

## IN-DEPTH ANALYSIS

# G7 summit in Schloss Elmau: A tighter agenda, with wider impact?

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### ABSTRACT

The 7-8 June 2015 Group of Seven (G7) summit in Schloss Elmau (Germany) marked the second meeting of seven leading industrialised nations without Russia since the disbanding of the Group of Eight (G8). The group's smaller configuration – a response to Russia's illegal annexation of Crimea – appears here to stay. The summit provided an opportunity for G7 leaders to discuss a number of topics pertaining to foreign policy, economy, health, energy, climate and sustainable development. Ukraine and the Transatlantic Trade and Investment Partnership (TTIP) featured prominently on the meeting's agenda, as did discussions on the post-2015 development and climate agendas. The revival of the G7 has served to ensure its members' unity on key policy files, shape joint policy responses and influence EU policies and global governance, particularly through its nexus with the Group of 20 (G20), the United Nations and the Organisation for Economic Cooperation and Development (OECD). The German presidency of G7 has been praised its inclusive approach ahead of the summit, with consultations conducted with non-governmental stakeholders.

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# 1 Introduction

Following the illegal annexation of Crimea, the Group of Eight (G8) industrialised nations ceased to operate, while the smaller Group of Seven (G7) format was revived.

The EU's membership in the group involves representing the interests of all its Member States – including those not present at the table.

The Group of Seven (7) – a forum for seven industrialised nations, comprising Canada, France, Germany, Italy, Japan, the UK and the United States – was revived last year. Between 1998 and 2013, a group of eight nations, including Russia, had met as the G8, but Russia's unlawful annexation of Crimea led the others to suspend their participation in the G8's activities and prompted the cancellation of the 2014 summit in Sochi. Instead, the seven chose to revive the smaller, G7 summit in Brussels. Last year's first meeting of the resurrected G7 resulted in enhanced coordination amongst the members on a number of burning political dossiers, including conflicts in the Middle East/North Africa, the Sahel, counter terrorism and non-proliferation<sup>1</sup>. The Brussels G7 summit was seen as useful in shaping the current sanctions policy towards Russia, and in maintaining coherence amongst the allies. The gathering of industrialised nations, which originally came to existence in 1975, was originally foreseen as a mechanism for coordinating strategy amongst its affluent, democratic members. Its effectiveness had been diluted – at least according to some – following Russia's adherence; Russia was considered cooperative on some issues, but not on all<sup>2</sup>.

The EU is a full member of both the G7 (also previously the G8) and the Group of 20 (G20) and is jointly represented during the summits by the Presidents of the European Commission and the European Council. Unlike other members, however, the EU does not hold the rotating presidency and does not host the summit. (Last year was an exception to this rule, due to the exceptional circumstances and the symbolism of the event.) The EU's role in the G7 is significant, as it represents those of its Member States that are not part of the group. On a practical level, preparatory work for the Union's participation is coordinated by its 'Sherpa', a high-level EU official (currently Piotr Serafin, who heads the cabinet of the Council's President, Donald Tusk) who is aided by a team of civil servants and a special thematic assistant (known as the 'yak').

The German presidency of this year's G7 highlighted the desire to strengthen participants' cohesion on the key crisis dossiers discussed during the summit held at Schloss Elmau (in Bavaria) on 7-8 June 2015.

<sup>1</sup> For more information of the outcomes and analysis of the 2014 G7 summit in Brussels see the DG for External Policies' Policy Department's briefing 'The implications of the G7's revival for the EU and global governance,' [http://www.europarl.europa.eu/RegData/etudes/briefing\\_note/join/2014/522345/EXPO-AFET\\_SP\(2014\)522345\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/briefing_note/join/2014/522345/EXPO-AFET_SP(2014)522345_EN.pdf).

<sup>2</sup> On more background on G7's history, see the European Parliamentary Research Service's at a glance briefing (author: Ionel Zamfir) 'The 41<sup>st</sup> G7 Summit,' [http://www.europarl.europa.eu/RegData/etudes/ATAG/2015/557017/EPRS\\_ATAG\(2015\)557017\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/ATAG/2015/557017/EPRS_ATAG(2015)557017_EN.pdf) and a briefing (author: Marcin Szczepański) 'The 2015 G7 summit: Seeking common ground on global issues,' [http://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS\\_BRI\(2015\)559483](http://www.europarl.europa.eu/thinktank/en/document.html?reference=EPRS_BRI(2015)559483).

Carefully orchestrated ministerial and stakeholder meetings paved the way to a strongly-worded statement regarding the future strategic and political orientation on the key files discussed (including Ukraine/Russia, counter terrorism, maritime escalation in the Pacific, the Iranian nuclear deal and financial assistance to Greece).

In the coming years, the G7 presidency will be held by Japan (2016), Italy (2017), Canada (2018), France (2019) and the USA (2020).

## 2 Run-up to the summit and key outcomes

The German Presidency of G7 has been positively assessed as well-structured, well-organised and balanced in its priority issues. This was in large part thanks to Sherpa Lars-Hendrik Röller, the Economic and Financial Policy Advisor to German Chancellor Angela Merkel. In addition to the usual ministerial events spread throughout the year leading up to the summit, the German Presidency organised a number of events to engage trade unions and young stakeholders. The Bundestag will also hold a parliamentary meeting after the summit (*see also Section 4.1 below*).

Within the framework of the German G7 presidency, three ministerial meetings took place before the summit:

- ministers of foreign affairs met in Lübeck on 14 and 15 April 2015,
- ministers of energy met in Hamburg on 11 and 12 May 2015, and
- ministers of finance and central bank governors met in Dresden from 27 to 29 May 2015.

Additionally, two ministerial meetings are foreseen after the summit:

- a meeting of science ministers in Berlin on 8 and 9 October 2015, and
- a meeting of health ministers in Berlin on 8 and 9 October 2015.

The Lübeck meeting of foreign ministers largely focused on Russia and Ukraine. Participants reiterated their full support for 'Normandy format' diplomatic efforts (involving senior officials from France, Germany, Russia and Ukraine) and welcomed the package of measures for the implementation of the Minsk Agreements of 12 February 2015<sup>3</sup>. The ministers reiterated their conviction that the current conflicts should be resolved solely by peaceful means, and condemned Russia's illegal

In addition to the usual ministerial-level preparatory meetings, the German presidency of G7 organised a number of consultation meetings with other stakeholders, including youth and trade union representatives.

Foreign ministers meeting in Lübeck focused on the situation in Ukraine – an emphasis subsequently reflected in the final G7 summit.

<sup>3</sup> Other key topics tackled by the ministers comprised Syria, Iraq, ISIL/Da'esh, Libya, Iran, Yemen, Tunisia, Middle East Peace Process, Afghanistan, DPRK/North Korea, the Ebola, counterterrorism (including the discussion of the African context, particularly Nigeria and the Sahel), Ebola, climate change, non-proliferation, human rights, women, peace and security and cyber.

annexation of Crimea. Participants also expressed concern about 'the ongoing disinformation campaigns in the Russian state-controlled media'<sup>4</sup>. The final communiqué of this meeting was largely echoed by the G7 summit's final statement. Between the two meetings, a separatist attack occurred on the Ukrainian government positions in Marinka, a town southwest of Donetsk. As a result, the G7 Final Declaration significantly sharpened the conclusions on Russia/Ukraine.

Energy ministers meeting in Hamburg agreed on additional measures to enhance the security of energy supplies.

The Hamburg meeting of energy ministers led to what has been dubbed 'the G7 Hamburg initiative for sustainable energy security'<sup>5</sup>. This also largely shaped the G7 summit's thematic conclusions<sup>6</sup>.

In Dresden, finance ministers and central bank governors focused on tax issues.

While the Dresden meeting of finance ministers and central bank governors did not result in a public final statement, the closing statements offered by German Finance Minister Wolfgang Schäuble and Bundesbank President Jens Weidman indicated that the key topics pertained to further joint measures to boost economic growth and increase the resilience of the global economy<sup>7</sup>. Participants reportedly agreed on the need for further structural reforms and for intensifying cooperation in tax matters, to better tackle fraud and prevent terrorist financing<sup>8</sup>.

At the G7 Youth Summit in Berlin, young participants asked to be more involved in decision-making in the G7 and beyond.

The G7 Youth Summit took place on 6-14 May 2015 in Berlin, with 54 young participants (aged 14 to 18) from both G7 and developing countries participating. The summit focused on climate, migration, social justice and better education for girls. Participants called on the G7 leaders to involve young people more systematically in decision-making processes, particularly in areas directly affecting them<sup>9</sup>.

A consultation with trade unionists in Berlin was

The trade union representatives were also consulted during the run-up to the Schloss Elmau summit – with the main trade union event taking place in Berlin on 23 March 2015. The German presidency of the G7 has made 'decent work' one of the focal topics<sup>10</sup>, highlighting the responsibility of the

<sup>4</sup> The full text of the G7 Foreign Ministers' Meeting Communiqué is available on [http://www.g8.utoronto.ca/foreign/150415-G7\\_Final\\_Communique.pdf](http://www.g8.utoronto.ca/foreign/150415-G7_Final_Communique.pdf).

<sup>5</sup> The ministers agreed on a number of additional collective actions, aimed at coordination to enhance gas supply security, exchange information on energy vulnerability assessments, advance work to improve the cybersecurity of energy sectors, continue to support energy-vulnerable partners, including Ukraine, conduct analysis of main energy efficiency measures and their implementation in G7 countries and enhance an overall coordination and transparency of spending on clean energy research

<sup>6</sup> The full statement of the G7 energy ministers is available on <http://www.g8.utoronto.ca/energy/150512-hamburg.html>.

<sup>7</sup> The country-specific discussions pertained to the assistance to Greece, Ukraine and Nepal. The issue of the Asian Infrastructure Investment Bank has also reportedly come up, with the participants wishing it 'every success' while also wishing that 'the bank will become operational in line with best practices concerning governance and other standards.'

<sup>8</sup> An unofficial transcript of the closing press conference of the G7 finance ministers and central bankers is available on <http://www.g8.utoronto.ca/finance/fm150529.html>.

<sup>9</sup> More information on the G7 youth summit is available on the G7 German Presidency's thematic website [https://www.g7germany.de/Content/EN/Artikel/2015/05\\_en/2015-05-08-j7-jugendgipfel\\_en.htm](https://www.g7germany.de/Content/EN/Artikel/2015/05_en/2015-05-08-j7-jugendgipfel_en.htm).

<sup>10</sup> In order to increase labour standards in global supply chains, the German presidency of the G7 launched a thematic initiative for decent work worldwide, putting forward proposals for complaints and mediation mechanisms for workers in poor countries, an establishment

devoted to the topic of decent work.

industrialised world – alongside important multilateral structures, such as the International Labour Organisation (ILO)<sup>11</sup> – in achieving higher global labour standards.

### Key outcomes

The Schloss Elmau summit’s final declaration<sup>12</sup> focused on five clusters of topics: foreign policy; trade; health; climate/energy and environment; and development. The table below provides selected highlights from the final statement.

**Table 1:**  
Key outcomes of the G7 summit held at Schloss Emau

Foreign policy
On acting on common values and principles:
<ul style="list-style-type: none"> <li>• ‘We, the G7, emphasise the importance of freedom, peace and territorial integrity, as well as respect for international law and respect for human rights [...] We are concerned by current conflicts which indicate an erosion of respect for international law and of global security.’</li> </ul>
On the conflict in Ukraine:
<ul style="list-style-type: none"> <li>• ‘We reiterate our condemnation of the illegal annexation of the Crimean peninsula by the Russian Federation and reaffirm our policy of its non-recognition. We reiterate our full support for the efforts to find a diplomatic solution to the conflict in eastern Ukraine, particularly in the framework of the Normandy format and the Trilateral Contact Group [...] We recall that the duration of sanctions should be clearly linked to Russia’s complete implementation of the Minsk agreements and respect for Ukraine’s sovereignty. They can be rolled back when Russia meets these commitments. However, we also stand ready to take further restrictive measures in order to increase cost on Russia should its actions so require. We expect Russia to stop trans-border support of separatist forces and to use its considerable influence over the separatists to meet their Minsk commitments in full.’</li> </ul>
On maintaining a rule-based maritime order and achieving maritime security:
<ul style="list-style-type: none"> <li>• ‘We are committed to maintaining a rules-based order in the maritime domain based on the principles of international law, in particular as reflected in the UN Convention on the Law of the Sea.</li> </ul>

The core foreign policy issues tackled in the G7 Summit Final Declaration pertained to the situation in Ukraine, maritime security, the migration crisis, and fighting the financing of terrorism.

of a global fund to ensure compliance with safety standards, mandating businesses and organisations from the G7 states to make funds available for accident insurance schemes and training fire prevention inspectors in their operations in developing countries.

<sup>11</sup> More on the initiative can be found on the G7 German presidency’s thematic website [https://www.g7germany.de/Content/EN/Artikel/2015/03\\_en/2015-03-21-g7-dialog-bkin-gewerkschaften\\_en.html](https://www.g7germany.de/Content/EN/Artikel/2015/03_en/2015-03-21-g7-dialog-bkin-gewerkschaften_en.html).

<sup>12</sup> The final declaration of the G7 Schloss Elmau summit (with an accompanying annex) can be viewed on <http://www.consilium.europa.eu/en/meetings/international-summit/2015/06/7-8/>.

We are concerned by tensions in the East and South China Seas [...] We strongly oppose the use of intimidation, coercion of force, as well as any unilateral actions that seek to change the status quo, such as large scale land reclamation.'

#### On fighting the trafficking of migrants:

- 'We are extremely preoccupied by the increasing and unprecedented global flow of refugees, internally displaced persons, and migrants caused by a multitude of conflict and humanitarian crises [...] We reaffirm our commitment to prevent and combat the trafficking of migrants, and to detect, deter and disrupt human trafficking in and beyond our borders. We call upon all nations to tackle the causes of these crises that have such tragic consequences for so many people and to address the unique development needs of middle-income countries hosting refugees and migrants.'

#### On fighting the financing of terrorism:

- 'The fight against terrorism and terrorist financing is a major priority for the G7. We will continue to act fast and decisively, and will strengthen our coordinated action. In particular, we reaffirm our commitment to effectively implement the established international framework for the freezing of terrorists' assets, and will facilitate cross-border freezing requests among G7 countries. We will take further actions to ensure greater transparency of all financial flows, including through appropriate regulation of virtual currencies and other new payment methods.'

### External trade

#### On the state of global economy:

- 'The global economic recovery has progressed since we last met. The decline of energy prices has supportive effects in most of the G7 economies. However, many of our economies are still operating below their full potential and more work is needed to achieve our aim of strong, sustainable and balanced growth. [...] We agree to deliver on past reform commitments in these areas which will increase confidence and lift sustainable growth. We will continue to implement our fiscal strategies flexibly to take into account near-term economic conditions, so as to support job creation, while putting debt as a share of GDP on a sustainable path. We concur that monetary policies should maintain price stability and support economic recovery within the mandate of central banks. We reaffirm our existing G7 exchange rate commitments.'

#### On women's entrepreneurship:

- 'Women entrepreneurship is a key driver of innovation, growth and jobs. However, across G7 countries and around the world far fewer women than men run their own businesses often due to additional barriers that women face in starting and growing businesses [...] We will address needs of women entrepreneurs, e.g. by promoting their

Other foreign policy topics discussed related to nuclear safety, non-proliferation (including in the context of Iran and the DPRK/North Korea), Libya, Afghanistan and the Middle East Peace Process.

The G7 recognised that there had been some degree of economic recovery, while cautioning countries were not yet out of the woods.

access to finance, markets, skills, leadership opportunities and networks.'

The final declaration stressed the need for further joint action to tackle the root causes of the global financial crisis, including with banking reforms.

#### On financial market regulation:

- 'Core reforms have been agreed to tackle the root causes of the global financial crisis, and important progress has been made on building a stronger and more resilient financial system, in particular by strengthening the soundness of the banking sector. However, the job is not finished, and following through on regulatory reform continues to be key. Going forward, we have identified the following priorities: full, consistent and prompt implementation of agreed reforms will be essential to ensuring an open and resilient global financial system; we will continue to address the 'too-big-to-fail' problem on a global level to protect taxpayers from bearing losses generated by the failure of global systematically important financial institutions; in particular, we remain committed to finalising the proposed common international standard on total loss absorbing capacity for global systematically important banks by November (2015) following the completion of rigorous and comprehensive impact assessments. We also remain committed to strengthening the regulation and oversight of the shadow banking sector [...] timely and comprehensive implementation of the agreed G20 shadow banking roadmap is essential.'

As at last year's summit, the Schloss Elmau summit featured a discussion on the need to achieve a fairer and more modern international tax system, with measures agreed and executed within the G20 and OECD frameworks.

#### On taxation:

- 'We are committed to achieving a fair and modern international tax system which is essential to fairness and prosperity for all. We therefore reaffirm our commitment to finalise concrete and feasible recommendations for the G20/OECD Base Erosion and Profit Sharing (PEBS) Action Plan by the end of this year. Going forward, it will be crucial to ensure its effective implementation, and we encourage the G20 and OECD to establish a targeted monitoring process to this end.'

#### On trade:

- 'Fostering global economic growth by reducing barriers to trade remain imperative and we reaffirm our commitment to keep markets open and fight all forms of protectionism, including through standstill and rollback. To that end, we support a further extension of the G20 standstill commitment and call on others to do the same [...] We are committed to strengthening the rules-based trading system, including by contributing to full and swift implementation of the WTO Bali package. The focus in 2015 should in particular be on the entry into force of the WTO Trade Facilitation Agreement (TFA). [...] We look forward to swift progress in plurilateral negotiations, including the Trade in Services Agreement (TiSA), the expansion of the Information Technology Agreement (ITA) and the Environmental Goods Agreement (EGA). [...] We welcome progress on major on-going trade negotiations, including

The G7 leaders called for a full and swift implementation of the World Trade Organisation's Bali package...

...and recommended the rapid conclusion of the ongoing international trade agreements talks, with a proposed end-2015 deadline for the Transatlantic Trade and Investment Partnership (TTIP) negotiations.

The G7 leaders agreed to establish a 'Vision Zero Fund' to better support labour rights globally.

Drawing on the lessons from the Ebola crisis, the G7 leaders asked that the UN (particularly the World Health Organization) be further funded and empowered to assume a leadership role in the future.

The G7 leaders committed to eliminating fossil fuel subsidies and asked others to follow suit.

on the Trans-Pacific Partnership (TPP), the Transatlantic Trade and Investment Partnership (TTIP) and the EU-Japan Free Trade Agreement/Economic Partnership Agreement, preferably by the end of the year. We will immediately accelerate work on all TTIP issues, ensuring progress in all the elements of the negotiations, with the goal of finalising understandings on the outline of an agreement as soon as possible, preferably by the end of this year. We welcome the conclusion of the negotiations on the Comprehensive Economic and Trade Agreement (CETA) with Canada and the EU and look forward to its timely entry into force.'

#### On responsible supply chains:

- Given our prominent share in the globalisation process, G7 countries have an important role to play in promoting labour rights, decent working conditions and environmental protection in global supply chains. [...] To enhance supply chain transparency and accountability, we encourage enterprises active or headquartered in our countries to implement due diligence procedures regarding their supply chains [...] We support a 'Vision Zero Fund' to be established in cooperation with the International Labour Organization (ILO) to add value to existing ILO projects with its aim of preventing and reducing workplace-related deaths and serious injuries [...] We also commit to strengthening mechanisms to provide access to remedies including the National Contact Points (NCPs) for the OECD Guidelines for Multinational Enterprises.'

#### Health

##### On Ebola:

- 'We welcome the initiative proposed by Germany, Ghana and Norway to the UN Secretary-General to draw up a comprehensive proposal for effective crisis management in the area of health and look forward to the report to be produced by the end of the year by the high-level panel established by the UN Secretary-General. The Ebola outbreak has shown that the timely mobilisation and disbursement of appropriate response capacities, both funding and human resources, is crucial. We welcome the ongoing development of mechanisms including by the WHO, the World Bank and the IMF and call on all partners to strongly coordinate their work.'

#### Climate change, energy and environment

##### On climate change:

- 'The G7 welcomes the announcement or proposals of post-2020 emission targets by all its members, as well as the submission of intended nationally determined contributions (INDC) and calls upon all countries to do so well in advance of mobilising jointly USD 100 billion a year by 2020 from a wide variety of sources, both public and private in the context of meaningful mitigation actions and transparency on implementation [...] We also reaffirm our ambition

to make the Green Climate Fund fully operational in 2015 and a key institution of the future climate finance architecture [...] We remain committed to the elimination of inefficient fossil fuel subsidies and encourage all countries to follow and we remain committed to continued progress in the OECD discussions on how expert credits can contribute to our common goal of addressing climate change.'

**On energy:**

- 'We reaffirm our commitment to the energy security principles and specific actions decided in Brussels in 2014, welcome the progress achieved since then under the Rome G7 Energy Initiative and will continue their implementation. Moreover, we welcome the G7 Hamburg Initiative for Sustainable Energy Security, in particular the additional concrete joint actions to further strengthen sustainable energy security in the G7 countries and beyond [...] We reaffirm our support for Ukraine and other vulnerable countries in their on-going efforts to reform and liberalise their energy systems and reiterate that energy should not be used as a means of political coercion or as a threat to security.'

**Development**

**On post-2015 agenda for sustainable development:**

- 'We are committed to achieving an ambitious, people-centred, planet-sensitive and universally applicable post-2015 Agenda for Sustainable Development that integrates the three dimensions of sustainable development-environmental, economic, and social-in a balanced manner.'

**On G7 accountability**

- 'We remain committed to holding ourselves accountable for the promises we have made in an open and transparent way. We welcome the Elmau Progress Report 2015 which demonstrated the progress we have made so far on our biodiversity commitment and shows how this progress contributes to other G7 development commitments. The report also stresses the need for continued action in this regard.'

As in last year's Brussels summit, G7 leaders focused on joint measures to ensure the security of energy supplies.

The G7 remained committed to agreeing on an ambitious set of Sustainable Development Goals (SDGs).

The group will continue transparently tracking progress on its key commitments, and will continue issuing annual progress reports.

### 3 Impact of the G7's consolidation on global governance

The 2014 revival of the G7 appears here to stay. Fuelled by the desire of its members to use the forum as a tool to reinforce cohesion on key topics and to facilitate joint strategy and action, the formation has ramifications something for a number of related actors, including the G20, the United States and Russia.

#### 3.1 Implications for the G20

The G7 and G20 find themselves today in a very different situations: while the former is streamlining its agenda and focusing on strengthening its

While the G7 and G20 agendas are converging, the G7 appears to be progressively consolidating its positions, while G20 remains increasingly polarised and losing momentum.

cohesion and effectiveness, the latter appears to be losing its initial momentum and becoming more fragmented and less effective. Their agendas have increasingly overlapped in the recent years; the neat division that once applied – with economic topics the domain of the G20 and foreign policy that of G8/G7 – no longer applies.

The political outlook of the two groups on some important files is, however, increasingly diverging. Ukraine is a prominent case in point: the G20 is far tamer on the issue as a result of Russia's participation and of the supportive attitudes of some of its allies in the BRICS group (Brazil, Russia, India, China and South America). Cohesion and unity between the two groups appears to be eroding, and it is uncertain whether or not the current Turkish presidency of G20 can reverse this trend.

### 3.2 Implications for the US

The G7 is an important platform for US President Barack Obama, as it could validate the foreign policy model he has pursued throughout his two terms.

The outcomes of the G7 summit are also significant for the administration of US President Barack Obama – as well as for his political legacy. In the US, President Obama's approach to foreign policy has been increasingly criticised as tame, and his embrace of multilateralism characterised as ineffective. His 'reset' with Russia has been ridiculed by conservative commentators, and the post-Crimea coordination with allies to impose sanctions has been widely described as ineffective in the US media. Moreover, the US Congress's hawkish attitudes towards Russia put it at odds with the Presidential administration, further contributing to the difficult relation between the two. With the 2016 US presidential elections looming, the decision of the G7 summit – if implemented properly – could be seen as a validation of President Obama's multilateral approach<sup>13</sup>. As a number of decisions were taken on the crisis files (including Ukraine and ISIL), the summit's statement could pave the way to reinforcing of the G7 members' common strategy and action.

### 3.3 Implications for Russia

At the time of this writing, the conflict in eastern Ukraine appears to be escalating, with a separatist attack recently launched on the town of Marinka (southwest of Donetsk). According to the monitoring mission of the Organisation for Security and Cooperation in Europe (OSCE), the separatists carried out the attack with rocket launchers and tanks – only a few days before of the G7 summit. A number of commentators have suggested that the timing of the attack was not coincidental.

The resurrection of the G8 format appears highly unlikely for the moment.

Such violations of the Minsk ceasefire agreement make it highly unlikely that Russia will be invited back to a re-constituted G8 any time soon, despite the protests of some members of the business community and

<sup>13</sup> Bloomberg Business, 'Obama Confronts Test of Soft Power Approach at G-7 Summit, 4 June 2015,

some politicians in EU Member States. Prior to the Schloss Elmau summit, the chair of the German business association representing companies with significant investments in Russia complained about the fact that Russia had been barred from attending the summit, stating that 'a G7 meeting with Russia could contribute to solving crises'<sup>14</sup>.

Moscow, while officially dismissing the importance of the summit, followed it closely, as it could have an impact on sanctions in the future.

The Russian authorities' reaction to the outcome of the Schloss Elmau summit has been largely dismissive, with a Kremlin spokesperson qualifying the commitments as 'nothing new'. The spokesperson also noted pointed out that participants' approaches towards Russian sanctions were 'nuanced', with 'some talking about the need for dialogue with Russia and the impossibility of solving serious problems without this dialogue'<sup>15</sup>. Nevertheless, the large amount of the summit's coverage in the state-controlled media in Russia suggests the discussions in Schloss Elmau have been followed closely by Moscow.

## 4 Significance for the EU

The quest for cohesion within the G7 bears some positive implications for the EU. As early as last year, the final statement of the G7 Brussels summit was very much in line with the EU's activities and policies for the files discussed. (The energy policy statement was a case in point.)

The Schloss Elmau summit declaration is likely to confirm the EU's position on sanctions against Russia, which are due to be renewed later in June 2015.

The Schloss Elmau final statement calls for maintaining sanctions against Russia. The issue is to be addressed in the next European Council in June 2015, and the G7 statement suggests the sanctions are more likely to be extended – a decision that will require the unanimity of all EU Member States. The G7 final statement also endorsed ongoing multi-dimensional support efforts for Ukraine, thereby also validating the EU's current approach, based on multi-faceted efforts to support Ukraine's democracy, economy and rule of law.

The G7's suggestion that negotiations on the Transatlantic Trade and Investment Partnership (TTIP) should reach a provisional agreement by the end of this year was welcomed by some. Others

It remains to be seen whether the Schloss Elmau summit will reinvigorate the on-going negotiations on the Transatlantic Trade and Investment Partnership (TTIP), which have lost some of their initial momentum in recent months. While the end-of-this-year deadline suggested in the summit's final declaration seems ambitious and has been welcome by some commentators, others have pointed to a need for caution in order to avoid sacrificing the quality of the agreement for the sake of speed<sup>16</sup>.

<sup>14</sup> Deutsche Welle, 'No return to a G8 with Russia – ever,' 2 June 2015, <http://www.dw.de/no-return-to-a-g8-with-russia-ever/a-18491826>.

<sup>15</sup> Reuters, 'Kremlin says nothing new in tough G7 line on Russia,' <http://uk.reuters.com/article/2015/06/08/uk-g7-summit-russia-kremlin-idUKKBN000T520150608>.

<sup>16</sup> The Independent, 'G7 Summit: Controversial TTIP Trade Deal between Europe and America to be Agreed within the Next Six Months,' <http://www.independent.co.uk/news/world/europe/g7-summit-controversial-ttip-trade-deal-between-europe-and-america-to-be-agreed-within-the-next-six-months-10306342.html>

advocated caution.

The G7 member's resolve on global climate issues has led to some cautious optimism regarding the chances of reaching an ambitious agreement at the Paris COP21 summit in December 2015. A similar confidence might apply to post-2015 global development issues, given the G7's agreements on coordinated action to be taken towards poverty eradication and sustainable development.

## 4.1 Parliamentary dimension of G7

Parliaments are involved in the G7 through annual meetings of the speakers.

The parliamentary arm of the G8/G7 has taken the form of annual parliamentary speakers' events. These gatherings, organised by consecutive presidencies, have usually taken place after the leaders' summits. The parliamentary meetings' agendas have not mirrored those of the leaders' summits, making them somewhat disconnected. The fact that the speakers' meetings have taken place after the principal summits also limited their inability to influence the agenda.

The European Parliament is usually represented by the institution's president.

The European Parliament, while recognising that these factors have dampened the effectiveness of the speakers' events, has participated in these events and sent the President of the European Parliament to represent the institution. In this way, the EP has demonstrated its commitment to the democratic accountability and transparency of the process.

In 2014, when the G8 was suspended following Russia's illegal annexation of Crimea, parliamentary cooperation was also disrupted. As a result, no parliamentary meeting took place in 2014.

The Bundestag has been active during the German presidency of G7 and has already organised a parliamentary conference on labour matters. It has also scheduled the speakers' event for 4-6 September 2015 in Leipzig.

The 2015 German presidency of the G7 has indicated that it intends to organise a parliamentary speakers' conference in Leipzig on 4-6 September 2015 and invited EP President Martin Schulz to attend. The Bundestag has traditionally been active in the G7/G8 and has followed the German presidency's preparations and events.

In the run-up to the summit, the German presidency of the G7 organised a parliamentary conference entitled 'She matters: Empowering women and girls to lead self-determined, healthy and productive lives'. This conference, held in Berlin on 16-17 April 2015, was organised under by the German All-Party-Parliamentary Group on Population and Development, in collaboration with German development foundations and in partnership with the Asian Forum of Parliamentarians on Population and Development (AFPPD), the Inter-American Parliamentary Group on Population and Development (IAPG), and the World Future Council (WFC)<sup>17</sup>. German chancellor Angela Merkel launched this conference of parliamentarians and

<sup>17</sup> [http://health.bmz.de/events/Events\\_2015/She\\_matters\\_-\\_International\\_Parliamentarians\\_Conference\\_16-17\\_April\\_2015/index.html](http://health.bmz.de/events/Events_2015/She_matters_-_International_Parliamentarians_Conference_16-17_April_2015/index.html)

made the empowerment of women a key issue for Germany's G7 presidency.<sup>18</sup>

Prior to the Schloss Elmau summit, the European Parliament invited European Commission Vice President Frans Timmermans to speak about the state of preparations during a plenary meeting in Brussels on 27 May 2015. The discussion focussed on the G7's plans for further measures on climate change, the development agenda, migration issues and stimulating employment (particularly youth employment in Europe). Other issues mentioned in the debate included terrorist threats resulting from the recent advances of the Islamic State of Iraq and the Levant (ISIL) in the Middle East and North Africa, youth radicalisation, lessons from the Ebola crisis, women's empowerment (particularly regarding equal pay), the need for better marine resources management and conservation and food security.

The G7's approach towards Russia was also discussed in some detail. Vice-President Timmermans emphasised that the G8 format is unlikely to return, given Russia's intransigence on Crimea and its continued involvement in the conflict in eastern Ukraine<sup>19</sup>.

The conference's 'Final appeal', handed over to the G7's German Sherpa Lars-Hendrik Röller, contains the following recommendations for the G7 leaders: stepping up G7/G20 countries' commitment to gender equality, women's and girls' human rights and their empowerment to create the conditions for them to lead self-determined, healthy, and productive lives; eliminating discrimination without distinction of any kind; ensuring full respect for women's bodily autonomy and right to have control over and decide freely and responsibly on matters related to their sexuality; reviewing and repealing laws that punish women and girls who have or are accused of having undergone illegal abortions, and end imprisonment for such acts; ensuring the respect, promotion and protection of sexual and reproductive health and rights for all; reaffirming that low- and middle-income countries need external resources for sustainable development, and that, in view of their responsibility, G7 countries and other high-income countries, must re-commit to the 0,7% share of GDP to ODA and ensure debt sustainability, debt restructuring and debt relief where necessary.

<sup>19</sup> Excerpts from this debate can be viewed on

<http://audiovisual.europarl.europa.eu/Assetdetail.aspx?id=12647a2b-492b-416a-a580-a4a500f8a272>.