

Report on the October 13, 2008 Meeting with the Italian G8 Team

INTRODUCTION

On October 13, CFGS and CIGI organized a Chatham House Rule event with the Italian G8 Sherpa Team.¹ The Italian team was led by Giampiero Massolo, Secretary General of the Foreign Ministry and G8 Sherpa. He was supported by Luca Giansanti (Director General for Political Cooperation and G8 Political Director), Maurizio Massari (Head of the Policy Planning Unit), and Paolo Campanini (Sous Sherpa Esteri G8 Office).² The meeting took place at the Italian Foreign Ministry, followed by a working dinner at Canadian Amb. Himelfarb's official residence.

Topics discussed included: G8 summit expansion, the implications of the financial crisis, approaches to break the climate change/energy security deadlock, initiatives to counter nuclear proliferation, development imperatives, the Afghanistan conundrum, methods to engage civil society, proposals to increase the accountability and credibility of the G8 process, and potential future geo political surprises that could complicate summit preparations.

Following the meeting, the CFGS- CIGI group agreed to forward a short "Non Paper from the Non Network" on potential "Great Italian GX Initiatives" for the 2009 Summit.

Ideas discussed

On G8 Summit composition and participation, we reviewed past practice, focusing on the need for expansion to maintain effectiveness and on the difficulties of a revolving door, with some sessions held at 8, some including the G5, some at 16 (the MEM group on climate change) and others with the African Leaders. We discussed the pros and cons of including Egypt in sessions with the G5 – the advantage being the inclusion of an Islamic, Mediterranean and African country and the disadvantages being Egypt's standing within the Arab League and the perilous prospects for the Mubarak regime. We discussed the illusory benefits of variable geometry, highlighting the displeasure of those leaders treated as "second class citizens." We were prescient about the need for early action by the Italians, while cognizant of the difficulties in that Japan (which opposes expansion) chairs the G8 until 2009 and the US electoral schedule precluded authoritative leadership.

¹ The group included Rolf Alter (OECD SG Chief of Staff), Marcos Azambuja (former head of the Brazilian foreign ministry), Barry Carin (Associate Director of CFGS), Pier Carlo Padoran (Deputy Secretary General, OECD and former IMF Executive Director, Italy), Peter Egyed (Political counselor, Canadian Embassy), Ambassador Alexander Himelfarb (Canadian Ambassador to Italy), Lord Michael Jay (former UK G8 Sherpa), Parag Khanna (Director New American Foundation), Shinichi Iida (Senior Coordinator & Head of the G8 Summit team of Japan), Rohinton Medhora (Vice President, IDRC), Francesco Olivieri (former Italian G8 Sherpa), Gordon Smith (Executive Director (CFGS), Harry Swain (Senior Associate (CFGS), and Ramesh Thakur (Director, Balsillie School of International Affairs).

² They were supported by Pasquale Salzano (Head of the G8 Sherpa Office), Pialuisa Bianco (Advisor to the Minister), Alessandro Gonzales and Valeria Biagiotti of the Policy Planning Unit.

We strongly encouraged Italy to formally expand the G8 summit into a GX: X being a number somewhere between 13 and 20, and emphasized the necessity of setting in train the rigorous Sherpa type preparation process required.

We reviewed the need to redesign the global financial architecture to reflect today's global economy. We discussed ideas such as expanding the Financial Stability Forum (FSF) to include the G5 countries, enhancing the mandate and resources of the IMF in oversight, supervision and regulation of financial market practices, transnational financial institutions and sovereign wealth funds.

In the climate change/energy security area, we recommended explicitly incorporating the MEM process into the Summit, with Italy hosting a series of preparatory meetings of the sixteen countries at Sherpa level. We commended the approach of a package deal, with sufficient elements to allow trade offs and permit each country to be a "winner." We discussed inviting China and India to join the IEA and enlarge the IEA mandate to include sharing plans for expanding energy supplies and lessening demand. We reviewed approaches to devise a global carbon market.

We suggested the UNFCCC negotiation process on targets to reduce future emissions would be assisted by an agreement to set 1990 as the base. We discussed the merits of effectively including all GX countries in the governance of all new funds and mechanisms to be established.

Regarding Development issues, we advised the organization of preparatory meetings of science and/or development Ministers from the GX. Ministers would be asked to design proposals to strengthen biodiversity and the international agricultural research system and to support a global competition for the best inventions, innovations and applications in low carbon energy technologies, and agricultural productivity. Resulting patents would be held in the public interest, with advanced market commitments to minimize "up front" risk. GX aid and/or Finance Ministers could be requested to design a new aid architecture (including official and private philanthropic funders).

We discussed the various ways to respond to future US requests for troops in Afghanistan. We reviewed the analogy with the surge "having worked" in Iraq, attempts to achieve a political solution in Afghanistan, the complication of Pakistani instability and how to make the best of a bad situation.

With respect to engaging civil society, we recalled the experience of Genoa, and among other ideas, advised establishing a "Magdalena Process" – a structured dialogue on specific questions analogous to the Heiligendamm Process, promising a progress report to the Canadian Summit in 2010, with recommendations to the 2011 French summit. We commended the example of Prime Minister Mori (2000) and President Putin (2006),³ who met with NGO leaders in preparation for the Summit.

³ e.g. as with the Putin St Petersburg Summit, the leaders of Greenpeace, WWF, Amnesty International, Oxfam, Social Watch, CIVICUS, Action Aid International, Consumers International, Human Rights Watch,

We emphasized the need to prepare for the unexpected on the eve of the Summit – e.g. civil war in Pakistan, a Russian invasion of Ukraine, or an Israeli pre-emptive strike at Iranian nuclear facilities. Contingency plans should be prepared to protect the important from the urgent.