

Model G8 Youth Summit 2007

Final Communiqué

Berlin

April 30th, 2007



We met in Berlin for our annual Model G8 Youth Summit, 26 - 30 April 2007, to discuss common positions on pressing international topics. In the discussions we were joined by delegations of Brazil, China, South Africa and the UN.

The G8 member states believe in the principle of solving problems through diplomatic means, underlining the importance of mutual respect and understanding and in the basic principles of Human Rights and Democracy.

Alarmed by the ongoing atrocities in Sudan, we discussed measures to put an end to the crimes against humanity being committed in Darfur.

Reaffirming our responsibility for development in Africa, we discussed the coordination of development aid, promotion of good governance, and facilitation of sustained economic growth, as well as the improvement of access to education.

Aware of the responsibility for environmental and climate protection, and bearing in mind the consequences of global warming especially for developing countries, we discussed the issue of climate change, stressing the importance of carbon dioxide emission reduction.

Aware of problems concerning resource scarcity, we discussed the issue of water supply.

Recognizing the increasingly global character of the world's financial and economic systems and focusing on the importance of stability in international financial markets, we discussed hedge funds and global imbalances.

We welcome the offer of the Prime Minister of Japan to host our next Model G8 Youth Summit 2008.

The Darfur Conflict

We, the G8 nations and observing countries, condemn the crimes against humanity being committed in the Darfur region. While acknowledging the complexity and pluricausality of the conflict and the involvement of rebel groups in the humanitarian crisis, we strongly condemn the Khartoum government for its complicity in the killing of civilians, torture, enforced disappearances, destruction of villages, rape and other forms of sexual violence, all detailed in the “UN Report on Darfur” of January 25, 2005.

We urge the UN to reassess the situation in Darfur to determine the scope of the humanitarian crisis and whether genocide is occurring. We applaud the International Criminal Court in its recent decision regarding the crimes against humanity occurring in Darfur and encourage it to continue its work.

We encourage research into the root causes of the failure of previous ceasefires and the Darfur Peace Agreement and support attempts to widen further negotiations to include all involved parties.

In order to stop the crimes against humanity being committed daily in Darfur, we strongly urge the Sudanese government to accept the full implementation of the *third phase* of UNSC Resolution 1706, entailing an expansion of the mandate of United Nations Mission in Sudan to implement a hybrid AU-UN force that should monitor ceasefire resolutions and protect the civilian population in Darfur. We pledge to provide training, logistical support, and material assistance for such a force.

Given the Khartoum government’s repeated refusal to allow the deployment of this force, we believe that measures must be taken to pressure the Sudanese government into providing this approval. To this purpose, we have decided to enact a phased series of escalating sanctions in order to encourage Khartoum to make efforts towards a resolution of the conflict.

The first stage of these sanctions, to be adopted immediately, is comprised of the freezing of assets, a travel ban, and a visa ban on all relevant parties in this conflict leaders and their families. In addition, we agree to immediately stop encouraging commerce in Sudan and begin preparations for the implementation of a no-fly-zone over Darfur.

If, after approximately two months, the Sudanese government persists in its defiance of Resolution 1706, then we will proceed in implementing a no-fly-zone over Sudan and begin a complete divestiture in the country.

If, after approximately three months of enduring a no-fly zone, Khartoum persists in defiance of Resolution 1706, then we shall adopt a full trade embargo against Sudan and urge other countries, especially Sudan's prominent trading partner China, to do likewise.

If, by January 1, 2008, Sudan remains opposed to the implementation of the third phase of Resolution 1706 despite these measures, we will strongly encourage the UNSC to act according to Chapter VII of the UN Charter and authorize a peacekeeping force without the approval of Khartoum. The target date for such an intervention is February 1, 2008.

In acknowledgement of the sovereignty of Sudan and encouraged by the 2005 Comprehensive Peace Agreement and other positive signals (particularly the acceptance of phase 2 of UNSC Resolution 1706 by the Khartoum government), we desperately hope that such drastic measures will not be necessary.

Moreover, any sanctions raised against Sudan will be in the context of a broader strategy of diplomacy, development, and support of the African Union mission. Nevertheless, in light of Sudan's consistent refusal to cooperate with the UN and end the violence, we believe that strong measures are necessary to pave the way for a lasting peace.

We call upon our international partners to enact similar measures and use their entire diplomatic and development capabilities to help resolve this conflict and stabilize Sudan and the surrounding area.

Development

Acknowledging the progress that has been made in many parts of Sub-Saharan Africa but being aware of the ongoing challenges, the G8 countries

- call upon the reprioritisation of Africa's position on the G8 agenda.
- discussed the coordination of development aid, promotion of good governance, facilitation of sustained economic growth, as well as the improvement of access to and offer of education.
- accept as its overarching goals the reduction of poverty, the establishment of peace, and the promotion of stability and long-term accountability.
- recognise emerging powers which will change the frame of development aid.

Coordination of development aid

Taking into consideration the diversity of actors operating in Sub-Saharan Africa, the G8

- agree on a code of conduct at the ministerial level. This would include
 - a focus on setting incentives for aid recipients to encourage good governance and to deter corruption.
 - work in partnership at the international level, and especially with governments in Sub-Saharan Africa, meaning above all the promotion of regional integration,
 - an emphasis on decentralisation and micro level approaches.
 - The contracting with civil society organisations and non-governmental organisations (NGOs) who can effectively formulate macro economic policies operating at micro economic levels. The G8 calls for the creation of a committee of experts that would continuously evaluate these organisations. The committee would be recruited from an international spectrum that is to be entirely independent and impartial and that would ensure transparency and accountability.
- further call for pressure to be put on international funding bodies such as the World Bank and the International Monetary Fund to fulfil their contracts with regards to self-auditing and transparency,
- express their hopes that this code of conduct will facilitate a dialogue on the ground leading to a better coordination in the field of development aid.

Promotion of good governance and coping with failed states

Deeply concerned about the humanitarian situation in failed states and the limits of our ability to cope with them, we

- acknowledge the necessity for a strategy of how to cope with failed states, as this is the basis for further development in these states.
- will put the question of how to cope with failed states on the security agenda of all G8 countries.
- call for a deepening of the relationship with regional organisations, notably the African Union.

As a contribution to political stability, sustained economic growth and thus the reduction of poverty, we

- actively support the promotion of good governance.
- encourage the development of conditions conducive to a vibrant civil society with a special emphasis on the participation of people at the micro level. We specifically promote political participation of the marginalized sector of African populations. This would be done with the aid of advocacy non-governmental organisations and through the endorsement of public responsibility.
- emphasize the importance of women, orphans, and vulnerable children in the social and economic process.
- call for the continued development and strengthening of non-governmental organizations' capacity to advocate for the pursuance of the rule of law and "human security", with specific emphasis on human rights.
- suggest the creation of a database of all NGOs that focus on promotion of the rule of law and making it accessible to all civil society organisations in pursuit of democracy.
- furthermore declare our willingness to provide technical and educational assistance.
- complement the outlined bottom-up approach with the strengthening of institutional capacity and assisting the fight against corruption. Therefore, we promote proven transparent and accountable governance through the incentive of debt relief policies, and building public awareness regarding the implications of corruption through the work of NGOs.

Facilitation of sustained economic growth

Acknowledging that economic growth through private and public sector development, as well as well-functioning markets is a necessary although not sufficient condition for the reduction of poverty, we

- reaffirm the commitments made at Glen Eagles 2005. We encourage an accelerated deployment of financial aid in order to meet these respective targets.
- oblige to establish a development fund in each G8 country and to contribute to existing ones.
- pursue a pro-poor policy, emphasising promotion of micro finance.
- encourage domestic and foreign investments in businesses.
- promote trade between African countries and foster regional economic cooperative institutions.
- suggest the World Bank to adjust its microfinancing policy in closer cooperation with the respective national banks.
- support institutions like the African Development Bank,
- strongly demand the equitable distribution of gains from exports of natural resources. This can be done via the decentralisation of government, for example Brazil's use of participatory budgets.

Education

We encourage cooperation within the UNESCO and propose the implementation of the "Yo Si Puedo" educational initiative in all African nations in order to eradicate illiteracy. Furthermore, we call for the promotion of primary, secondary, and higher education, as well as life long learning. Development studies and entrepreneurial skills should be introduced as compulsory elements to educational syllabuses in order to promote awareness about development issues and economic development.

Environment

We discussed the issues concerning climate change, stressing the importance of the reduction of the emission of carbon dioxide, as well as coping with the consequences of global warming and climate change, especially for developing countries.

Considering that climate change is happening, it is man-made and it will become increasingly dangerous if action is not taken, we agree to encourage negotiations on a review of the Kyoto protocol, also including the USA, to start urgently. We also call upon all countries, especially the extended dialogue and other emerging countries, to take up their environmental responsibility in the Kyoto protocol.

Reduction of GHG–Emission

Recognising the need to reduce carbon dioxide emissions in order to counter global warming as soon as possible, we agreed on targets of the reduction of carbon emission from 1990 - 2020: Japan (10 %), Canada and Russia (15 %), USA and the EU-countries (20 %). Furthermore we arrived at the consensus of a carbon emission reduction of 50 % by 2050 and moreover agreed on having 20 % renewable energies in our energy diversification policy by 2020.

Deeply conscious of the necessity to act in all spheres of life, we recommend the following initiatives:

- Technology, policy and information sharing (private sector, governments ...)
- Reforming and restructuring of UNEP with a strong executive power to enable a more efficient global response to environmental change, as well as recommending the creation of a UN environmental organisation.
- Developing and implementing new, energy efficient, non fossil fuel technologies by financial incentives such as tax breaks and feed-in systems

Global carbon emission trading scheme

Taking into consideration that successful policies function better within an international structural framework, we draw attention to the importance of initiating a global carbon emission market as soon as possible. We therefore encourage all countries to introduce a local carbon emission trading scheme, modeled after the EU carbon emission market model. We consider that developing countries are dependent on a growth of their economy and that we need to find preventative policies for developing countries to avoid systemic abuse from other nations.

Decentralisation of energy sources

We agree on encouragement for restructuring our demand of energy by decentralising the energy sources on a national level. This will be dealt with through subsidising movements for building up alternative energy sources on civil society, primary and secondary sector. We believe that decentralisation could introduce competition to the energy market as well as develop greener, local energy production units and lessen the dependence on energy producers. Since the worldwide energy situation is showing itself increasingly unpredictable, a decentralisation of the energy sources is essential to meet international energy demands.

Public information campaigns

Believing that energy efficiency is everybody's responsibility, we suggest starting worldwide information campaigns through the UNEP organ, dealing with energy efficiency in households and private life. We encourage advertising the decentralisation of energy sources with emphasis on access to subsidies for households.

Convincing private industries

Bearing in mind the necessity of involving the private sector to follow our carbon emission reduction targets, we emphasise that investing now in renewable, sustainable and more efficient energies will provide a competitive edge in the future since the change is inevitable. Regional, national and transnational governing bodies should allow this technological change through certain financial incentives such as tax breaks and feed-in systems. We consider the

drive for sustainable energy sources to be the unique solution to long term competitiveness and gaining independence from finite and environmentally harmful energy sources.

Convincing other countries

Aware of the time sensitive nature of the matter and the tremendous cost implications of inaction, we insist that attempts on countering climate change should begin now. It is reasonable to believe that heading off a doubling of CO₂ concentrations can be achieved at a cost of about 1 percent of global GDP while the costs of coping with the consequences in the near future will increase rapidly and be much higher than just 1 % of the GDP. We further invite other countries to join our technology/knowledge transferring and sharing initiative and cooperate in a contributive manner. We are engaged to privileged economic relationships with countries which show themselves environmentally responsible. We wish to increase and secure funds for developing countries.

Clean Development Mechanism

We encourage the development and increased use of Clean Development Mechanisms reviewing regulations under the condition that greater financial and expertise commitment to the CDM executive board as well as a better project assessment and auditing according to the CDM Gold Standard are guaranteed. Only effectively working sustainability projects with real effects on carbon dioxide emissions should be given permission.

Sustainable forestry management

Aware of the rapid deforestation issues surrounding emerging and developing nations, CO₂ natural reabsorption by the environment is decreasing tremendously. Today 25 % of the concentration of carbon dioxide in the atmosphere results from deforestation. We therefore offer these nations sustainable development assistance, i.e. advice, finance and others. We offer the policy of “cut one tree and plant two” to support reforestation efforts. Our companies should make sure that a part of the consumer’s price helps pay for reforestation policies and call upon governments to foster the introduction of environmentally focused taxes.

We call upon all people of this earth to assert our commitment to a greener and safer future in the environmental responsibility and the general quality of life of its inhabitants.

Defence

US Ballistic Missile Defence in Eastern Europe

All the parties concerned, specifically Russia and the United States, agree on the following issues:

- the number of missiles are limited to a maximum of 15 over 5 years
- all the parties concerned will have observers on the ground
- a working group will discuss the location in the European Union. The working group includes all the concerned countries and will close within 6 months to one year from convening all countries.

Efforts in Afghanistan

G8 countries agree that the priority now in Afghanistan shall be to develop the country's infrastructures and democratic structures to ensure stability and peace and that Human Rights shall be upheld in the country and the regions.

Water Conflicts

We, the G8 countries, agree that all people should have access to water. The United Nations (UN) should assume an important role in water supply. Since climate change is one leading cause of water conflicts, a panel should be created to monitor and report on water supply in affected areas. The panel will be comprised of industrialized nations for whom water allocation is not a critical concern, and nations in which future water supply conflicts may occur to better discuss and resolve those issues before conflicts arise. This panel needs to stay flexible in terms of adapting to future situations by engaging in dialogue with potentially "at risk" States. The panel shall have two tasks: providing background information regarding water resources and conflicts, and negotiating between parties involved in an emerging or current water conflict.

Maintaining Markets in Energy

We accept that every state has the right to cooperate with whomever they deem appropriate as long as none of the G8 member states take any anti-competition or anti-market measures, such as those measures that have been introduced by international energy organisations, when it comes to energy distribution, its raw materials or technology. We also restate our commitment to the mutual responsibility of producers and consumers of natural gas.

Small Arms

The G8 countries share a common view that small arms should not be supplied to countries where they may be used against their own citizens or to precipitate a humanitarian crisis. We further call for the United Nations to negotiate a treaty to regulate the supply of these weapons. Such a treaty should include reprisals for those states who have signed it but fail to live by its standards. The UN shall produce a definition of weak and failed states and shall be competent to determine which states would

Economics

Aware that Intellectual Property Rights and the multilateral freedom of trade play an increasingly important role in the global economy, we discussed these topics and came to the following results:

Intellectual Property Rights (consumer and industrial products)

Our goal is to promote the development of technologies that will result in a more effective way of combating the rampant violation of intellectual property rights. This is an epidemic that has worldwide impact and must be addressed. We provide a multifaceted approach including the following. First, the G8 nations firmly believe that consumers should have the information necessary to determine if a product is authentic. We must provide support to achieve this. The G8 nations propose that the creation of a seal of authenticity from our collective decisions. The issuing of this seal would be delegated to an agency such as the International Standards Office. The logic is that domestic standardization institutions and the ISO will create a network or set of standards for corporations that are interested in augmenting their current codes. Moreover, the respective national institutes taking advantage of this complimentary standard will play a major role in the process of integration. Second, we propose that a marketing campaign exposing the impact of counterfeit products, should receive greater support and focus. The targeting of morally conscientious consumers may provide a more effective means of reducing demand for these products. Third, the TRIPS currently addresses general and broad issues, we have come to the agreement that focus is needed in the area of pharmaceutical and industrial productions, i.e. automobile and airplane parts, to specify these agreements for the key industries that are at the moment mostly affected by the violation of IPR. In sum, we do not propose to replace existing agreements; instead we hope to strengthen the existing system via the aforementioned points. Moreover, we aim to present and adhere to an multifaceted approach that other nations can incorporate.

Doha Round

We are conscious that the conclusion of the Doha Round depends to a high degree on the authorization of the US implementation in the Senate, which will be renegotiated in July 2007. This deadline could imply that the results of the Doha Round have to be finished in order to come to an integration on national level by July 2007. We acknowledge that this deadline is highly unfeasible. However, should the Doha round fail, we would face the severe challenge of entering a world of increased protectionism. Having the situation in mind, we strongly recommend to move forward with the negotiations of the Doha round with the hope to come to an agreement in the shortest possible period of time.

Aware that agriculture plays a crucial role in multilateral agreements, we decided that, as far as their authority allows, the European Union, the United States and Japan should lower their tariffs on agricultural products. We commit to a liberalisation of market access particularly by reducing quotas. In the same sense, it is imperative to reassess subsidies in a light of a fair trade consensus. This consensus should include negotiations on internationally binding quality standards in agriculture. This would serve as first liberalization signal and strongly encourage other countries with high tariffs on agricultural products to follow and lower tariffs, too. The positive effect of such an agreement would be that less developed countries have the chance to enter the world trade more intensively by increasing the exports of agricultural products to developed countries. Solving the agriculture issue within the Doha round is the only way to advance the negotiations concerning trade liberalization in other industries.

Finance

Focusing on the importance of stability in the international financial markets, we discussed hedge funds and global imbalances.

Hedge Funds

Hedge funds are currently unregulated investment vehicles that use any strategy in order to create value. Presently, they are open to restricted professional investors run by professional managers focused on absolute returns.

They have contributed significantly to the efficiency of the financial system. Nevertheless, the assessment of potential systemic and operational risks associated with these activities have become more complex and challenging. Given the strong growth of the hedge funds, the financial community needs to be vigilant.

We encourage the national financial authorities implement certain aspects of regulation. These are:

- to set limits to the credit exposure of a single financial institution on one hedge fund.
- to disclose quantitative risk measures to investors and counterparties on credit, liquidity and market risk. This would improve the transparency of the exposure profile of individual hedge funds without forcing them to disclose their investment strategies.
- to follow the action taken by the SEC, and require hedge fund advisors to register with the competent authority and comply with the regulations that apply to other registered investment advisors.

We recommend to pursue these goals within domestic legislation.

Global Imbalances

Having examined the different key elements of global imbalances, we consider it important to move towards more balanced economies, reflecting the underlying economic fundamentals without curbing growth. Taking into consideration the individual responsibility and sovereignty of the countries, we encourage:

- a gradual flexibility of the Chinese Yuan value.
- that emerging Asian markets strengthen confidence in financial institutions through integrated efforts and dialogue led by China.
- a commitment to structural reforms in the European and Japanese economies enabling them to react more flexibly in the global economy given demographic challenges.
- increases in exporting technology taking into consideration the issue of intellectual property rights discussed more extensively from the economic point of view.
- the stabilization of financial systems. This may be explored by possibly extending the role of the IMF into consulting services for emerging economies in the development of their financial systems.

Appendix

Action Timeline for Sudan

