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SPEECH

Italy's G8 Presidency: Priorities and Global Challenges

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I. The overall approach.

Our Presidency takes place at a very delicate moment, characterized by two factors:

- a) the global crisis;
- b) the fluidity of the structure of the international system : the West alone can no longer call the shots; the role of emerging powers has increased, and the developing countries - in particular African countries - are also legitimately calling for a bigger say in the management of the global agenda.

What does that mean for our G8 Presidency? Very simply: it means that we have to send a clear message in two directions in order to:

- **Improve the effectiveness of the system of the global governance:** we need to give **concrete responses** to the most urgent problems, in particular the economic crisis. We also need to make the major stakeholders of the international system **more accountable**. Effective governance implies that commitments are met.
- **Improve the inclusiveness of the system of governance in order to make it more representative.** Our Presidency will deepen the engagement with the five countries of the Heilegendamm Process and African countries.

Of course inclusiveness should go hand in hand with the responsibility. Emerging countries should be associated to the decision making process : but in return they have to be ready to share the burden of global governance.

Italy also calls for a closer involvement of regional organizations in the system of global governance. We are planning a meeting of all the regional organizations with the aim of seeking their closer involvement in the solution of global problems.

In sum : in today's multi-polar and complex world we need to build up a broader 'axis of responsibility' : this is also the precondition to make multilateralism work.

II. Let me dwell on some of the main priorities of our G8 Presidency agenda. Our five main priorities are:

- a) **the economic/financial crisis;**
- b) **Africa and development;**
- c) **climate change and energy security**
- d) **non proliferation**
- e) **regional crisis with a particular focus on Afghanistan**

a) **Economic crisis.**

The lessons of the crisis: there is a 'governance gap' that we have to fill as soon as possible. We urgently need a new set of rules for financial and economic governance. At a later stage we will also need to reform the Bretton Woods institutions that were created in a very different context more than sixty years ago.

Our G8 Presidency is working in close coordination with the British G20 Presidency in order to come up with the right response. We are confident that the G20 Summit in London will be able to make progress to address the **emergency** of the current financial turmoil. **It is crucial that Europe will go to the G20 with a coordinated position. This was the purpose of meeting which took place last weekend in Berlin and of the extraordinary European Council this coming Sunday.**

At La Maddalena, at the beginning of July, we shall focus on the medium-long term, addressing the structural and long term problems linked to the re-launching of the global growth.

A first step was taken at the G7 Finance Ministers meeting which took place in Rome on 13-14 February, where the G7 countries committed themselves to agree on a 'common set of rules and shared principles and standards on propriety, integrity and transparency of international economic and financial activity.

Most importantly, the G7 countries committed themselves to fight against protectionism. This is a key priority of Italy's G8 Presidency. Let me stress this point. Italy is very concerned about the protectionist temptations in some countries, particularly European

ones. Protectionism risks to unravel the EU and the very logic of interdependence that underpinned its evolution over the last fifty years. The 'four freedoms' of the European single market cannot be called into question. On the contrary, Europe should lead in the fight against global neo-protectionism.

b) Africa and development.

I have just been in Africa in order to listen from the countries of this continent their expectations from our G8. African countries expect from us two things:

- to be engaged in the discussion of global issues. They rightly want to be players. As a matter of fact it is increasingly difficult to address global challenges without engaging them. Take for example energy security . Angola and Nigeria are amongst the leading oil producers in the world and major energy suppliers of the US and China: can you address energy security without listening to them? I do not think so.

We shall engage African countries also in the G8 Ministerial Meeting on aid and cooperation at the end of May and in the Summit at La Maddalena. **The message that Italy wants to send is the following: African countries are 'equal partners' and, therefore, our strategies towards them should be based on a 'bottom up' approach rather than a 'top down' one as it has been mostly the case so far.**

- they do not want to be forgotten by the current economic crisis. Italy's Presidency wants to send a clear signal to this regard : a stable and sustainable growth of the international economy cannot be achieved without taking into account the needs of developing countries and Africa. After all, it is mostly in the African continent that lives the 'last billion' of people marginalized from the global economy.

Another point I want to stress on Africa: **we need to complete the transition from a traditional approach based on fighting against poverty to a more sophisticated approach based on sustainable development:** i.e. we need to pay attention to all those factors such as investments, environment, infrastructure, education and the development of 'human capital' that can make Africa's development sustainable.

We shall also strive to increase the awareness that development needs to be pursued by means of **an integrated approach involving all actors and all available means:** not only Official Development Assistance (ODA) but also investments, public/private partnerships, innovative financing mechanisms, private foundations and the active involvement of the civil society. At the same

time, the existing pledges in terms of ODA must be reaffirmed along with the concept of “accountability”. This path, as you all know, was embarked on last September at the Conference in Accra and confirmed at the recently ended Doha on development funding.

c) Climate change and energy security

On **climate change** our Presidency intends to provide the maximum political impulse to contribute to a **positive outcome of UN negotiations**. The **recent approval by the EU of a climate-energy package** is the best guarantee that Europe, not least through the G8, will be capable of confirming its leadership in global negotiations on climate change ahead of the Copenhagen Conference. Our aim is to propose the EU package as a model towards the UN negotiations. Nevertheless, success in Copenhagen will also depend on the acceptance of comparable responsibilities by the other industrialised countries and commitments by the emerging countries.

The Italian Presidency intends to foster the G8's leadership :

- in the promotion of an agreement on **greenhouse gas reductions**, including both industrialised and emerging countries based on the **principle of common but differentiated responsibilities and respective capabilities**.

- in **promoting investments in renewables and low carbon technologies**, which are essential to progress towards sustainability, in particular in the use of energy, and to stop climate change.

Energy security and climate change are strictly intertwined. We need to make sure that the environmental dimension is factored in the energy policies of both industrialized countries and emerging economies.

We shall also promote a comprehensive and structured dialogue between energy producers and consumers.

d) Non-proliferation.

We need more aggressive approach to non-proliferation, in order to strengthen the multilateral regime. This is the message that our G8 Presidency intends to send. We cannot continue to deal with the challenge of proliferation on a case-by-case basis. **We need a systemic and sustainable approach to non-proliferation.** The point of departure is that today it has become much easier to proliferate. We face a potential cascade of proliferation, particularly in the greater Middle East. True, Iran is the most urgent challenge. But unless we adopt a systemic approach we will face multiple challenges in the future (even if we succeed to solve the Iranian issue). Proliferation concerns both state and non - state actors. Nuclear terrorism is no longer an abstract threat. The implications of these developments are clear: we need to tighten our norms based on the NPT regime and the procedures for their enforcement.

The NPT Conference Review (2010) could provide the opportunity to make some significant breakthrough to this regard. For that to happen we need a shared, common commitment from the US and Russia in the first place. We particularly welcome the positive signals that the new US administration is sending. We should also not forget the sort of linkage that art. VI of the NPT Treaty established between non- proliferation and disarmament. Any effort to strengthen the non-proliferation regime would therefore greatly benefit from the existing nuclear powers' commitment to reduce and gradually dismantle their nuclear weapons.

e) Let me conclude with the political agenda of our G8 Presidency and the regional crises. Afghanistan is our main priority. 2009 will be a crucial year of Afghanistan (presidential elections)

We welcome the US decision to engage in a comprehensive 'review' of the current strategy. **We need a more sophisticated strategy. Italy believes that we should engage more actively the neighbouring countries and other non Western stakeholders, such as the Gulf States : this will be the main contribution that our G8 Presidency intends to offer to the solution of the Afghanistan's problems.**

We are planning the organization of a regional meeting on Afghanistan this June, with the participation of G8 countries, Afghanistan, India, Pakistan, China, Central Asian Republics, some Gulf States (Emirates, Qatar), Egypt and Turkey. We also want to explore with our allies the possibility of inviting Iran: Iran can be part of the solution, particularly in the fight against narco-traffic which feeds the insurgency.

What should be the objective of such meeting? We would like that the above mentioned countries agree on a series of common commitments in a variety of sectors - ranging from border control to the fight against narco-traffic and arms trafficking - in order to create a regional environment which could be conducive to the stabilization of Afghanistan.