support Agencies.

Analyst: Alexandria Matic

Germany: +1

Germany has been awarded a score of +1 for fully complying with its commitment to support the MENA TF through relevant Implementation Support Agencies.

¹⁵²⁷ G-8 launches fund to support transition under Arab Spring; Japan commits to \$12 million, Japan Times (Tokyo) 13 October 2012. Date of access: 10 January 2013.

<http://www.japantimes.co.jp/text/nn20121013b7.html>.

¹⁵²⁸ AFD signs the implementing agreement of Phase 3 Line 3 for Cairo metro and AFD's Action Plan for 2012-2014, French Development Agency (Paris) 14 November 2012. Date of access: 10 January 2013.

<http://www.afd.fr/lang/en/home/pays/mediterranee-et-moyen-orient/geo/egypte>.

¹⁵²⁹ French Development Agency (Paris) 14 November 2012. Date of access: 12 January 2013.

<http://www.afd.fr/lang/en/home/pays/mediterranee-et-moyen-orient/geo/egypte>.

¹⁵³⁰ Centrale solaire de Ouarzazate: signature de la convention de prêt de 100 millions d'euros, French Development Agency (Paris) 21 November 2012. Date of access: 12 January 2013.

<http://www.afd.fr/home/pays-d-intervention-afd/mediterranee-et-moyen-orient/pays-Mediterranee/maroc>.

¹⁵³¹ Centrale solaire de Ouarzazate: signature de la convention de prêt de 100 millions d'euros, French Development Agency (Paris) 21 November 2012. Date of Access: 12 January 2013.

<http://www.afd.fr/home/pays-d-intervention-afd/mediterranee-et-moyen-orient/pays-Mediterranee/maroc>.

¹⁵³² \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, The World Bank (Washington) 2 January 2013. Date of access: 9 January 2013.

<http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>.

On 5 September 2012, Germany pledged to donate USD158 million to help rebuild Yemen after its political unrest and alleviate their economic problems. This was done in conjunction with the Arab Development Fund, Arab Monetary Fund, World Bank and other international donors.¹⁵³³

On 12 September 2012, Germany's Federal Foreign Office hosted a consultation between Germany and Tunisia in an effort to discuss Tunisia's on-going political reforms and economic transformation. The consultation will discuss the opportunity for Tunisia to participate in "greater private-sector collaboration."¹⁵³⁴

Furthermore, on 23 September 2012, the Islamic Development Bank and the German Agency for International Cooperation co-hosted a conference on Islamic microfinance in an effort to foster social and economic development as well as job creation, aimed especially at young men and women.¹⁵³⁵

On 29 April 2013, the World Bank initiated a project that would improve the supply of water and quality of water waste management in the Palestinian territories, particularly Gaza.¹⁵³⁶ The World Bank with other major donors such as the IDB, the German Development Bank (GDB), the EU, the Swedish International Development Agency (SIDA) allotted the project a total of USD31 million through the Trust Fund for Gaza and West Bank.¹⁵³⁷

On 7 March 2013, Foreign Minister Guido Westerwelle reaffirmed Germany's commitment to Yemen in its transition to democracy.¹⁵³⁸ "The German Government will make available a further EUR1.5 million to support the national dialogue for reconciliation" to Yemen.¹⁵³⁹

Thus, for its support for the transition process in Yemen and taking steps to forge partnerships with Tunisia, Germany has been awarded a score of +1 for complying with its commitment to support Implementation Support Agencies of the MENA TF.

Analyst: Halah Akash

¹⁵³³ Global Donors Pledge \$6.4 bn for Yemen, Arab News (Jeddah) 5 September 2012. Date of Access: 15 January 2013. <http://www.arabnews.com/saudi-arabia/global-donors-pledge-64-bn-yemen>

¹⁵³⁴ German-Tunisian Consultation (Berlin) 12 September 2012. Date of Access: 15 January 2013. http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2012/120911-Deutsch_Tunesische_Konsultationen.html

¹⁵³⁵ IDB and the German Agency for International Cooperation Co-host Symposium on Islamic Microfinance (Jeddah) 23 September 2012. Date of Access: 15 January 2013. <http://www.idbgbf.org/portal/detailed.aspx?id=448>

¹⁵³⁶ Gaza Emergency Water Project: Improving quality of and access to Water and Wastewater Services in Gaza, the World Bank (Washington) 29 April 2013. Date of Access: 29 May 2013. <http://www.worldbank.org/en/results/2013/04/29/gaza-emergency-water-project>

¹⁵³⁷ Gaza Emergency Water Project: Improving quality of and access to Water and Wastewater Services in Gaza, the World Bank (Washington) 29 April 2013. Date of Access: 29 May 2013. <http://www.worldbank.org/en/results/2013/04/29/gaza-emergency-water-project>

¹⁵³⁸ Foreign Minister Westerwelle: continued support for stabilization in Yemen (Berlin) 7 March 2013. Date of Access: 29 May 2013. <http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130307-BM-Jemen.html>

¹⁵³⁹ Foreign Minister Westerwelle: continued support for stabilization in Yemen (Berlin) 7 March 2013. Date of Access: 29 May 2013. <http://www.auswaertiges-amt.de/EN/Infoservice/Presse/Meldungen/2013/130307-BM-Jemen.html>

Italy: -1

Italy has failed to comply with its IFI reform commitments. While the government has taken steps to encourage the economic stabilization of MENA countries, Italy has failed to conclude an agreement with other G8 members to contribute and pledge funds towards the MENA TF.

On 20 January 2012, the Foreign Minister announced an immediate USD100 million debt conversion to be invested in development projects in Egypt. As a result, Italy became the one of the top donor countries to Egypt with a total value of EUR158 million.¹⁵⁴⁰

From 11 September 2012 to 13 September 2012, Italy attended an Arab Forum on Asset Recovery with the other G8 members, Deauville partners and regional countries in an effort to raise awareness of effective measures for asset recovery. Italy provides a practical guideline which informs tools and procedures to recover stolen assets.¹⁵⁴¹

At the meeting with Iraq, on 31 October 2012, Italian Foreign Minister Giulio Terzi argued that Italian diplomacy supports economic growth in Iraq. Minister Terzi pointed out that Italy focuses on economic goals by taking action at government levels to conduct specific actions for economic growth. This includes support for oil production, which would result in annual GDP contributions of about USD200 billion.¹⁵⁴²

On 6 November 2012, the Foreign Minister visited Tripoli to confirm the Italian government's support to Libya. This would encourage and strengthen Libyan society in compliance with the Tripoli Declaration signed on 21 January 2012. With the new government legitimized, Italy will be able to provide additional financial support for the Libyan people.¹⁵⁴³

Italy has supported the economic stabilization of MENA countries in various ways but has failed to comply in its contribution towards the MENA Transition Fund or to discuss future pledges towards the Fund. Therefore, Italy has been awarded a -1.

Analyst: Ho Hyun Na

Japan: +1

Japan has fully complied with its commitments to implement IFI reforms. Japan has pledged funds to support MENA countries. In addition, it has granted loans to some countries to encourage their economic growth. Japan successfully has also contributed to the MENA TF.

¹⁵⁴⁰ Italy-Egypt: Terzi, support for a democratic transition — Minister urges guarantees for religious minorities, Italian Ministry of Foreign Affairs (Rome) 20 January 2012. Date of Access: 12 January 2013 http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/01/20120120_Italia_Egitto.htm

¹⁵⁴¹ Italian Asset Recovery Tools & Procedures: A Practical Guide for International Corporation, The World Bank (Washington) September 2012. Date of Access: 12 January 2013 <http://star.worldbank.org/star/sites/star/files/Italy-Asset-Recovery-tools-and-procedures.pdf>

¹⁵⁴² Italy-Iraq — Italian diplomacy supports economy and growth, says Terzi, Italian Ministry of Foreign Affairs (Rome) 31 October 2012. Date of Access: 12 January 2013 http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/10/20121031_itirdipla_fiancoco.htm

¹⁵⁴³ Italy-Libya: Terzi in Tripoli — Support for strengthening of Libyan institutions and society, Italian Ministry of Foreign Affairs (Rome) 06 November 2012. Date of Access: 12 January 2013 http://www.esteri.it/MAE/EN/Sala_Stampa/ArchivioNotizie/Approfondimenti/2012/11/20121106_Italia_Libia.htm

From 11 September 2012 to 13 September 2012, Japan attended the Arab Forum on Asset Recovery to raise awareness of the importance of effective measures for asset recovery. Japan provided steps for returning the assets concerned.¹⁵⁴⁴

Japan has also successfully contributed to the MENA task force. On 12 October 2012, Japanese Finance Minister Koriki Jojima announced that the Japanese government would pledge USD12 million in aid for countries in the Middle East and North Africa to encourage their movement towards democratization. Japan will provide the funds over a three-year period. Recipient countries include Egypt, Tunisia, and Libya.¹⁵⁴⁵

On 19 October 2012 the Governor of the Central Bank Tunisia, Chedly Ayari, received approval for a loan that would grant Tunisia USD600 million before the end of the year 2012. The loan is meant to support Tunisia's democratic transition and economic recovery.¹⁵⁴⁶

At the meeting with the Tunisian Secretary General on 25 January 2012, Japanese Ambassador Toshiyuki Taga signed a contract that would provide Tunisia with USD237 million in loans. The fund is to be allotted to two projects improving infrastructure in rural areas of Tunisia.¹⁵⁴⁷

On 18 March 2013, Japan signed a Memorandum of Understanding which granted Jordan JPY300 million as means of new assistance programme to eliminate environmental pollution. The grant will be used to purchase environmentally friendly vehicles and equipment made in Japan to maintain low pollutant levels.¹⁵⁴⁸

On 2 May 2013, Japan signed another Memorandum of Understanding which granted donation of JPY300 million to Tunisia to support infrastructure projects in the country. The donation went towards the purchase of equipment and machineries that are to be utilized in infrastructure development projects.¹⁵⁴⁹

As the Japanese government allocated funds intended to support the MENA Transition Fund and granted loans to Tunisia to support its economic growth, Japan has shown full compliance and has scored a +1.

Analyst: Ho Hyun Na

¹⁵⁴⁴ Practical Guide for Assets Recovery, World Bank (Washington), September 2012. Date of Access: 10 January 2013.

<http://star.worldbank.org/star/sites/star/files/Japan-practical-guide-for-asset-recovery.pdf>.

¹⁵⁴⁵ Japan pledges \$12 million in support of 'Arab Spring' movement at G8 meeting, The Japan Daily Press (Nagoya), 12 October 2012. Date of Access: 10 January 2013.

<http://japandailynews.com/japan-pledges-12-million-in-support-of-arab-spring-movement-at-g8-meeting-1215697>.

¹⁵⁴⁶ Japan agrees to grant Tunisia \$600 mln loan guarantee, Reuters (New York), 19 October 2012. Date of Access: 10 January 2013.

<http://www.reuters.com/article/2012/10/19/japan-tunisia-loan-idAFL5E8LJRCH20121019>.

¹⁵⁴⁷ Japan Signs \$237 Million USD Loan to Tunisia, Tunisia Live (Tunis), 25 January 2012. Date of Access: 10 January 2013.

<http://www.tunisia-live.net/2012/01/25/japan-signs-237-million-usd-loan-to-tunisia/>.

¹⁵⁴⁸ Tokyo grants 300 million yen to Jordan, Jordan Times (Amman), 18 March 2013. Date of Access: 29 May 2013.

<http://jordantimes.com/tokyo-grants-300-million-yen-to-jordan>

¹⁵⁴⁹ Japan grants Tunisia 300 mln yen, Kuwait News Agency(Kuwait), 3 May 2013. Date of Access: 29 May 2013.

<http://www.kuna.net.kw/ArticleDetails.aspx?id=2308540&language=en>

Russia: +1

Russia has fully complied with the commitment on creation of a new Deauville Partnership Transition Fund.

By 12 October 2012, Russia pledged USD10 million to the Transition Fund.¹⁵⁵⁰ On 8 December 2012, the Russian Government committed USD10 million to the World Bank as a contribution to the Transition Fund in 2013-2015 (USD4 million in 2013 and USD3 annually in 2014 and 2015) by passing an executive order. The money is to be allocated from the federal budget provided to the Ministry of Finance for international relations and international cooperation.¹⁵⁵¹

Thus, Russia has been awarded a score of +1.

Analyst:

United Kingdom: +1

The United Kingdom has been awarded a score a score of +1 for complying with its commitment to support the MENA TF through relevant Implementation Support Agencies.

On 12 October 2012, a statement by the chairman of the Deauville Partnership with Arab Countries in Transition was released and highlighted the UK's eventual chairmanship in 2013. In particular, as part of the statement the UK indicated that achieving full operation of the Transition Fund by Spring 2013 was a high priority.¹⁵⁵²

The Chairman's Statement was corroborated by the Department for International Development, stating that "the Transition Fund's success in supporting reform in the region is a high priority for the UK G8 Presidency in 2013." The Department for International Development has stated that it currently plans to contribute GBP16 million to the Transition Fund, which it expects to operate from 2012-2015.¹⁵⁵³

On 2 January 2013, the World Bank announced a USD37.7 million contribution to the fund from the UK, Canada and France in order to "support good governance, sustainable growth, and greater employment opportunities for you."¹⁵⁵⁴

On 15 May 2013, the third G8 Deauville MENA Transition Fund meeting took place, bringing together 32 representatives from various Gulf countries. During the meeting, 11 projects were approved with the aim of creating jobs for young people, developing a small-and-medium-

¹⁵⁵⁰ Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Foreign Affairs of Japan 12 October 2012. Date of Access: 6 February 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf.

¹⁵⁵¹ Executive Order No. 2297-p of 8 December 2012, Government of Russia 13 December 2012. Date of Access: 6 February 2013. <http://www.government.ru/gov/results/21876/>.

¹⁵⁵² Deauville Partnership with Arab Countries in Transition: Chairman's Statement, Ministry of Finance (Tokyo), 12 October 2012. Date of Access: 15 March 2013. http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf.

¹⁵⁵³ Arab Partnership Economic Facility, Department for International Development (London), Copyright 2013. Date of Access: 15 March 2013. <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/Arab-Partnership-Economic-Facility/>.

¹⁵⁵⁴ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, World Bank (Washington), 2 January 2013. Date of access: 15 March 2013. <http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>.

enterprise sector in Libya, funding a new special industrialized zone in Yemen, and developing the industrial waste management sector in Egypt. The approved projects will create over 1000 jobs.¹⁵⁵⁵

As of 30 May 2013, approximately USD176 million has been pledged to the fund by G8 Members and Gulf countries.¹⁵⁵⁶

Thus, for pledging and contributing to the MENA TF the United Kingdom has been awarded full compliance.

Analyst: Enko Koceku

United States: +1

The United States has fully complied with its commitments to pledge funds to support Implementation Support Agencies of the Middle East North Africa Transition Fund (MENA TF).

On 10 May, the United States Department of State and the United States Agency for International Development (USAID) launched the Liberalizing Innovation Opportunity Nations partnership at the World Economic Forum in Addis Ababa, Ethiopia. The partnership was intended to promote access to capital, business training, venture-capital roundtables and start-up focused events in African cities. The partnership was launched with the African Development Bank.¹⁵⁵⁷

As of 30 September 2012, the World Bank Group was the largest recipient of money from USAID. USAID budgeted over USD2 billion to the World Bank in the 2012 fiscal year.¹⁵⁵⁸

On 21 November 2012, USAID committed to supporting the Migration and Development Fund. Established on 17 July¹⁵⁵⁹ and administered by the African Development Bank, the fund is intended to finance reforms and initiatives aimed at making monetary exchanges between migrants and their countries of origin easier.¹⁵⁶⁰

As of 7 January 2013, the United States has confirmed further pledges of support to the MENA TF.¹⁵⁶¹

¹⁵⁵⁵ Economic boost for Arab Spring countries, GOV.UK (London) 22 May 2013. Date of Access: 30 May 2013. <https://www.gov.uk/government/news/economic-boost-for-arab-spring-countries>

¹⁵⁵⁶ Donors and Partners, MENA TF Website, World Bank (Washington DC). Date of Access: 30 May 2013. <http://www.menatransitionfund.org/content/donors-and-partners>

¹⁵⁵⁷ USAID and Partners Announce New Collaboration to Promote African Innovation and Entrepreneurship, United States Agency for International Development (Washington D.C.) 10 May 2012. Date of Access: 8 March 2013. <http://transition.usaid.gov/press/releases/2012/pr120510.html>

¹⁵⁵⁸ Top 40 Vendors, United States Agency for International Development (Washington D.C.) 30 September 2012. Date of Access: 8 March 2013. <http://www.usaid.gov/results-and-data/budget-spending/top-40-vendors>.

¹⁵⁵⁹ 2nd Call for Proposals for the AfDB Microfinance Capacity Building Fund, African Development Bank Group (Tunis) 7 November 2012. Date of Access: 8 March 2013. <http://www.afdb.org/en/news-and-events/article/2nd-call-for-proposals-for-the-afdb-microfinance-capacity-building-fund-9962/>.

¹⁵⁶⁰ USAID Announces its commitment to the Migration and Development Fund administered by the African Development Bank, United States Agency for International Development (Washington D.C.) 21 November 2012. Date of Access: 8 March 2013. <http://www.usaid.gov/news-information/press-releases/usaid-announces-its-commitment-migration-and-development-fund>.

¹⁵⁶¹ \$37.7 Million in Contributions to Strengthen Governance and Economic Growth, The World Bank (Washington) 2 January 2013. Date of access: 9 January 2013. <http://www.worldbank.org/en/news/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>.

On 17 May 2013, the United States State Department released a Congressional Budget Justification for Foreign Operations in the 2014 fiscal year. In it, the Department of State has requested an additional USD5 million in support for the MENA TF.¹⁵⁶² The Department of State has also requested USD580 million to support the Middle East North Africa Incentive Fund (MENA IF).¹⁵⁶³ The MENA IF is another fund intended to encourage political and economic stability through aid to small and medium enterprises as well as debt relief in MENA countries.¹⁵⁶⁴ The MENA IF also has an intended multilateral element meant to work through notable MENA TF ISA's like the World Bank, the IMF,¹⁵⁶⁵ the African Development Bank and the European Bank for Reconstruction and Development.

Thus, for having supported and provided funds for international financial institutions relevant to the MENA TF as well as giving money to the MENA TF itself, the United States has received a score of +1.

Analyst: Guillaume Kishibe

European Union: +1

The European Union (EU) has been awarded a score of +1 for fully complying with its commitment to support MENA TF through Implementation Support Agencies.

On 5 September 2012, the EU pledged to donate USD214 million in a move to help rebuild Yemen after its insurgency. This was done in conjunction with the Arab Development Fund, Arab Monetary Fund, World Bank and other international donors.¹⁵⁶⁶

On 13 December 2012, the EU approved a programme that would increase financial aid to 119 marginalized Tunisian neighbourhoods designed to improve poor living conditions.¹⁵⁶⁷ The European Investment Bank (EIB) together with the French Development Agency (FDA) will fund the programme, allocating it with a combined sum of EUR33 million.¹⁵⁶⁸

¹⁵⁶² FY 2014 Congressional Budget Justification Volume 2 — Foreign Operations, U.S. Department of State (Washington D.C.) 17 May 2013. Date of Access: 29 May 2013.

<http://www.state.gov/f/releases/iab/fy2014cbj/pdf/index.htm>.

¹⁵⁶³ FY 2014 Congressional Budget Justification Volume 2 — Foreign Operations, U.S. Department of State (Washington D.C.) 17 May 2013. Date of Access: 29 May 2013.

<http://www.state.gov/f/releases/iab/fy2014cbj/pdf/index.htm>.

¹⁵⁶⁴ FY 2014 Congressional Budget Justification Volume 2 — Foreign Operations, U.S. Department of State (Washington D.C.) 17 May 2013. Date of Access: 29 May 2013.

<http://www.state.gov/f/releases/iab/fy2014cbj/pdf/index.htm>.

¹⁵⁶⁵ FY 2014 Congressional Budget Justification Volume 2 — Foreign Operations, U.S. Department of State (Washington D.C.) 17 May 2013. Date of Access: 29 May 2013.

<http://www.state.gov/f/releases/iab/fy2014cbj/pdf/index.htm>.

¹⁵⁶⁶ Global Donors Pledge \$6.4 bn for Yemen, Arab News (Jeddah) 5 September 2012. Date of Access: 15 January 2013.

<http://www.arabnews.com/saudi-arabia/global-donors-pledge-64-bn-yemen> .

¹⁵⁶⁷ The European Union is increasing its support to Tunisia's disadvantaged neighbourhoods (Brussels) 13 December 2012. Date of Access: 10 January 2013.

http://europa.eu/rapid/press-release_IP-12-1369_en.htm.

¹⁵⁶⁸ The European Union is increasing its support to Tunisia's disadvantaged neighbourhoods (Brussels) 13 December 2012. Date of Access: 10 January 2013.

http://europa.eu/rapid/press-release_IP-12-1369_en.htm .

Furthermore, on 10 December 2012, the EU allocated a sum of EUR15 million to a programme that would help support Tunisia with its transition to a democratic government.¹⁵⁶⁹ It is the second instalment of the Programme of Support to the Association Agreement and the Transition Process that will finance areas deemed vital to the success of the democratic transition process.¹⁵⁷⁰ These areas include “the constitutional process, the fight against torture, support for Tunisian radio, the prevention of violence against women, the protection of migrants/asylum seekers, and the process of recovering currency assets held by clan associates of the former President Ben Ali.”¹⁵⁷¹

In addition to investments in support of Tunisia’s democratic transition, on 20 December 2012, the EIB reserved funds of EUR270 million aimed at financing small and medium-sized enterprises (SMEs), improving employment opportunities for youth, and rehabilitating the infrastructure in disadvantaged areas.¹⁵⁷²

The EU also committed EUR25 million in support of Libya’s transition to democracy.¹⁵⁷³ The purpose of the funds is to ensure a stable transition and to improve the delivery of basic goods to Libyans.¹⁵⁷⁴

On 27 April 2013, the Islamic Development Bank (IDB) spearheaded a microfinance initiative, the Rural Development Project, in Yemen that aims to improve the productivity of agriculture.¹⁵⁷⁵ The IDB, EU and International Fund for Agricultural Development (IFAD) will provide the Rural Development Project a total of USD110 million.¹⁵⁷⁶

On 29 April 2013, the World Bank initiated a project that would improve the supply of water and quality of water waste management in the Palestinian territories, particularly Gaza.¹⁵⁷⁷ The World Bank with other major donors such as the IDB, the German Development Bank (GDB), the EU, the Swedish International Development Agency (SIDA) allotted the project a total of USD31 million through the Trust Fund for Gaza and West Bank.¹⁵⁷⁸

¹⁵⁶⁹ Tunisia: European Union adopts a new programme of support for democratic transition process (Brussels) 10 December 2012. Date of Access: 10 January 2013.

http://europa.eu/rapid/press-release_IP-12-1347_en.htm.

¹⁵⁷⁰ Tunisia: European Union adopts a new programme of support for democratic transition process (Brussels) 10 December 2012. Date of Access: 10 January 2013.

http://europa.eu/rapid/press-release_IP-12-1347_en.htm.

¹⁵⁷¹ Tunisia: European Union adopts a new programme of support for democratic transition process (Brussels) 10 December 2012. Date of Access: 10 January 2013.

http://europa.eu/rapid/press-release_IP-12-1347_en.htm.

¹⁵⁷² The EIB: the new Tunisia’s key partner €270m committed to support employment, SMEs and infrastructure in the poorest districts (Brussels) 10 December 2012. Date of Access: 29 May 2013.

¹⁵⁷³ EU-Libya: supporting transition and reforms in key sectors (Brussels) 20 December 2012. Date of Access: 29 May 2013. http://europa.eu/rapid/press-release_IP-12-1431_en.htm

¹⁵⁷⁴ EU-Libya: supporting transition and reforms in key sectors (Brussels) 20 December 2012. Date of Access: 29 May 2013. http://europa.eu/rapid/press-release_IP-12-1431_en.htm

¹⁵⁷⁵ Yemen, IDB discuss \$110 mln RDP’s implementation (Sana) 27 April 2013. Date of Access: 29 May 2013. <http://www.sabanews.net/en/news307580.htm>

¹⁵⁷⁶ Yemen, IDB discuss \$110 mln RDP’s implementation (Sana) 27 April 2013. Date of Access: 29 May 2013. <http://www.sabanews.net/en/news307580.htm>

¹⁵⁷⁷ Gaza Emergency Water Project: Improving quality of and access to Water and Wastewater Services in Gaza, the World Bank (Washington) 29 April 2013. Date of Access: 29 May 2013.

<http://www.worldbank.org/en/results/2013/04/29/gaza-emergency-water-project>

¹⁵⁷⁸ Gaza Emergency Water Project: Improving quality of and access to Water and Wastewater Services in Gaza, the World Bank (Washington) 29 April 2013. Date of Access: 29 May 2013.

<http://www.worldbank.org/en/results/2013/04/29/gaza-emergency-water-project>

On 24 May 2013, the International Finance Corporation (IFC), a subsidiary of the World Bank, the EIB, Agence Française de Développement (AFD), and the EU through the Neighborhood Investment Facility (NIF) have initiated a project that aims to increase access to finance for SMEs across the Middle East and North Africa.¹⁵⁷⁹ “IFC is establishing the MENA SME Facility in partnership with the World Bank, International Financial Institutions and donors,” which will achieve the projects goals¹⁵⁸⁰

Thus, the EU has been awarded a score of +1 for its contributions and pledges towards MENA governments in transition and through Implementation Support Agencies.

Analyst: Halah Akash

¹⁵⁷⁹ IFC, EIB, and AFD Support Small Business and Mobilize Investment in MENA, European Investment Bank (Luxembourg) 24 May 2013. Date of Access: 29 May 2013.

<http://www.eib.org/projects/press/2013/2013-071-ifc-eib-and-afd-support-small-businesses-and-mobilize-investment-in-mena.htm?media=rss&language=en>

¹⁵⁸⁰ IFC, EIB, and AFD Support Small Business and Mobilize Investment in MENA, European Investment Bank (Luxembourg) 24 May 2013. Date of Access: 29 May 2013.

<http://www.eib.org/projects/press/2013/2013-071-ifc-eib-and-afd-support-small-businesses-and-mobilize-investment-in-mena.htm?media=rss&language=en>

17. Good Governance [102]

Commitment

“[In response to transition countries’ request for support with reforms that promote transparency, accountability, and good governance, G8 members will take the following actions:] Launch a Partnership exchange program to pair legislators, judges, regional and municipal leaders and labour unions with G8 counterparts to build institutional capacity, promote knowledge sharing, and strengthen accountability and good-governance practices in transition countries.”

G8 Action on the Deauville Partnership with Arab Countries in Transition

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		-0.11	

Background

In December 2010, democratic uprisings began occurring throughout countries in the Middle East and North Africa, which gave rise to what is now known as the “Arab Spring.” The topic was first raised at the 2011 Deauville Summit, where G8 leaders stated: “In light of the recent developments in the Middle East and North Africa, and in Sub-Saharan Africa, we [renew] our commitment to support democratic reform around the world and to respond to the aspirations for freedom, including freedom of religion, and empowerment.”¹⁵⁸¹

At the 2011 Deauville Summit, G8 leaders claimed that democracy is necessary to ensure peace, stability, prosperity, shared growth and development.¹⁵⁸² G8 members met with the Prime Ministers of Egypt and Tunisia to launch a partnership with countries engaging in a transition to “democracy and tolerant societies.”¹⁵⁸³ The leaders claimed that, “Our common goal is to develop the rule of law and citizen engagement as well as foster economic and social reforms to meet the aspirations of the people.”¹⁵⁸⁴ As such, the members adopted a specific declaration to pertain to

¹⁵⁸¹ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

¹⁵⁸² G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

¹⁵⁸³ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

¹⁵⁸⁴ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

issues surrounding the Arab Spring—”The Deauville Partnership with Arab Countries in Transition.”¹⁵⁸⁵

In “The Deauville Partnership with Arab Countries in Transition,” G8 leaders agreed to maintain support for countries undergoing transition by providing support in four key priority areas: stabilization, job creation, participation/governance, and integration.¹⁵⁸⁶

Moreover, the Deauville Partnership with Arab Countries in Transition includes the following countries: Canada, Egypt, the European Union, France, Germany, Italy, Japan, Jordan, Libya, Kuwait, Morocco, Qatar, Russia, Saudi Arabia, Tunisia, Turkey, the United Arab Emirates, the United Kingdom and the United States.¹⁵⁸⁷ The partnership also includes international financial institutions and organizations committed to supporting reform in Egypt, Jordan, Libya, Morocco and Tunisia.¹⁵⁸⁸ Furthermore, several other organizations including the Arab League, the Organization for Economic Cooperation and Development, and United Nations organizations, are in coalition with the Deauville Partnership.¹⁵⁸⁹

Commitment Features

This commitment focuses on one of the four key priorities that G8 members outlined in “The Deauville Partnership with Arab Countries in Transition”: participation/governance. Thus, this commitment will focus on the G8 countries’ support for countries undergoing transition by supporting good governance practices to build institutional capacity and strengthen accountability in transitional countries.

G8 countries agreed to establish “a partnership exchange program to pair legislators, judges, regional and municipal leaders and labor unions with G8 counterparts to build institutional capacity, promote knowledge sharing, and strengthen accountability and good-governance practices in transition countries.”¹⁵⁹⁰ Thus, in order to be in full compliance, G8 member states must actively engage with multiple other Deauville partners in order to pair legislators, regional and municipal leaders and labour unions to promote good governance in transitional countries.

Scoring

¹⁵⁸⁵ G8 Declaration: Renewed Commitment for Freedom and Democracy, G8 Information Centre (Toronto) 27 May 2011. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2011deauville/2011-declaration-en.html#economy>.

¹⁵⁸⁶ Fact Sheet: G8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

¹⁵⁸⁷ Fact Sheet: G8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

¹⁵⁸⁸ Fact Sheet: G8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

¹⁵⁸⁹ Fact Sheet: G8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

¹⁵⁹⁰ Fact Sheet: G8 Action on the Deauville Partnership with Arab Countries in Transition, G8 Information Centre (Toronto) 19 May 2012. Date of Access: 7 December 2012. <http://www.g8.utoronto.ca/summit/2012campdavid/g8-transition-factsheet.html>.

-1	G8 member has not made any effort to pair legislators, judges, regional and municipal leaders or labor unions with Partnership countries to promote good-governance in transition countries
0	G8 member has begun to or has established an exchange program with at least one other Partnership countries to pair legislators, judges, regional and municipal leaders and/or labor unions to promote good-governance practices in transition countries
+1	G8 member works with multiple Partnership countries to pair legislators, judges, regional and municipal leaders and labor unions to promote good-governance practices in transition countries

Lead Analyst: Sarah Burton

Canada: -1

Canada has failed to comply with its commitment to launch a Partnership exchange program to pair legislators, judges, regional and municipal leaders and labour unions with G8 counterparts to build institutional capacity, promote knowledge sharing, and strengthen accountability and good-governance practices in transition countries.

On 20 April 2012, the Department of Finance Canada published the Deauville Partnership Finance Ministers' Meeting Communiqué in order to "carry forward the Deauville Partnership with Arab Countries in Transition," a year after its launch.¹⁵⁹¹ Progress towards the Partnership's objectives was deemed "more important than ever," and the Partnership "intends to deepen its focus on country-level engagement."¹⁵⁹² However, no concrete action has been taken to implement an exchange program to-date.

At the Deauville Partnership Finance Ministers' Meeting, the G8 stated their intent to "explore a new Transition Fund that would provide grants, technical assistance, and knowledge exchange, with due consideration to bilateral and multilateral assistance, to help countries strengthen their institutions and develop and implement home-grown reforms," but there are no specifics or details addressing Canada's commitment to launch a Partnership exchange between legislators, leaders, judges, and labour unions with Canadian counterparts.¹⁵⁹³

There is mention of a coordination platform established by international financial institutions to "facilitate information sharing and operational dialogue with the Partnership countries."¹⁵⁹⁴ However, this is very vague and does not indicate any initiative or concrete action undertaken by the Canadian Government.

Thus, Canada has been awarded a score of -1 for its failure to commit concrete resources to the Partnership exchange program.

Analyst: Derakhshan Qurban-Ali

¹⁵⁹¹ Deauville Partnership Finance Ministers' Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 13 January 2013. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹⁵⁹² Deauville Partnership Finance Ministers' Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 13 January 2013. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹⁵⁹³ Deauville Partnership Finance Ministers' Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 13 January 2013. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹⁵⁹⁴ Deauville Partnership Finance Ministers' Meeting Communiqué, Department of Finance Canada (Ottawa) 20 April 2012. Date of Access: 13 January 2013. <http://www.fin.gc.ca/n12/12-045-eng.asp>

France: 0

France has partially complied with its commitment to establish exchange programs with Deauville Partnership countries, mainly through its participation in the conference “Building Open, Fair, and Transparent Government for Growth and Development,” hosted by the Organization for Economic Co-operation and Development (OECD).

Five months after the Deauville summit, member states met to discuss the exchange program at the Deauville Partnership Foreign Affairs Ministers’ Meeting on 20 September 2011.¹⁵⁹⁵

The ministers announced that all commitments regarding the establishment of an exchange program would be coordinated by the OECD, while other groups, such as the African Development Bank and the European Bank for Reconstruction and Development, would coordinate partnership commitments on finance, investment and trade.¹⁵⁹⁶

The OECD has since held conferences on the Deauville Partnership, one of which focused on governance. The conference, titled, “Building Open, Fair, and Transparent Government for Growth and Development,” took place in Paris on 24 April 2012, and welcomed both G8 member states and Partnership countries. Egyptian and Tunisian officials participated in discussions with officials from G8 member states on the following four issues: open government, corruption prevention, frameworks for small entrepreneurs, and Open Data.¹⁵⁹⁷

Officials from France’s government mission for internal Open Data, *Etalab*, sat with officials from Partnership countries at the OECD conference at a roundtable themed, “Ensuring efficiency and trust in government through Open Data.”¹⁵⁹⁸ *Etalab*, a state mission that helped modernize France’s access-to-information policies, discussed how to implement Open Data policies across different government departments.

The presentation following a keynote speech by Egypt’s acting minister for administrative development, was held in the frame of the Deauville Partnership and is classified as an exchange of intellectual capital between state officials.

At the 2012 Camp David summit, G8 leaders agreed that each member state, including France, “will plan and identify completed exchanges and programs,” by the end of 2013.¹⁵⁹⁹ France will have to demonstrate concrete exchanges lead by sectors of its legislative bodies, judiciaries, regional governments and labour unions in order to reach full compliance with its good-governance exchange commitments.

¹⁵⁹⁵ Deauville Partnership Foreign Affairs Ministers’ Meeting Communiqué (September 20, 2011), French Foreign Ministry (Paris) 21 September 2011. Date of Access: 12 January 2012. <http://www.diplomatie.gouv.fr/en/global-issues/united-nations/events-2136/events-2011/article/deauville-partnership-foreign>

¹⁵⁹⁶ G8 — Partenariat de Deauville (11 et 12 avril 2012), French Foreign Ministry (Paris) 12 April 2012. Date of Access: 15 January 2012. <http://www.diplomatie.gouv.fr/fr/enjeux-internationaux/affaires-economiques/g8/derniers-sommets-du-g8/le-sommet-du-g8-de-deauville-26-27/article/g8-partenariat-de-deauville-11-12>

¹⁵⁹⁷ Agenda: Deauville Partnership Conference on “Building Open, Fair, and Transparent Government for Growth and Development”, OECD (Paris) 4 May 2012. Date of Access: 12 January 2012. <http://www.oecd.org/mena/governance/50282053.pdf>

¹⁵⁹⁸ Etalab à l’OCDE, Mission Etalab (Paris) 24 April 2012. Date of Access: 12 January 2012. <http://www.etalab.gouv.fr/article-etalab-a-l-ocde-103994863.html>

¹⁵⁹⁹ Deauville Partnership With Arab Countries in Transition: International Exchanges, U.S. Department of State. 21 May 2012. Date of Access: 14 January 2012. <http://www.state.gov/r/pa/prs/ps/2012/05/190497.htm>

Thus, France has been awarded a score of 0 as it has marginally established exchanges between France and transition countries through legislators, judges, regional and municipal leaders and labour unions.

Analyst: Dylan C. Robertson

Germany: +1

Germany has fully complied with its commitment to pair legislators, judges, regional and municipal leaders and/or labor unions to promote good-governance practices in transition countries.

On 29 November 2012, the German-Egyptian Steering Committee met to reaffirm Germany's commitment in aiding Egypt, "towards prosperity and democracy."¹⁶⁰⁰ In this meeting, the two sides underlined their commitment to continue the implementation of the, "transformation partnership."¹⁶⁰¹ They acknowledged the projects already in place to aid in the development of democracy and rule of law, such as justice cooperation, vocational training and research and development, and the need for expanding the scope of activities in justice and government cooperation.

On 4 January 2013, the German Federal Foreign Office released a summary report on their commitment to, "democratic change in Egypt."¹⁶⁰² The Office reasserted its support for good governance by laying out plans to boost training and foster cooperation in several spheres. The report also acknowledged there is open dialogue between the two countries to offer advisory services and the exchange of experts to aid in issues of good governance and rule of law.¹⁶⁰³

On 12 January 2012, Germany and Tunisia held their first intergovernmental consultation as a result of the Joint Declaration of Intent signed by Foreign Minister Westerwelle of Germany and Foreign Minister Abdesslem of Tunisia on 9 January 2012.¹⁶⁰⁴ The ministers highlighted the funded projects that are operating under the cooperation with other partners. For example, The Foundation for International Legal Cooperation and the Hanns Seidel Foundation are collaborating with Tunisian authorities, judges' associations, lawyers' organizations and corrections officers for efforts in rule of law. The meeting also emphasized plans for further

¹⁶⁰⁰ Process of building a new Egypt has only just begun, Federal Foreign Office (Berlin) 21 December 2012. Date of Access: 16 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Aktuelle_Artikel/Aegypten/121203-AegyptenVerfassung.html

¹⁶⁰¹ Process of building a new Egypt has only just begun, Federal Foreign Office (Berlin) 21 December 2012. Date of Access: 16 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/Laender/Aktuelle_Artikel/Aegypten/121203-AegyptenVerfassung.html

¹⁶⁰² Democratic change in Egypt, Federal Foreign Office (Berlin) 4 January 2013. Date of Access: 16 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/RegionaleSchwerpunkte/NaherUndMittlererOsten/Umbrueche_TSP/110414-TFP-EGY-node.html

¹⁶⁰³ Democratic change in Egypt, Federal Foreign Office (Berlin) 4 January 2013. Date of Access: 16 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/RegionaleSchwerpunkte/NaherUndMittlererOsten/Umbrueche_TSP/110414-TFP-EGY-node.html

¹⁶⁰⁴ Strengthening democracy in Tunisia, Federal Foreign Office (Berlin) 24 November 2012. Date of Access: 17 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/RegionaleSchwerpunkte/NaherUndMittlererOsten/Umbrueche_TSP/TUN-Transformations%20-node.html

training in good governance with Tunisian officials, which will take place at an academy in Berlin, in addition to training for Tunisian diplomats from the Federal Foreign Office.¹⁶⁰⁵

Germany has continued supporting Libya with the process of stabilization and democratization since the fighting broke out in February 2011.¹⁶⁰⁶ On top of promoting projects that provide advice on drawing up a constitution, Germany has provided financial assistance in establishing an election observation mission for the General National Congress in July 2012.¹⁶⁰⁷ These efforts are consistent with Germany's commitment to build institutional capacity and promote knowledge sharing for transitional countries in the Middle East.

In regards to 2013 planning, Germany has pledged to provide EUR100 million for measures in correspondence with the transformation partnerships. A portion of the funding will specifically focus on developing the democratic and rule of law transformation.¹⁶⁰⁸

Therefore, Germany receives a score of +1 for engaging in the Deauville partnerships and reaffirming its commitment to continue its involvement in establishing exchange programs and working to pair legislators, judges, regional and municipal leaders and/or labor unions to aid in good governance.

Analyst: Ejona Xega

Italy: 0

Italy has partially complied with its commitment to pair legislators, judges, regional and municipal leaders and labour unions with the countries in transition under the Deauville Partnership. They continue to reaffirm their commitment to aid in promoting good governance.

On 17 July 2012, the Ministry of Foreign Affairs of Italy co-chaired a meeting with Tunisia in Rome for the purpose of determining how, "entrepreneurship and [Small and Medium Sized Enterprises] SME development can help generate more jobs, economic growth, innovation and productivity in the Middle East and North Africa region."¹⁶⁰⁹ Italy was asked by the G8 members to employ its MENA-OECD program to offer recommendations of good practices and facilitate capacity building activities within the pillars of the Partnership to transitioning countries.

¹⁶⁰⁵ Strengthening democracy in Tunisia, Federal Foreign Office (Berlin) 24 November 2012. Date of Access: 17 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/RegionaleSchwerpunkte/NaherUndMittlererOsten/Umbrueche_TSP/TUN-Transformations%20-node.html

¹⁶⁰⁶ Helping to rebuild Libya, Federal Foreign Office (Berlin) 12 February 2013. Date of Access: 29 May 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/RegionaleSchwerpunkte/NaherUndMittlererOsten/Umbrueche_TSP/120104-Aufbau-Libyen-node.html

¹⁶⁰⁷ Helping to rebuild Libya, Federal Foreign Office (Berlin) 12 February 2013. Date of Access: 29 May 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/RegionaleSchwerpunkte/NaherUndMittlererOsten/Umbrueche_TSP/120104-Aufbau-Libyen-node.html

¹⁶⁰⁸ Democratic Change in Egypt, Federal Foreign Office (Berlin) 04 January 2013. Date of Access: 17 January 2013. http://www.auswaertiges-amt.de/EN/Aussenpolitik/RegionaleSchwerpunkte/NaherUndMittlererOsten/Umbrueche_TSP/110414-TFP-EGY-node.html

¹⁶⁰⁹ Promoting High Growth Enterprises in the MENA Region, Ministry of Foreign Affairs (Rome) 17 July 2012. Date of Access: 14 January 2013. http://www.esteri.it/mae/approfondimenti/2012/20120717_Programma.pdf

On 19 September 2012, the Italian School of Public Administration along with the OECD launched a network the new Training Center in Caserta, Italy to implement capacity building activities in the area of governance, transparency and accountability.¹⁶¹⁰ Italy has been entrusted with the task of setting up and launching e-learning projects that will operate within the framework of the MENA-OECD Governance Programme.

On 28 September 2012, the Foreign Ministers of the Deauville Partnership met in New York to review progress on the Partnership. Italy along with the Partnership countries re-affirmed its commitment for governance leadership training. In the meeting, Italy also reaffirmed their pledge to use the OECD program in order to guide countries in transition with good practices to promote good governance.¹⁶¹¹

Though Italy continues to reaffirm their commitment towards greater action in 2013, no active efforts have been made to implement such recommendations.

Thus, Italy has been awarded a score of 0 for taking measures to engage in the promotion of good governance practices. They have yet to demonstrate an active engagement in the pairing of legislators, judges, and regional and municipal leaders and/or labor unions in the transition countries.

Analyst: Ejona Xega

Japan: -1

Japan has not complied with its commitment to establish partnerships and exchanges with the Arab Countries in Transition in pursuit of good governance.

In 2011 Prime Minister Yoshihiko Noda delivered a speech on good governance improvements to the United Nations' 66th session in New York City.¹⁶¹² The prime minister affirmed Japan's commitment to the field of good governance and to providing continued aid to countries in the MENA region undergoing democratic transition, but did not mention any specific commitments.¹⁶¹³

On 10 April 2012, in a joint statement by the prime ministers of Japan and the UK titled, "A Leading Strategic Partnership for Global Prosperity and Security," Japan repeated its commitment to ensuring effective support for ongoing efforts for reform in the Middle East and North Africa through the Deauville Partnership, but did not mention any specific measures.¹⁶¹⁴

¹⁶¹⁰ Launching of the MENA-OECD Network on public Procurement, MENA-OECD Governance Programme (Caserta) 19 September 2012. Date of Access: 29 May 2013.
<http://www.oecd.org/gov/ethics/Flyer.pdf>

¹⁶¹¹ The Deauville Partnership With Arab Countries in Transition Chair's Summary of the Foreign Ministers Meeting (Washington) 1 October 2012. Date of Access: 10 January 2013.
<http://www.state.gov/r/pa/prs/ps/2012/10/198514.htm>

¹⁶¹² Address by Prime Minister Yoshihiko Noda at the United Nations, Ministry of Foreign Affairs of Japan (Tokyo) September 2011. Date of Access: 12 January 2013
http://www.mofa.go.jp/policy/un/assembly2011/mena_factsheet1109.html

¹⁶¹³ Address by Prime Minister Yoshihiko Noda at the United Nations, Ministry of Foreign Affairs of Japan (Tokyo) September 2011. Date of Access: 12 January 2013
http://www.mofa.go.jp/policy/un/assembly2011/mena_factsheet1109.html

¹⁶¹⁴ Joint Statement by the prime ministers of Japan and the UK, Office of the Prime Minister of Japan and his Cabinet (Tokyo) 10 April 2012. Date of Access: 15 January 2013
http://www.kantei.go.jp/foreign/noda/diplomatic/201204/10uk_e.html

In Tokyo, on 12 October 2012, the chairman of the Deauville Partnership released a report detailing member countries' contributions to date. Although Japan pledged USD10 million towards the Transition Fund designed to aid in the stabilization and capacity-building of national institutions, they did not specifically address any exchange or partnership programs.¹⁶¹⁵ Japan also revealed the possibility of a "Tunisian government issuance of a Japan Bank for International Cooperation-backed, yen denominated sovereign bond," to help Tunisia invest in programs that support job creation and growth, potentially including exchange programs, but did not announce any specific programs.¹⁶¹⁶

On 11 May 2013, Prime Minister Yoshihiko Noda announced an additional assistance package for MENA countries of USD2.2 billion, including concessional loans, to "support the stability and democratization of the MENA region." No specific initiatives aimed at promoting good governance were announced however.¹⁶¹⁷

Therefore despite its contributions and commitments to other areas of the Partnership, Japan receives a score of -1 for failing to articulate or announce any projects to pair legislators, judges, regional and municipal leaders or labor unions with Partnership countries to promote good-governance in transition countries

Analyst: Amir Khouzam

Russia: -1

Russia has failed to comply with the commitment on good governance.

No information on relevant actions taken by Russia has been included in respective section of the Final Update on the U.S. G-8 Presidency published on 31 December 2012.¹⁶¹⁸

No information on Russia's actions to pair legislators, judges, regional and municipal leaders or labor unions from the Deauville Partnership countries with their G8 counterparts to promote good-governance in these countries has been found in other sources.

Thus, Russia has been awarded a score of -1.

Analyst: Mark Rakhmangulov

United Kingdom: +1

The United Kingdom has fully complied with its commitment to establish partnerships and exchanges with Arab Countries in Transition in pursuit of good governance.

¹⁶¹⁵ Chairman's Statement on the Deauville Partnership with Arab Countries in Transition, Ministry of Foreign Affairs of Japan (Tokyo) 12 October 2012. Date of Access: 15 January 2013
http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹⁶¹⁶ Chairman's Statement on the Deauville Partnership with Arab Countries in Transition, Ministry of Foreign Affairs of Japan (Tokyo) 12 October 2012. Date of Access: 15 January 2013
http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹⁶¹⁷ Address by Senior Vice Minister of Finance the Honorable Yuko Obuchi to the 22nd Annual Meeting of the European Bank for Reconstruction and Development (Istanbul), 11 May 2013. Date of Access: 27 May 2013. <http://www.4-traders.com/news/Ministry-of-Finance-of-the-State-of-Japan-Statement-at-the-22st-Annual-Meeting-of-the-EBRD-Istanb—16841121/>

¹⁶¹⁸ Final Update on the U.S. G-8 Presidency, US Department of State 31 December 2012. Date of Access: 5 February 2013. <http://www.state.gov/documents/organization/202643.pdf>.

On 10 April 2012, in a joint statement by the prime ministers of Japan and the UK titled “A Leading Strategic Partnership for Global Prosperity and Security,” the United Kingdom repeated its commitment to ensuring effective support for ongoing efforts for reform in the Middle East and North Africa through the Deauville Partnership,¹⁶¹⁹ but did not mention specific measures to be followed.

On 1 November 2012, the UK hosted the Deauville Partnership Meeting on Policies for Small and Medium-Sized Enterprises in London, at the European Bank for Reconstruction and Development.¹⁶²⁰ At this meeting Yemen was included for the first time as a country in transition. The Partnership developed country-specific, near-term action plans for the Arab Countries in Transition, and the UK reiterated its pledge of GBP16 billion to the Transition fund to assist in the implementation of the plans.¹⁶²¹

On 15 November 2012 Alistair Burt, Foreign Office Minister for the Middle East, welcomed 17 fellows from Bahrain, Lebanon, Jordan and other MENA countries who were contributing to judicial and legislative reform in their home countries.¹⁶²² Through the John Smith Memorial Trust funded by the Foreign & Commonwealth Office, the partnership program aimed to help “nurture and support...commitment to forging the foundations of democracy and accountability in their own countries.”¹⁶²³ It focused primarily on energizing the relationship between voters and elected representatives, reinforcing MP’s responsibilities, and countering misinformation among voters.¹⁶²⁴

Following the establishment of the Deauville Partnership, the United Kingdom Department for International Development in partnership with the Foreign and Commonwealth Office announced the UK’s Arab Partnership.¹⁶²⁵ The United Kingdom has committed GBP110 million to the Partnership, including GBP40 million to the Arab Partnership Participation Fund, which will be dispensed over the next four years.¹⁶²⁶ The fund aims to help Arab countries in their attempts at,

¹⁶¹⁹ Joint Statement by the prime ministers of Japan and the UK, Office of the Prime Minister of Japan and his Cabinet (Tokyo) 10 April 2012. Date of Access: 14 January 2013.

http://www.kantei.go.jp/foreign/noda/diplomatic/201204/10uk_e.html

¹⁶²⁰ Communique on the Transition Meeting in London, US Department of State (Washington) 8 November 2012. Date of Access: 14 January 2013 <http://www.state.gov/r/pa/prs/ps/2012/11/200329.htm>

¹⁶²¹ Chairman’s Statement on the Deauville Partnership with Arab Countries in Transition, Ministry of Foreign Affairs of Japan (Tokyo) 12 October 2012. Date of Access: 14 January 2013

http://www.mof.go.jp/english/international_policy/convention/others/dauville_partnership_jp20121012e.pdf

¹⁶²² Foreign Office Minister welcomes Middle East champions of reform to UK, British Embassy in Laos (Bangkok) 15 November 2012. Date of Access: 14 January 2012

<http://ukinlaos.fco.gov.uk/en/news/?view=News&id=835652482>

¹⁶²³ Foreign Office Minister welcomes Middle East champions of reform to UK, British Embassy in Laos (Bangkok) 15 November 2012. Date of Access: 14 January 2012

<http://ukinlaos.fco.gov.uk/en/news/?view=News&id=835652482>

¹⁶²⁴ Foreign Office Minister welcomes Middle East champions of reform to UK, British Embassy in Laos (Bangkok) 15 November 2012. Date of Access: 14 January 2012

<http://ukinlaos.fco.gov.uk/en/news/?view=News&id=835652482>

¹⁶²⁵ Arab Partnership outline, Department for International Development (London). Date of Access: 14 January 2012 <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/>

¹⁶²⁶ Arab Partnership outline, Department for International Development (London). Date of Access: 14 January 2012 <http://www.dfid.gov.uk/Work-with-us/Funding-opportunities/partnerships/Arab-Partnership/>

“political reform, supporting free and fair elections, stronger parliaments, media and judiciaries.”¹⁶²⁷

In January 2013, the UK, together with Canada and France contributed USD37.7 million to the MENA TF with the specific goal of supporting good governance, sustainable growth, and greater employment opportunities for young people in the region.¹⁶²⁸ This is in addition to the GBP16 billion already committed by the UK to the Transition Fund.

Therefore the United Kingdom receives a score of +1 for its establishment of multiple partnership programs with Arab Countries in Transition, as well as its attempts to aid transition governments in capacity building.

Analyst: Amir Khouzam

The United States: +1

The United States has fully complied with its commitment to launch a Partnership exchange program to pair legislators, judges, regional and municipal leaders and labour unions with G8 counterparts to build institutional capacity, promote knowledge sharing, and strengthen accountability and good-governance practices in transition countries.

On 21 May 2012, G8 leaders met at Camp David to discuss the progress of the Deauville Partnership commitments made a year prior.¹⁶²⁹ The International Exchanges action plan was led by U.S. President Barack Obama, and partners the US with the Deauville transition countries: Tunisia, Libya, Morocco, Jordan, and Egypt.¹⁶³⁰ Over the next 12 months they will promote exchanges among members of legislative bodies, judiciaries, regional governments and municipalities and labour unions.

On 18 May 2012, following a bilateral meeting between President Obama and French President Hollande, the White House released the following remarks: “regarding Syria and Arab Spring countries, we talked about the Deauville partnership, and here again I said that we would comply with our commitments.”¹⁶³¹

On 24 April 2012, The Deauville Partnership with Arab Countries in Transition Meeting on Governance was held in Paris, France.¹⁶³² An agreement was reached on the actions that needed to be taken in order to fulfill the commitments made in Deauville. On the commitment of

¹⁶²⁷ The Arab Partnership: Leading the UK Government’s strategic response to the Arab Spring, Department for International Development (London) and Foreign & Commonwealth Office (London). Date of Access: 14 January 2012 <http://www.dfid.gov.uk/Documents/publications1/FCO-Arab-Partnership.pdf>

¹⁶²⁸ World Bank Press Release on new contributions to the MENA Transition Fund (Washington), 2 January 2013. Date of Access: 27 May 2013. <http://www.worldbank.org/en/news/press-release/2013/01/02/37point7-million-contributions-strengthen-governance-economic-growth>

¹⁶²⁹ Deauville Partnership With Arab Countries in Transition: International Exchanges, The White House (Washington) 21 May 2012. Date of Access: 14 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/05/190497.htm>

¹⁶³⁰ Deauville Partnership With Arab Countries in Transition: International Exchanges, The White House (Washington) 21 May 2012. Date of Access: 14 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/05/190497.htm>

¹⁶³¹ Remarks by President Obama and President Hollande of France after Bilateral Meeting, The White House (Washington) 18 May 2012. Date of Access: 14 January 2013. <http://www.fin.gc.ca/n12/12-045-eng.asp>

¹⁶³² The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012 in Paris, France, The White House (Washington) 25 April 2012. Date of Access: 14 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>

international exchanges, the U.S. and other partner countries agreed to support exchanges and training programs for members of legislative bodies and their staffs, judges, regional and municipal leaders, and labor unions from transition countries.¹⁶³³ By 2013, the partnership countries agreed to identify completed exchanges and programs, with the goal to, “facilitate strong commitments to effective, accountable, and representative governance practices.”¹⁶³⁴

On 28 September 2012, the US Secretary of State Hilary Clinton remarked at the G8 Deauville Partnership With Arab Countries in Transition Foreign Ministers Meeting “We have established a transition fund to support countries as they build court systems, ministries, and other public institutions that are responsive to the needs of all their people, putting them in the best positions to lead their own reforms and see their own transition to democracy through.”¹⁶³⁵ The previous week, legislators and leaders from the transitioning partner countries visited the United States and took the same training U.S. members of Congress go through. Afterwards, the leaders talked with the members of Congress about the challenges of democracy and leadership.¹⁶³⁶

Governance leadership training in the US commenced in September 2012, when legislative leaders from Egypt, Jordan, Libya, Morocco, and Tunisia attended Harvard University for an academic training program mirroring those taught to new members of the Congress.¹⁶³⁷ The leaders then travelled to Washington to discuss the legislative techniques with members of the US House of Representatives.¹⁶³⁸

On 26 September 2012, Hilary Clinton reinforced the Deauville Partnership by stating that she “ [believed] in the potential of multilateral organizations,” and as secretary of state “made it a priority to deepen our engagement with regional organizations that are playing a growing role in world events, from the African Union to ASEAN to the Arab League.”¹⁶³⁹

Furthermore, the U.S. Department of State claims that judicial training institutes in the Arabian Gulf region face a wide range of obstacles including a limited number of permanent staff to handle the increased workload while also addressing improvements in curricula and available technologies, and difficulties in recruiting qualified instructors to train judges, prosecutors, and attorneys.¹⁶⁴⁰ In response, the U.S.-Middle East Partnership Initiative (MEPI)-supported American Bar Association Rule of Law Initiative (ABA ROLI), “implemented a training course

¹⁶³³ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012 in Paris, France, The White House (Washington) 25 April 2012. Date of Access: 14 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>

¹⁶³⁴ The Deauville Partnership with Arab Countries in Transition Chairman’s Summary of the Meeting on Governance on April 24, 2012 in Paris, France, The White House (Washington) 25 April 2012. Date of Access: 14 January 2013. <http://www.state.gov/r/pa/prs/ps/2012/04/188471.htm>

¹⁶³⁵ Remarks at G-8 Deauville Partnership With Arab Countries in Transition Foreign Ministers Meeting, Waldorf Astoria Hotel (New York City) 28 September 2012. Date of Access: 14 January 2013. <http://www.state.gov/secretary/rm/2012/09/198406.htm>

¹⁶³⁶ Remarks at G-8 Deauville Partnership With Arab Countries in Transition Foreign Ministers Meeting, Waldorf Astoria Hotel (New York City) 28 September 2012. Date of Access: 14 January 2013. <http://www.state.gov/secretary/rm/2012/09/198406.htm>

¹⁶³⁷ Final Update on the U.S. G-8 Presidency, The White House (Washington) 31 December 2012. Date of Access: 13 January 2013. <http://www.state.gov/documents/organization/202643.pdf>

¹⁶³⁸ Final Update on the U.S. G-8 Presidency, The White House (Washington) 31 December 2012. Date of Access: 13 January 2013. <http://www.state.gov/documents/organization/202643.pdf>

¹⁶³⁹ Clinton Stresses Partnership, Support for Mideast in Transition, Bloomberg (New York City) 26 September 2012. Date of Access: 14 January 2012. <http://www.bloomberg.com/news/2012-09-26/clinton-stresses-partnership-support-for-mideast-in-transition.html>

¹⁶⁴⁰ Gulf Judicial Training Institutes improve training for judges, prosecutors, and attorneys, Department of State (Washington) 12 Dec 2012. Date of Access: 30 May 2013. <http://mepi.state.gov/mh121212a.html>

in Bahrain during the fall of 2012 for directors and key staff from judicial training institutes in, Qatar, Oman, Kuwait, and Bahrain”.¹⁶⁴¹

Thus, the United States has been awarded a score of +1 for full compliance with its commitment to launch a Partnership exchange program to pair legislators, judges, regional and municipal leaders and labour unions with G8 counterparts to build institutional capacity, promote knowledge sharing, and strengthen accountability and good-governance practices in transition countries.

Analyst: Derakhshan Qurban-Ali

European Union: -1

The European Union has not complied with its commitment to partner its legislators, judges, and municipal leaders with their counterparts in Partnership countries.

On 3 October 2012, the European Commission, in conjunction with the High Representative of the European Union for Foreign Affairs and Security Policy, produced a communication entitled, “Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies.” The document examines what the European Union can do to help countries in transition achieve successful and sustainable transformations.¹⁶⁴² According to the Commission, “[the document] sets out a number of concrete measures to improve the way in which the EU supports these countries so that they [can] achieve lasting reforms and avoid backsliding.”¹⁶⁴³

The communication claims that in order to contribute to sustainable change in transition societies, the EU should promote democratic governance and the rule of law, in a way that contributes to politically sustainable reforms and regional integration.¹⁶⁴⁴ Moreover, the European Union contends that to further contribute to this sustainable change, it must, “act in a way that enhances the partner countries’ ownership of the reform process and encourages the exchange of experiences without the imposition of specific models.”¹⁶⁴⁵ The communication claims that in order to achieve the stated goals, the EU must “make efficient use of knowledge-sharing and capacity development methods, including the use of transition experience[s] of EU Member

¹⁶⁴¹ Gulf Judicial Training Institutes improve training for judges, prosecutors, and attorneys, Department of State (Washington) 12 Dec 2012. Date of Access: 30 May 2013. <http://mepi.state.gov/mh121212a.html>.

¹⁶⁴² Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013. http://ec.europa.eu/europeaid/what/development-policies/documents/communication_transition_en.pdf.

¹⁶⁴³ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013. http://ec.europa.eu/europeaid/what/development-policies/documents/communication_transition_en.pdf.

¹⁶⁴⁴ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013. http://ec.europa.eu/europeaid/what/development-policies/documents/communication_transition_en.pdf.

¹⁶⁴⁵ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013. http://ec.europa.eu/europeaid/what/development-policies/documents/communication_transition_en.pdf.

States.”¹⁶⁴⁶ Furthermore, the European Union must also, “engage in efficient cooperation and coordination with EU Member States, including possible joint programming, and with other donors and actors.”¹⁶⁴⁷

The EU claims its support for inclusive political processes and governance is centered on four main points: establishment of constitutional and electoral processes; strengthening of democratic institutions; strengthening of political and civil society; and gradual development of a democratic political culture.¹⁶⁴⁸ The EU also claims that its focus is shifting towards strengthening constituent assemblies and legislatures.¹⁶⁴⁹ Moreover, the Joint Communication states, “The EU is also stepping up its engagement with political parties (in Tunisia, for instance) on a non-partisan basis through capacity development activities and the facilitation of multi-party dialogues.”¹⁶⁵⁰

The European Commission states that, “Credible institutions are needed to avoid gaps between legal rules and the capacity to implement and enforce them, which in practice can prevent or slow down a real change and facilitate corruption. An independent judiciary needs to ensure the respect for the rule of law.”¹⁶⁵¹ As such, the EU commits to supporting this transition process, through its Twinning and SIGMA (Support for Improvement in Governance and Management) programs, “which [contribute] to institutional development through partnerships between public institutions in beneficiary countries and their counterparts in EU Member States.”¹⁶⁵²

However, the Twinning project was last revised in April 2012, prior to the Camp David Summit. The European Union has not made any further attempts to pair legislatures, judges, regional and municipal leaders, or labour unions with Partnership countries.

¹⁶⁴⁶ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013.

¹⁶⁴⁷ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013.

¹⁶⁴⁸ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013.

¹⁶⁴⁹ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013.

¹⁶⁵⁰ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013.

¹⁶⁵¹ Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013.

¹⁶⁵² Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions — EU Support for Sustainable Change in Transition Societies, European Commission (Brussels) 3 October 2012. Date of Access: 11 February 2013.

The European Commission released a report indicating it has earmarked EUR18 million for democracy and state building in Yemen. The report highlights various strategies in improving electoral assistance and government accountability and decentralization. The report however, makes no mention of the Deauville Partnership, and lacks any initiatives at pairing legislators, judges or regional leaders with their counterparts.¹⁶⁵³

Thus, though the European Union claims that it intends to establish an exchange program, the EU receives a score of -1 for failing to actively pair these good governance bodies with Partnership countries.

Analyst: Sarah Burton

¹⁶⁵³ Democracy and State Building: Supporting Yemen's Transition, European Commission (Brussels), 2012. Date of Access: 30 May 2013. <http://ec.europa.eu/europeaid/where/gulf-region/documents/support-democracy-state-building-2012.pdf>