Model G8 Youth Summit Japan 2008



# FINAL COMMUNIQUÉ

Yokohama March 15<sup>th</sup>

> Model G8 Youth Summit 2008 JAPAN



Global challenges require global solutions. We, the Heads of States and Ministers from Japan, Italy, Canada, the United States, France, the United Kingdom, Russia and Germany met in Yokohoma, Japan from March 10 through March 15, 2008 to deliberate on the state of global issues and to discuss eminent problems such as Climate Change, Human Security, Nuclear Proliferation, Financial Instability/Crisis, Labour Standards, Millennium Development Goals and Transnational Terrorism. In an atmosphere of equal and mutual partnership, we invited the Heads of States from Brazil and China to contribute to our discussions. They expressed full participation in the Heads of States meetings. We welcome their efforts and envision a greater institutional dialogue between G8 and the 05 countries.

We welcome the offer of the Republic of Italy to host the Model G8 Youth Summit 2009.

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# Head of State

# **Climate Change**

Climate Change is a serious issue regarding economic and ecological development of our planet. Since Climate Change is primarily human-induced, we see the necessity of combating Global Warming and cooperating with each other in order to mitigate and adapt to this collective problem. We revere the Kyoto Protocol because it outlines the commitments of each country to decrease  $CO_2$  emissions. We welcome the 4th report of the Intergovernmental Panel on Climate Change (IPCC) and affirm our commitment to the Bali Roadmap. We, as the G8, cannot deal with the crisis of Climate Change without engaging countries like Brazil, China, India, Mexico and South Africa as well. A binding commitment on the part of the O5 and the G8 is the most effective agreement on Climate Change. Therefore, we would like to initiate a full Ministerial dialogue between the G8 countries and the O5 countries. The full membership extended to 05 countries in Ministerial dialogues and the discussions among Heads of States on Climate Change will endow the O5 with the influence and responsibilities associated with the initial members of the G8.

# **Post-Kyoto Protocol**

G8 countries recognise the collective impact Global Warming has on humanity. At this meeting, we have expressed our will to do everything in our collective and national power to achieve the emission reduction that is required for a sustainable biosphere. We must take measures to meet a common goal of a 50% reduction of 1990 carbon emission levels by 2050. We further recognise the pertinence of the conclusions drawn in the Bali Roadmap and the obligation we have to reach a concrete and binding agreement in Copenhagen in 2009.

The G8 suggest that the Post-Kyoto framework last from 2013 to 2023 and lends consideration to the capacity of each state to innovate and meet target levels as a result of differing levels of development. That said, we feel that the creation of three categories of target and adaptation levels will be necessary: developed countries, developing countries and least developed countries. The G8 suggest the establishment of a UN Working Group in order to determine the precise categorization of countries as well as the specific target rates for each grouping.

G8 countries commit themselves to assessing their capacity for innovation and participation on actual emissions (taking into consideration all sectors of the economy) for fulfilling their target reductions and presenting all data and information to the Copenhagen delegation in 2009. The G8 welcome the will of the United States to strongly fight Climate Change. Furthermore, the G8 fully understand the United States' need to adapt to their economy in an effort to compare to other Kyoto Protocol members. The United States further commits to emission reductions in the months leading up to the Copenhagen Conference.

We recognise the importance of establishing intermediate goals, which will be reinforced by annual meetings, while emphasising a collective long-term goal (emission reduction levels by 2050).

We, the G8, believe that Kyoto mechanisms including Clean Development Mechanisms (CDMs) and other market mechanisms are effective instruments in strengthening the commitments of countries to both intermediate and long-term goals, as well as diminishing the poverty gap between developed and developing nations. The G8 also recognise that CDMs require efficiency-generating reforms in order to become a long-term solution. Further, new market mechanisms

for encouraging the reduction of emissions are necessary.

# **Technology Transfer in Relation to Climate Change**

We recognise the need to encourage and reward those wish to be a part of eliminating climate change. The G8 strongly support the work of the UN in regards to the Subsidiary Body for Scientific Technological Advice (SBSTA) and all members will continue to contribute fiscal and political support. The G8 also recognise the need to reward those who wish to be a part of eliminating climate change. Thus, any G8 country that becomes a signatory to the Post-Kyoto Protocol will establish an initiative to sufficiently discount and incentivise climate change technology transfer for other countries signing onto the Post-Kyoto Protocol. An example of such incentives could include the use of tax breaks for companies which participate in technology transfer. Additionally, the G8 emphasise the risk involved in providing intellectual property internationally, however the G8 will seek to safeguard intellectual property rights presently as well as in the future. The G8 further support countries signing onto the Kyoto Protocol to engage the G8 in implementation of technologies.

Also, the G8 support that should any comprehensive solution be decided for the Post-Kyoto Protocol, this mechanism should be implemented as a general Climate Change fighting mechanism.

# Adaptation

We recognise the danger of crises such as rising sea levels, natural disasters, and drought caused mainly by Climate Change, and agree that it is necessary to execute measures to adapt to these crises. Thus, we are determined to make acute efforts towards those countries who suffer as a result of these crises as well as to help them adapt to long-term Climate Change. Also, we have agreed to increase support for the existent UN Adaptation Fund. G8 countries express their strong commitments and encourage the decisions that have been stated in the Bali Road Map and are committed to uphold decisions in the upcoming Bangkok Conference.

# Deforestation

We, the G8, Brazil and China, affirm the importance of combating unsustainable deforestation and strengthening the measures against illegal logging. We also support the ongoing negotiations in the United Nations Framework Convention on Climate Change (UNFCCC) to include deforestation in emission trading.

We stress the need for international standards for certifying wood which has been sustainably logged and traded, while at the same time reducing trade of illegally logged wood. As information is a critical component of eliminating black market activity, the G8 encourage the establishment of rating agencies in order to eliminate information asymmetries in international lumber markets.

We ask our administrations to devise a timely, sustainable and efficient mechanism to address this problem. All measures taken against illegal trade of logs must take into account an efficient utilisation of the natural resources and should be based on both incentives and free-market principles. Further, this mechanism should be financed through self-financing operations.

We envision a mechanism that includes certification, confiscation and sale as primary instruments. G8 countries should

meet recognised international standards regarding certification of lumber as established by a professional working group.

Lumber that does not meet recognised international standards ought to be confiscated at state borders and then sold at certified lumber market prices. The proceeds should be allocated between the supplying country and the receiving country, however the costs associated with recovery and sale must be paid, a fee to the country that seizes the lumber must be paid, and the remainder of the money is to be donated to a fund for forest conservation. The fund must ensure a fair and independent assessment and audit of the program financed. The assessment of costs and the allocation of funds will be decided by a professional working group.

We anticipate that such an initiative will curtail the incentives of companies to purchase uncertified lumber. Reaffirming our commitment to sustainable development and management of natural resources, we propose the extension of this initiative to all UN member countries.

# **Energy Security in Relation to Climate Change**

All G8 countries have a common interest in the transparency of the international energy markets. In particular, G8 countries have expressed a strong concern about using energy supplies as an instrument for political pressure. To address this concern, we propose a Code of Conduct and fair trade guidelines that will govern access to energy markets, particularly in those countries facing political instability. Also, we seek to counter political instability through development mechanisms. We, as the G8, recognize the necessity of cooperation between the European Countries and the Russian Federation concerning a long-term and reliable energy supply. The European Countries and Russia express their strong will to reinforce their framework partnership in different aspects in their multilateral cooperation (i.e. energy, trade, commerce, education, and culture). Similarly, G8 Countries encourage EU and Russian efforts concerning the renegotiation of their Partnership and Cooperation Agreement. We also recognise the importance of domestic energy diversification as part of the need for energy security and urge nations to enact measures by which they can reduce their dependence upon foreign energy sources.

# **Alternative Energies in Relation to Climate Change**

We admit that fossil fuel resources are depleting. We believe that the development of alternative energies will ultimately be an integral part of achieving energy security in all regions. Currently, G8 countries are developing many sources of energy, including nuclear energy, which do not emit green house gases. As part of the effort to develop new sources of energy, we strongly encourage, among others, the activities of the Carbon Sequestration Leadership Forum, Global Gas Flaring Reduction Partnership, Methane-to-Markets Partnership, International Partnership for Hydrogen Economy, and the Global Bio Energy Partnership.

# **Environmentally Friendly Defence**

We, the G8 nations, recognise that the global nature of environmental issues necessitates an increase in pollution reducing efforts as well as an extension of these efforts to sectors, such as the national defence sector, that emit substances of environmental concern. We hope to engage in examining possibilities and methods of improving energy efficiency, waste storage, recycling, and the treatment of dangerous substances related to military activities. However, we stress that these efforts shall not, in any way, compromise the efficiency or efficacy of military activities, nor shall they trump national security considerations.

# FOREIGN AFFAIRS: Promotion of Human Security

We, the G8, express concerns in the following areas: Afghanistan, Burma, Iran, Iraq, Kenya, Kosovo, Middle East, North Korea, Pakistan and Sudan. Among the underlying causes of these conflicts we identify human security. We recognise the final report *Human Security Now* published by the Commission on Human Security in 2003. In accordance with this report, calling for protecting vital freedoms of people, the G8 countries thus for the first time prioritise the concept of human security.

# **Definition of human security**

We recognise that there are two primary objectives of human security: protection and empowerment. Urgent action is necessary to protect people from threats and to empower individuals. We propose a three-stage approach towards the settlement of regional disputes. Firstly, reaffirming commitment to the principles of sovereignty, territorial intagrety and self-determination of nations, we underline the importance of strengthening efforts by regional organisations, in particular the African Union, in promoting security both for inhabitants of conflict zones and foreign aid workers. Secondly, if this effort is ineffective, international mediators would be selected to settle the conflict. However, if a peaceful solution is not yet reached, the matter should be brought before the United Nations Security Council for deliberation.

# **Global health**

Despite the efforts of the international community, the targets of the Millennium Development Goals are far from being achieved. Particularly little progress has been achieved in the realm of global health. In this context, we agree to take actions to promote accessibility and distribution of medical care at both the regional and international levels.

Highly appreciating the efforts of the World Health Organisation on eliminating infectious diseases and strengthening the welfare of all nations, we also propose expanding the distribution of medication for the three major infectious diseases: HIV/AIDS, tuberculosis and malaria. The G8 welcomes the possibility provided by the WTO TRIPS Agreement for the countries being most concerned with the above-mentioned diseases to have access to the necessary pharmaceuticals and medical technology in the framework of sanitary urgency states.

# Southern Sudan: human security for refugees returning back to their homeland

We think that humanitarian needs of refugees are more effectively met when aid and assistance are addressed in four steps. It is necessary to firstly meet immediate humanitarian needs, secondly, to emphasise reconciliation and coexistence, thirdly, to launch rehabilitation and reconstruction and, finally, to promote governance and empowerment.

# Meeting immediate humanitarian needs

The G8 countries stress that humanitarian needs of refugees should be met, be they in refugee camps or on the move. We acknowledge that the problems which arise in these camps have a direct impact on the security of human beings within the camps. These problems are above all identified in the spheres of access to healthcare and food.

In order to protect the refugees from external and internal threats, we will encourage the increased deployment of military monitors with UN assistance. We encourage internal policing to protect the most vulnerable sectors of refugee populations, in particular, the protection of women and children. We furthermore assist UN aid with the provision of

essential materials and supplies that contribute to the improvement and maintenance of sanitary conditions in refugee camps. We will encourage and assist the construction of distribution centres for food and medical supplies along with ensuring timely and secure transit of aid products from these centres to the refugee camps.

In order to channel humanitarian aid we, the G8, propose that states with refugees on the move provide information to the UN regarding the location of refugees for the purpose of providing humanitarian aid and security where necessary and applicable. We also ask for establishing a schedule for the movement of refugees to safer conditions. Moreover we encourage the UN to share information about "safe spots" on the way to refugee camps, where humanitarian aid could be provided for refugees.

In addition to that we, the G8 countries, support the actions of the United Nations High Commissioner for Refugees, the World Food Programme, regional organisations, and NGOs s in helping refugees who are on the move. We encourage the UNHCR to inform refugees when appropriate conditions are achieved for movement back to the homeland. Thereby, we recognise that there are two different categories of refugees: Those fleeing their homeland and those who are returning.

We strongly advise that aid should be allocated until all the refugees return home.

# Emphasising reconciliation and coexistence

We appreciate the increase in funding of the peacekeeping process in Southern Sudan. We see the need to monitor the implementation of the Comprehensive Peace Agreement in order to evaluate its progress. The G8 countries encourage the surrounding nations to cooperate in the maintenance of peace in the region and the G8 countries support the idea of allocating additional funds to the African Union mission in the region.

#### Launching rehabilitation and reconstruction

Understanding that sustainable peace is only achieved through the establishment of effective cooperation within a society, we agree upon the idea that this cooperation is based on the promotion of wide scale reconstruction and rehabilitation. We understand the necessity of differing approaches to reconstruction. In every case reconstruction should be carried out with the recognition of the cultural and social context of the region. We also emphasise the need to foster the participation of previously displaced peoples in the reconstruction process within their homeland. To this end, the G8 nations, with the assistance of the UN and other regional organisations, will provide materials, training, and manpower to assist populations in the rebuilding of infrastructure, roads, housing, hospitals, schools, and all other facilities necessary for peace and prosperity.

## Promoting governance and empowerment

The G8 nations would like to emphasise the importance of increasing assistance to countries, in particular lesser developed nations, with respect to the development of good governance and democracy. The G8 considers the empowerment of the people to be paramount in maintaining good governance. Furthermore, it is the position of the G8 that gender equality, along with other important political and social issues, should be a priority area of development. The G8 proposes the establishment of special programmes under the auspices of the UN to assist in the integration of women and youth into the primary monitoring of good governance practices.

# Kosovo

Standing for human rights and freedoms worldwide, G8 nations are especially aware of the situation in Kosovo. We are all aware that the process of peaceful settlement of conflict should be brought about through negotiations of the recognised parties and under the auspices of the United Nations Security Council.

# DEFENCE

We, the member states of the G8, have come together to discuss two of the most pressing issues facing the international community today: non-proliferation of weapons of mass destruction and the rebuilding of Afghanistan.

Given past events in Hiroshima and Nagasaki, the G8 is reminded of how crucial non-proliferation and disarmament are.

Afghanistan presents an opportunity for the G8 to candidly discuss the effective restoration of security and stability in the country.

# **Nuclear Non-Proliferation and Disarmament**

As a whole, the G8 firmly believes in the universalization of the Nuclear Non-Proliferation Treaty (NPT) if nuclear non-proliferation is to be truly addressed. Because the NPT serves as the foundation of the international nuclear non-proliferation regime, countries that have not yet ratified the treaty are encouraged to do so without delay or conditions.

# Iran

The G8 welcomes the recent passing of UN Security Council Resolution 1803 on the 3<sup>rd</sup> of March, 2008, which implements sanctions against Iran as a result of its non-compliance with the NPT and its non-acceptance of IAEA inspections. We are committed to resolving this contentious issue through peaceful and diplomatic means. To that end, we call upon G8 members and other states with diplomatic ties to Iran to utilize those ties to urge Iran's compliance with its non-proliferation obligations. Specifically, it is vital that Iran adhere to the NPT in its entirety, as well as the IAEA Additional Protocol. The G8 applauds the efforts of Russia in this endeavour, particularly in its willingness to re-examine its cooperation with Iran, regarding civil nuclear energy development while Security Council sanctions are in effect.

# North Korea

The G8 recognizes the grave threat that North Korean nuclear proliferation poses to the global community. North Korean abidance by the NPT is a top priority for the G8. We are encouraged by the implementation of incentives in the Six-Party Talks, and wish to see them utilized to effectively move North Korea toward a complete declaration and the permanent dismantling of its nuclear program. As an additional step, the G8 urges North Korea to sign the Comprehensive Test Ban Treaty (CTBT).

# India and Pakistan

G8 members invite India and Pakistan to join the G8 Global Partnership Against the Spread of Weapons and Materials of

Mass Destruction (Global Partnership). Doing so reaffirms our commitment to supporting the safety of pacific nuclear energy development, ensuring the inaccessibility of nuclear technology and materials to terrorists, and preventing nuclear catastrophe. The G8 wishes to make it clear that participation by India and Pakistan in the Global Partnership would also serve as a provisional guarantee regarding the commitment of these two nations to move towards a resolution to their nuclear security dilemma and their ratification of the NPT.

# Comprehensive Test Ban Treaty (CTBT)

The G8 would like to whole-heartedly encourage states that have not signed the CTBT to do so. It is imperative to the security of the entire international community that moratoriums be put in place, or if already in place, be continued.

#### Fissile Material Cut-Off Treaty

G8 nations are deeply concerned that a Fissile Material Cut-Off Treaty (FMCT) has not yet entered into the international community's agenda in a concrete way, and welcome the efforts to negotiate within and outside the framework of the Conference on Disarmament. It is imperative that negotiations begin as soon as possible to work towards a treaty of this nature.

# **Other Proliferation Issues**

# Biological and Toxin Weapons Convention (BTWC) / Chemical Weapons Convention (CWC)

Along with the NPT, both of these treaties must be universalized and strengthened in order to truly be effective. Dealing with the threat of biological and chemical weapons, especially if used by terrorists, will require research on effective responses to biological or chemical attacks. It will also require the universal joining and implementation of these conventions. Finally, we must ensure the security of materials and facilities in order to prevent access by terrorists and non-state actors.

# Preventing Weapons of Mass Destruction (WMDs) from Falling into the Hands of Terrorists and Other Non-State Actors

The members of the G8 applaud the work of the international community through Security Council Resolution 1540, and all subsequent initiatives, which address the acquisition of WMDs by terrorists and other non-state actors. We all agree that these mechanisms should be bolstered and expanded upon.

## **Ballistic Missiles**

G8 nations support and encourage the strengthening of efforts against the proliferation of means of delivery of WMD, such as the Proliferation Security Initiative (PSI) and the Hague Code of Conduct Against Ballistic Missile Proliferation. We, the G8, support the ongoing global partnership to clean up unused Russian SNBN's and warheads.

# Afghanistan

G8 members reaffirm their strong commitment to the reconstruction, security and stabilization of Afghanistan. In advance of the 2008 NATO summit, taking place in Bucharest regarding the mission in Afghanistan, the G8 urges that special consideration be given to the provision of additional resources for the training of Afghan national security forces.

We applaud the efforts of the International Conference on Reconstruction Assistance to Afghanistan, held in February

2008 in Tokyo, Japan. Furthermore, we are encouraged by the upcoming International Conference on the Reconstruction of Afghanistan, taking place in Paris in June 2008.

It is crucial that neighbouring countries, especially Pakistan, are effectively included in the implementation of Afghanistan's border security.

Members of the G8 are encouraged by the possibility of future cooperation between NATO and the Shanghai Cooperation Organization on ways to effectively and comprehensively reconstruct Afghanistan.

Additionally, we welcome the efforts of the European Union in its training of Afghan police forces, and hope that these training programs are maintained and bolstered in the future.

# **INTERNAL AFFAIRS**

We, the G8, are deeply concerned with problems faced both within our countries, as well as on the international level. To this effect, several issues have been addressed, which include: terrorism, illegal narcotics trade, police cooperation with specific regard to organized crime, and cyber crime defence. The G8 agree that fundamental human rights are to be respected and held as a priority in all political initiatives.

# **Counter-terrorism**

Recognising that terrorism poses the greatest threat to the safety of all our citizens, the G8 adopts a number of measures to improve our security against terrorism. Primarily, it was established that bringing the perpetrators of terrorist activity to justice, through a fair judicial process, was paramount.

To this end, the G8 decided that an extradition treaty should be drawn up in the near future to ensure that terrorists will be tried for their crimes in the country in which they were committed.

An ad hoc G8 working group should be established to develop the legal framework of the multilateral extradition treaty on terrorism. The legal framework will establish where and how disputes under the treaty will be settled and leave a reservation clause which allows states to refuse to extradite a suspected terrorist. The working group should especially assess whether to establish the multilateral extradition treaty under the auspices of either the ICC or an International Tribunal established by the treaty. We reaffirm the concept of universal jurisdiction and ask the working group to consider this principle.

We, the G8, agree that there is a great need for the intelligence services of our nations to act responsibly with coordinating intelligence. We recognise that there are serious potential implications, as well as a demand for safety measures so as to ensure that innocent people are not targeted.

We recognise the vital importance of preserving human rights and civil liberties in the fight against terrorism. By preserving these things, we ensure that the liberties terrorism aims to destroy are not undermined themselves.

With this in mind, we commit ourselves to establishing a formal system of cooperation between intelligence agencies to facilitate the sharing of relevant information and intelligence between our countries. This will ensure that we are working together as a coherent and united force in the face of terrorism.

Acknowledging that terrorism can be home-grown, we also believe that there is a need to take a long term approach to eradicate terrorism. As such, we plan to introduce programs of education, de-radicalisation, and social advertising, as well as working with our local and ethnic communities to reduce the likelihood of young people turning to terrorism.

We also commit ourselves to taking steps to deny the access of funds to terrorists by freezing bank accounts and financial assets where there is solid evidence that they are being used to finance or facilitate terrorist activity. In extreme cases, where it can be proven beyond reasonable doubt, terrorist funds and assets can also be confiscated by states. The G8 members also expressed their concern that offshore accounts may also be used to finance terrorism. In these cases, members resolved to work diplomatically, and in unity, to encourage similar steps to be taken to freeze offshore accounts.

# Drugs

The trade in illegal narcotics is a security risk. It is also an issue that is linked to a number of types of crimes, including terrorism and organised crime. Halting the production of illegal drugs is the most important action to be taken. G8 states will set aside funds in order to provide directed aid packages to run programmes to halt the production of drugs

in drugs-supplying states. In addition, the G8 establish alternative economic venues in those regions to disincentivise the recommencement of drug production. We envision the reduction of areas used for drug production in these countries by 25% over a five year period.

There also needs to be more efforts to reduce the demand for illegal drugs within our own territory. To this end, we agree to provide a greater degree of treatment for drug addicts. We will move towards a more standardised approach to defeating the drug trade, both in terms of the penalties we seek for trafficking and supply, and in terms of the security and police action we apply within our states. Furthermore, we commit ourselves to working more closely with the United Nations Office on Drugs and Crime in its work on this issue.

# **Greater Police Cooperation**

Recognising that organised crime continues to present a security risk to our nation states, as well as understanding the importance of working together to solve crime that stretches across our borders, we reaffirm our commitment to police cooperation on all criminal matters, but most notably in dealing with organised crime.

We need to be sensitive to national security interests, but still we must aspire to greater transparency with regard to this cooperation to ensure that justice is invariably carried out. The G8 further reaffirms its faith and support for Interpol, whilst encouraging its further improvement so as to develop a strong and effective international response to crime.

# **Emerging Crime Trends**

New forms of crime have followed in the trail of communication technologies. The international community is unprepared to cope with this trend. We commit ourselves to combat this crime.

Cyber crime exists in two main formats: a civil one and a political one. In tackling the civil element, which includes crimes such as internet fraud, there needs to be an international symposium, potentially administrated by the United Nations. There is also a need to establish a framework for international law to tackle crime through the medium of the internet.

The political level of cyber crime concerns crimes such as espionage and the hacking of military computers by state governments. We resolve to commit ourselves to not resort to these tactics against each other, as well as strongly condemning any nation that conducts its affairs in such a way. We further pledge to look at models of best practice in place in other states and to implement them wherever possible.

# ECONOMY

We, the G8 countries, have discussed current macroeconomic issues concerning the world economy.

# Sovereign wealth funds (SWF)

The G8 countries believe that sovereign wealth funds play a beneficial role in the world markets and will continue to do so. However, we feel it is necessary to address growing concerns of potential linkages to political motives. Hence, we have agreed to develop disclosure rules within our countries by which the sovereign wealth funds would agree to equal treatment to that of all other types of funds. Respective countries' regulatory frameworks should be coordinated without sacrificing sovereignty. Such a practice would allow us to monitor SWF's investment activity.

We believe that open discussions with the investment officers of the funds, as well as country leaders, are necessary in the near future. The G8 countries' regulatory bodies should also actively participate in the ongoing dialogue to address ad-hoc issues that might arise.

# Securitisation and rating agencies

We have agreed that the lack of transparency in both the securitisation markets and rating agencies' activities have been one of the major causes of the recent global market turmoil.

Integrity of the ratings process should be improved so that the credit rating matches the underlying quality of the security and its risk. This is true particularly for structured products, which have seen their risk being underpriced and their ratings inflated. We feel it is essential to remove the conflict of interest that arises from the agencies' revenue being generated from the fees incurred by the issuer of a security rather than the investors in the rated products. We support the activities of the International Organization of Securities Commissions (IOSCO), which is looking into the issue in detail.

The G8 countries urge the investment banking industry to maintain good practice standards when issuing structured products to investors who are often unaware of the true extent of the underlying risk.

Through measures promoting disclosure and transparency we aim to increase investor confidence, which would help restore previous levels of activity and liquidity in the securitisation markets.

# Agricultural trade

We understand that it is necessary to address the matter that subsidies are trade distorting. The G8 countries believe that multilateral relaxation of trade barriers in agriculture is in the best, long-run interest of both developed and developing economies. Benefits that would follow include an increase of market efficiency, competitiveness, and opportunities for developing countries to compete in the international markets for agricultural goods. At the same time, the G8 economies would like to stress that this move should result in concessions on the Singapore issues by developing countries.

The key measure through which this goal should be achieved is a gradual reduction in agricultural subsidies in the G8 economies. We bear in mind that such a move would affect the internal agricultural industry of the respective countries. Hence, it is of crucial importance that such a process should be long lasting and gradual.

# Virtual water trade

We recognise that water shortages already are a global problem. Due to the linkage between agriculture and water supply, we recognise that, should this problem not be tackled, it will turn into a worldwide food security issue.

To mitigate this process we propose to encourage sharing of water management technology and knowledge through promotion of investment and research of such. We would particularly encourage enterprises and / or relevant government agencies in the G8 economies to concentrate their efforts on the countries currently suffering from water shortages due to excess agricultural exports.

We would like to emphasize that in return for our efforts to exchange this knowledge and technology, we expect the concerned states to be more flexible with regards to the lowering of tariffs for industrial goods.

# **Energy markets**

The G8 has outlined short-, medium-, and long-term strategies in order to guarantee a higher level of energy security.

It is understood that the Organisation of Petroleum Exporting Countries is an organization whose price and supply fixing activities are perceived to distort the international oil markets. The G8 countries recognise that high oil prices adversely affect our economies and, due to this, in the short term we will encourage the OPEC countries to both boost supply and introduce a fairer pricing strategy. This is in the collaborative interest of oil exporters and importers.

Additionally, the G8 will consider the possibility of an increase of trade with non-OPEC oil exporting countries, such as Azerbaijan, Brazil, Norway and Russia. A possible creation of an organisation alternative to OPEC and consisting of non-OPEC oil exporting countries would increase the competitiveness of oil markets.

Our medium-term strategy for cooperation with oil exporting countries includes assistance in development of infrastructural systems in those states, which would lead to increased security and stability, and hence less volatile oil

prices. The measures we envisage are greater cooperation between the G8 states and those economies with regards to water management systems technology, telecommunications systems, sanitary systems and human capital exchange.

We would like to reflect upon the structure of our tax systems as a possible means to address wasteful consumption of energy. This also covers incentives to increase the level of energy recycling schemes.

The long-term vision for global energy security involves a greater investment in alternative sources of energy. The technologies concerned include various "green" solutions such as wind farms and solar energy, as well as carbon capture and storage technologies and nuclear energy. We would like to stress that it is important that countries thoroughly research each of the possibilities, without concentrating on a single solution. Solutions adapted by each country are left to the discretion of the state concerned. Furthermore, we consider it essential to research the possibility of moving away from oil being the major fuel for road vehicles, concentrating on development of new generations of efficient power storage systems. Prospective creation of ultra-efficient batteries would allow for widespread use of electric-powered vehicles.

In the very long-run, the G8 has agreed that investment in the fission energy research, in order to come up with the first commercial fission power plant within the next thirty years, is of the highest importance to world energy security.

# WTO-TRIPs

The G8 welcomes the possibility provided by the WTO-TRIPs Agreement for the most concerned countries facing life-threatening health epidemics to have access to the necessary pharmaceuticals and medical technology within the framework of a health emergency.

We urge the WHO and the international community to produce a clear and specific definition of a health emergency, so it is easily understandable on the country, company and adjudicator levels.

Furthermore, we realise that by allowing for infringement of patent rights a possibility arises for the re-selling of life saving medicines for purposes other than the original intended, resulting in a creation of a black market. For this reason, it is necessary for us to take a unified action again re-importation of life-saving pharmaceuticals.

Incentives could be provided via fiscal policy. This, however, should be done at each country's discretion.

# **EDUCATION**

# **Preface: The heart of human progress**

We, the G8, recognize the importance of education as the basis for development, self-reliance and human progress. We call upon all nations to reaffirm the importance of education on the global agenda amidst perhaps more controversial issues. Furthermore, we reaffirm our dedication to helping developing countries establish and improve education systems in order to empower marginalized populations. In realisation of the common vision of improving global education, we have come to the following consensus.

# **Millennium Development Goal Targets**

This year (2008) marks the halfway point to the deadline of the United Nation's Millennium Development Goals (MDG). We are committed to ensuring that both the second and third goals established under the MDG are met. Accordingly, we encourage all nations and stakeholders to work together to overcome logistical and financial challenges.

We support the notion that aid spent on education should be fully untied as a means of helping to achieve MDG 2 Target 3 by 2015. To this extent, we wish to build on the decision of the 2001 Development Assistance Committee to untie all aid sent to developing countries. Untied education aid makes better use of local skills and resources, thereby boosting the local economy and facilitating closer involvement of developed countries.

In terms of MDG 3 Target 5, we affirm our support and dedication and applaud nations and respective non-governmental organizations (NGOs) for their financial commitments and resources. We suggest that nations recognize the grave inequalities and problems with gender discrimination and the long-term consequences on development. Today, more than half of all young girls in the world are excluded from formal education systems due to financial and social obstacles. We call on all nations to support NGOs in helping to overcome these obstacles.

We applaud the dedication of the global community and UNIFEM who are currently working towards empowering young girls and women. At the grassroots level, we encourage female role models and leaders from business and political sectors to show by example that women can pursue skilled positions and can make a difference in their communities.

# **Education For All – Fast Track Initiative**

We applaud nations for their continued support for the Education for All Fast Track Initiative (FTI), and wish to continue dedication despite challenges. At the same time, we would like to remind the global community that the targets we are trying to meet via the FTI are not a means to an end, but an ongoing process.

We strongly reaffirm our commitment to the Education for All Fast Track Initiative (FTI). Whilst acknowledging the significant progress made since its establishment in 2002, we recognize the need for continued support and immediate action given that 72 million primary aged children remain out of school.

We applaud nations and stakeholders for their continued support of the 2003 Catalytic Fund (CF) by assisting those countries in need of financial assistance. We encourage supporters of the CF to consider including those Heavily Indebted Poor Countries (HIPC) that lack the political will and/or the economic stability necessary to produce a Poverty Reduction Strategy that is required to become a CF recipient. We call upon past and present CF recipients to assist other nations establish the basis for a promising educational system.

We are pleased to announce the recent agreement of the United States of America about their financial commitment to the Catalytic Fund. We recognize and appreciate the country's past dedication to the FTI.

As a result of published case study reports, we encourage all developing countries to abolish tuition fees for primary

education. This action has been taken in Burundi, Kenya, Lesotho, Malawi, Uganda and Cameroon, and has resulted in increased elementary school enrolments. Another successful initiative, introduced in Nicaragua, is a school-feeding program, which has had the effect of making education more affordable as well as encouraging primary aged children to attend school.

# **International Exchange**

We applaud post-secondary institutions for their dedication to international exchange programs and for promoting the importance of cultural exchange as a means of establishing mutual understanding. We recognize the inherent exclusivity of exchange programs that exist between developed countries. Thus, we encourage nations to consider expanding student exchanges to developing countries.

We suggest facilitating partnership between universities and research centres by establishing a uniform system of mark conversion and academic recognition of study programs abroad.

We encourage students to pursue their education abroad by lowering post-secondary tuition fees for international students, promoting scholarships and bursaries and urging G8 members to officially recognize accreditations gained abroad.

With regard to Least Developed Countries (LDCs), we suggest exploring ways of gaining education experience through internship or volunteer programs and facilitating the education of their students in developed countries.

# **Health Education**

We strongly affirm the importance and the effectiveness of proactive health education as a fundamental prevention method of HIV/AIDS. We applaud current strategic partnerships and collaborations within educational sectors, and encourage urgent actions to be taken at the national and international levels. Also, we wish to strengthen our cooperation with UNAIDS and the World Health Organization (WHO). We suggest innovative ways to ensure HIV/AIDS prevention education can overcome cultural barriers. We encourage the implementation of working groups coordinated by the G8 for the purpose of addressing pressing health issues.

# **Peace Education**

With evidence of increasing intra-/inter-national conflict and nuclear proliferation, we call on countries to be receptive to a paradigm shift in dealing with conflict at the individual, regional, and international levels. In the spirit of the United Nations (UN) and the United Nations Educational, Scientific, and Cultural Organization (UNESCO), we call on conflicting and post-conflicting societies to consider the implementation of peace education into the curriculum of their respective countries in order to provide the foundation for a culture of peace.

# LABOUR

# Preface

We, reconfirmed the problems within global society such as corporate social responsibility, fair trade, the lack of

advancement opportunities for women in the workforce, unfair labour conditions, an aging population, the inability of the labour system to rejuvenate the workforce, the inability of countries to teach/pass new skills to new generations as well as to reintroduce retirees and older members of the population into the labour force, and the phenomenon of *brain drain*.

In order to create a prosperous global economy, the G8 countries agree that nations must strengthen their resolve for social investment. We have reached a consensus on implementing these changes through: 1) the reform of corporate social responsibility (CSR), 2) the promotion of fair labour and Social Entrepreneurship (SE) in developing economies, 3) the improvement of immigrant integration via cultural exchange, and 4) the promotion of the movement of labour through recognizing the need for a global exchange program. To these issues, the G8 countries propose the following solutions.

# **Social Investment**

#### Corporate Social Responsibility (CSR)

The G8 acknowledge the significance of Corporate Social Responsibility (CSR) and the need for governments to endorse and encourage such behaviour by corporations.

The G8 defines CSR to be a combination of the Ten Principles outlined in the United Nations Global Compact.

The G8 nations should implement a domestic form of the Global Reporting Initiative (GRI). Such a reporting initiative will create a system in which governments would require publicly traded corporations to file an annual report on their domestic and international activities. This report, mirroring the financial reporting obligations already in place, will focus on social, economic and environmental indicators, as already outlined by the GRI.

To combat the production of fraudulent reports, non-governmental domestic auditors will be commissioned to verify the truths contained within the corporation's statement. Furthermore, if fraudulent information is found, punishment of the offending party will be left to the discretion of domestic governments in which the corporation is headquartered.

Fraudulent reports would be dealt with domestically, and subject to the home country's domestic criminal law.

Our anticipation is that companies would be obliged to disclose more information, particularly with regards to social and environmental matters. In turn, if social and/or environmental conditions are found to be unfavourable, they would be subject to public outcry and societal pressures.

To evaluate the effectiveness of the GRI, the G8 urge the United Nations Development Programme to revisit the impacts of the aforementioned agreement in five years. In doing so, the members of the G8 will be able to evaluate the effectiveness of the GRI, and make additional recommendations in relation to the wider effort to successfully promote corporate social responsibility.

The G8 will continue to strive towards a situation in the future where the already existing international consensus on corporate social responsibility, as outlined in the UN Global Compact, can be enforced in reality through full cooperation

between all nations.

#### Advancement of Women in the workforce and Elimination of Child Labour

The G8 recognize the impact of existing private sector campaigns and events by international organizations, such as UNICEF and the ILO, to focus on the advancement of women in the workforce and elimination of child labour and believe that they should be encouraged further. This consensus will create a larger audience and social pressure to every strata of society both domestically and internationally. In particular, gender equality is instrumental in sustaining a healthy global labour economy. Policies within the G8 should promote the advancement and increased participation of women in the workforce through awareness of work-life balance.

### Fair Labour

The G8 countries agree that globalization through economic development should be considered as an opportunity to increase the welfare of workers worldwide.

For this very reason, the G8 supports the actions of the Fair Labour Association (FLA), an organisation based on voluntary cooperation which provides a rating system of the working conditions provided by a corporation. The purpose of such an organisation is to improve the working conditions of employees around the world.

Companies that join the FLA commit to publicly report on the conditions in their supplier factories, to establish internal systems for monitoring working conditions and to maintain FLA Code standards.

The G8 acknowledges the effectiveness of the FLA charter. The G8, in accordance with the FLA charter, promotes values such as combating forced labour, child labour, harassment or abuse/discrimination, while working to improve the health and safety of workers.

# Social Entrepreneurship

Social Entrepreneurship (SE) is about the creation of social change initiatives through innovation and sustainable enterprise models.

It is for these reasons that SE should be considered a practice that promotes the wellbeing of peoples and countries. In addition, SE creates a framework through which the economic and social potential of workers is fully utilised, and social change is more naturally brought about by economic actors.

The G8 support the incorporation of SE practices within the IMF or another international body in order to effectively utilize the synergies arising from bringing together the economic, intellectual, and social powers of the IMF with the business rationale and acumen of entrepreneurship. The IMF would dedicate separate and significant resources to this project, as well as commit to hire experts and specialists from both academia and the business world. After deciding how to measure whether such procedures have been effective, this new body will have the power to set social economic standards and targets to be achieved by addressed countries. Targets will ensure efforts from both the IMF and the countries at issue, but also from the economic actors and other stakeholders involved. This would also involve the creation of a "Quick-Start Package": a full set of reforms, enactments, actions, decisions, and changes that a country

might endorse in case it wanted to effectively bring social change within the shortest period of time.

# Immigration

Immigration has become an important source of workforce renewal and labour capital within the G8. In the face of change, the G8 must strive to balance new legal immigrant energy with the need for integration into each nation's way of life. While the goal of all nations is to promote the successful integration of legal immigrants into the economic and social fabric of their new culture, the members of the G8 call upon the assistance of the International Organization of Migration (IOM), which has established a set of guidelines that assist new legal immigrants throughout the integration process. Furthermore, the G8 encourages all nations to promote the advancement of legal immigrants in the workforce while increasing integration with the use of language education, common heritage building and mutual respect.

# **Global Exchange**

# Health

In line with acknowledgements made at the G8 Heiligendamm Summit in 2007, we register the problem of inadequate provision of quality health services and stress international partnership between all countries to provide stronger health systems with increased capacity.

The G8 thus propose two action points to help us move towards solving this wider problem:

# Movement of health workers

To help mitigate the impact of this brain-drain and the shortage of health workers on developing countries, the G8 proposes that exchange programs are piloted for training and work experience of health-workers between both developed and developing countries. We further propose that we should help developing countries educate, train and employ their own staff in the longer term by committing a significant part of future aid flows to creating employment opportunities and scaling up training. Finally, we propose that we should establish codes of practice and country-level agreements on this issue and encourage other countries to do the same.

# Piloting of a Global Health Partnership Centre

We, the G8, recommend the creation of a central forum to stress international partnership and allow increased communication and information sharing, helping all nations to gain knowledge of good practice from one another. We, the G8, considered that such an initiative would work best within an existing organization such as the World Health Organisation (WHO) due to its pre-existing expertise. This could include a global health exchange, which could be used to match requests for equipment, books, training and employment opportunities with offers, provision of disaster relief, all subject to appropriate controls and safeguards. We understand that the initial implementation of this mechanism would see attention concentrated in the short term towards areas which appear to have the most urgent need.

# Skilled labour

Recognizing the influence of the labour market on sustainable development is essential. The G8 encourage cooperation with developing countries in terms of increasing labour effectiveness and openness as a source of economic growth.

# Appendix A:

Relation between Model G8 and the G8 Summit of Heads of States

The Model G8 simulates the summit of the Heads of States and the meetings on the Ministerial levels of the G8 countries. We address the same global challenges from the perspectives of our national political leaders, while at the same time devising innovative and creative solutions as young global citizens who address global problems.

All of our negotiations take place in parallel time and fashion. It is our position that this strengthens their dynamics.

Since the Model G8 2007, the Outreach Countries like Brazil, China, South Africa, India and Mexico have been invited to participate in the Heads of States meetings. We have held fruitful dialogue among equals and have greatly profited from the contributions of these countries.

In the spirit of the G8 summit, we would like to extend participation to these countries in the Model G8 by inviting Ministerial representatives of the O5 to issue-specific discussions on environment, economy, foreign affairs, development and other Ministerial consultations deemed to be a meaningful source of dialogue and exchange.

We aim at releasing statements on behalf of this G13 in these particular policy fields, but given differing positions of O5 countries on some issues, the G8 expressly grant the rights to the O5 countries to express any dissenting opinion.

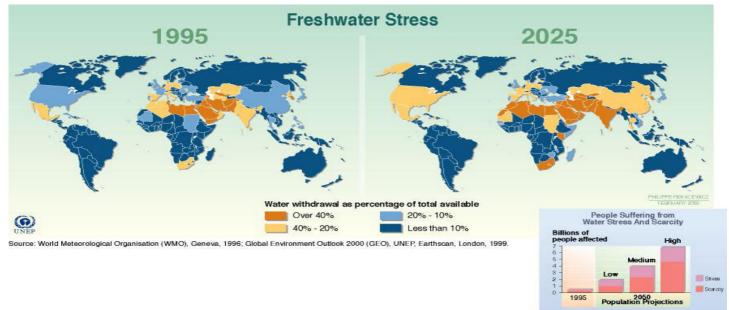
# **Appendix B: VIRTUAL WATER**

Since the Doha Development Agenda started in the year 2001, there have been

numerous disagreements between developed and developing countries about the

lowering of tariffs on products, especially those of an agriculture nature. Therefore, in this summit, we, as the Model G8, have approached the issue from a different point of view in an effort to develop a creative solution. This proposal is our attempt at something which will lead to smoother, and potentially more fruitful, negotiation.

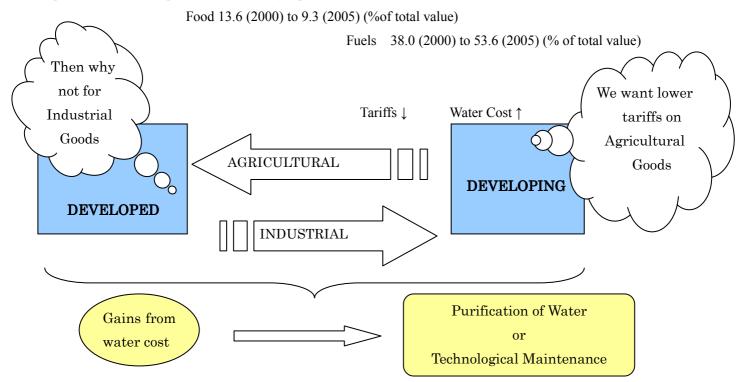
Figure 1.



Major Exporters of Agriculture by ranks: EU (25), U.S. Canada, Brazil, China, Australia. Major Importers of Agriculture by ranks: EU (25), U.S., Japan, China, Canada, Russia

WTO Database Trade statistics 2006

Exports of least developed countries by major product:



"The water prices are too cheap. The thing to keep in mind is that it takes 1,000 tons of water to produce 1 ton of grain. Seventy percent of all the water we use in the world – that we pump from under ground or divert from rivers – is used in irrigation. Not everyone has connected the dots to see that a future of water shortages will be a future of food shortages." by Lester Brown

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Figure 1. http://www.unep.org/dewa/assessments/ecosystems/water/vitalwater/25-waterstress-world.htm

WTO Database Trade Statistics 2006