

To: International Affairs & Reinsurance Committee, Economics & Finance Committee, Non-life Committee, Climate Change TF, Public Affairs Group

## G8 Summit declaration on world economy and climate change

### | Latest Developments

The leaders from the G8 countries, Canada, France, Germany, Italy, Japan, Russia, the United Kingdom and the United States, + the EU are meeting in Italy 8-10 July to discuss **Economic Crisis, International Trade, Climate Change, Development in the Poorer Countries, Food Safety and Security, Health and International Political Issues.**

After the first day of G8 meeting on 8 July the leaders issued a [Summit declaration](#) outlining their priorities and commitments in the related areas.

On **World economy**, the G8 leaders:

- *[..] reaffirm commitments undertaken at the London Summit to take all necessary steps to support demand, restore growth and maintain financial stability, including strengthening financial regulation and International Financial Institutions (IFIs) and maintaining open markets worldwide.*
- *[..] emphasize the need for an enhanced global framework for financial regulation and supervision, promoting consistency between accounting and prudential standards and setting up adequate tools to address procyclicality, as well as ensuring a comprehensive oversight of all systemically significant entities and activities. We commit to vigorously pursue the work necessary to ensure global financial stability and an international level playing field, including on compensation structures, definition of capital and the appropriate incentives for risk management of securitisation, accounting and prudential standards, regulation and oversight of systemically important hedge funds, standardisation and resilience of OTC derivative markets, establishment of central clearing counterparties for these products, and regulation and transparency of credit rating agencies.*
- agreed to create what is called the "Lecce Framework", aimed to identify and fill regulatory gaps and foster the broad international consensus needed for rapid implementation. The Framework will build on existing initiatives and cover areas such as corporate governance, market integrity, financial regulation and supervision, tax cooperation, and transparency of macroeconomic policy and data.
- agreed to unwind the extraordinary measures taken in order to respond to the crisis.

Related to **Trade** the G8 leaders committed to *rectify protectionist measures adopted in London [G20]* and committed to refrain from raising new barriers to investments in goods and services.

On **Climate change** the leaders:

- stressed the importance of green growth in the context of the financial crisis and reiterated the goal of achieving at least 50% reduction in global emissions by 2050 (compared to "1990 or more recent years") and they also supported that developed countries should achieve an 80% reduction in emissions by 2050.
- recognised the importance of adaptation and *will define and implement effective adaptation and capacity building policies*
- The declaration also states that: *The private sector will continue to be an essential player in the efforts to address climate change. To trigger a change in direction and mobilise investments we will engage the private sector more actively, in order to bring its expertise into the international framework and enhance information exchange and partnerships between Governments and businesses.*

### | Next steps

- **9 July 09:** G8+G5 (Brazil, China, India, Mexico, South Africa) meeting with WTO, UN, OECD, World Bank
- **10 July 09:** G8+ African countries meeting with WTO, UN, OECD, World Bank
- **24-25 Sept 09:** G20 meeting

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