G7 Taormina Leaders' Communiqué

Preamble

1. We, the Leaders of the G7, met in Taormina on May 26-27, 2017 to address, in a spirit of cooperation, the global challenges we face today and to respond collectively to the greatest concerns of our citizens. Our common endeavor is to build the foundations of renewed trust, both towards our governments and among our countries.

2. We are bound together by our shared values of freedom and democracy, peace, security, the rule of law, and respect for human rights. We are determined to coordinate our efforts in promoting the rules-based international order and global sustainable development. We are also convinced of the distinctive role of culture as an instrument to promote dialogue among peoples.

3. Technological change and globalization have made a fundamental contribution to raising living standards across the world over recent decades. However, their benefits have not been shared widely enough, contributing to inequalities in many countries. Despite progress in recent decades, we are still far from making poverty history, from reaching the "zero hunger" objective and from ensuring that future generations will enjoy justice and peace, as well as a cleaner and safer environment, as envisaged, for example, by the 2030 Agenda for Sustainable Development.

4. Our citizens rightly demand quality education, decent jobs, greater access to economic opportunities, gender equality, and a cleaner environment. They expect us to deal with increasing numbers of refugees and migrants, also through stronger international cooperation. Furthermore, they ask for more secure lives and, in particular, to halt the rise of terrorism and violent extremism, including its manifestation online.

5. Against this backdrop, we want to send a message of confidence in the future, ensuring that citizens' needs are at the center of our policies. As G7 Leaders, we intend to do so by engaging in a joint effort to seize all the opportunities offered by an era of extraordinary change. We will strive to highlight the transformative power of culture, gender equality, diversity and inclusion, education, science, technology and innovation in a collective endeavor involving governments, civil society, the private sector, and ordinary citizens. To achieve this we must improve knowledge and competences across all sectors and regions of our countries, by fostering innovation and new skills, by investing in fields such as education and training, as well as health, with a view to boosting economic growth and to improving people's quality of life. We therefore pledge to take concrete actions to manage today's risks and to transform challenges into opportunities.

Foreign Policy Issues

6. We share the same interest in strengthening a rules-based international order that promotes peace among nations, safeguards sovereignty, territorial integrity and political independence of all states and ensures the protection of human rights. Our world needs our genuine commitment to the solution of conflicts that are affecting millions of innocent people and disrupting development and the healthy growth of future generations.

7. We endorsed the Joint Communiqué, the Declaration on Responsible States Behavior in Cyberspace, and the Statement on Non-Proliferation and Disarmament of the Foreign Ministers' meeting in Lucca, and further discussed issues and crises that are most seriously threatening the security and well-being of our citizens and global stability.

8. Six years into the Syrian war, the Syrian people have endured the most tremendous suffering. We believe that there is an opportunity to bring this tragic crisis to an end. No effort should be spared to bring an end to the conflict through an inclusive Syrian-led political process under the auspices of the UN to implement a genuine credible transition in accordance with UN Security Council Resolution 2254 and the Geneva Communiqué. We are determined to increase our efforts to defeat international terrorism in Syria, in particular ISIS/ISIL/Da'esh and al Qaeda. Indeed, it will be impossible to defeat terrorism without a political settlement. All major stakeholders must live up to their international responsibilities. Those with influence over the Syrian regime, in particular Russia and Iran, must do their utmost to use that influence to stop this tragedy, beginning with the enforcement of a real ceasefire, stopping the use of chemical weapons, ensuring safe, immediate and unhindered humanitarian access to all people in need, and releasing any arbitrarily detained persons, as well as allowing free access to its prisons. To this end, we hope that the Astana agreement can contribute effectively to de-escalating violence. If Russia is prepared to use its influence

positively, then we are prepared to work with it in resolving the conflict in Syria, pursuing a political settlement. We are prepared to contribute to the costs of reconstruction, once a credible political transition is firmly underway. We will not engage in stabilization efforts that will support social and demographic engineering.

9. We reiterate our deepest concerns regarding the use of chemical weapons in Syria and reaffirm our strong condemnation of the use of chemical weapons anywhere, at any time, by anyone, under any circumstances. Those individuals, entities, groups or governments responsible for such use must be held accountable.

10. In Libya, it is urgent to advance on the path of inclusive political dialogue and national reconciliation. We welcome the recent meetings between key Libyan players. All Libyans must engage with a spirit of compromise and desist from actions that would fuel further conflict. While warning against the temptation of military settlements of the situation, we reiterate our full support for the institutional framework laid out in the Libyan Political Agreement (LPA) as the framework within which political solutions can be found, including possible adjustments to the LPA that may advance reconciliation. We support the UN Support Mission in Libya (UNSMIL) mediation effort. We also support the Presidency Council and the Government of National Accord in their effort to consolidate State institutions, alleviate human suffering, protect and expand infrastructure, strengthen and diversify the economy, manage migration flows and eradicate the terrorist threat.

11. We have made significant progress in reducing the presence of ISIS/ISIL/Da'esh in Syria and Iraq, and in diminishing its appeal. We commit to continuing these efforts in order to complete the liberation of ISIS/ISIL/Da'esh-held territories, in particular Mosul and Raqqa, in the pursuit of ISIS/ISIL/Da'esh's final destruction and the end of associated violence, widespread abuses of human rights and violations of international humanitarian law. Those who have perpetrated crimes in the name of ISIS/ISIL/Da'esh, including the use of chemical weapons, must be held to account. We welcome progress in countering ISIS/ISIL/Da'esh in Libya. We call upon all countries of the region to play a constructive role by contributing to efforts to achieve inclusive political solutions, reconciliation, and peace, which are the only way to eradicate ISIS/ISIL/Da'esh, other terrorist groups and violent extremism in the long-term in Iraq, Syria, Yemen, and beyond.

12. We reiterate our commitment on non-proliferation and disarmament. North Korea, a top priority in the international agenda, increasingly poses new levels of threat of a grave nature to international peace and stability and the non-proliferation regime through its repeated and ongoing breaches of international law. North Korea must immediately and fully comply with all relevant UN Security Council Resolutions (UNSCRs) and abandon all nuclear and ballistic missile programs in a complete, verifiable and irreversible manner. Condemning in the strongest terms North Korea's nuclear tests and ballistic missile launches, we stand ready to strengthen measures aimed at achieving these objectives and strongly call on the international community to redouble its efforts to ensure the sustained, comprehensive and thorough implementation of relevant UNSCRs. We urge North Korea to address humanitarian and human rights concerns, including the immediate resolution of the abductions issue.

13. A sustainable solution to the crisis in Ukraine can only be reached with the full implementation by all sides of their commitments under the Minsk Agreements. We support the endeavors of the Normandy group and commend the multifaceted commitment of the OSCE in order to de-escalate the crisis. We stress the responsibility of the Russian Federation for the conflict and underline the role it needs to play to restore peace and stability. We reiterate our condemnation of the illegal annexation of the Crimean peninsula, reaffirm our policy of non-recognition, and fully support Ukraine's independence, territorial integrity and sovereignty. We recall that the duration of sanctions is clearly linked to Russia's complete implementation of its commitments in the Minsk Agreements and respect for Ukraine's sovereignty. Sanctions can be rolled back when Russia meets its commitments. However, we also stand ready to take further restrictive measures in order to increase costs on Russia should its actions so require. We maintain our commitment to assisting Ukraine in implementing its ambitious and yet necessary reform agenda and commend Kiev for its progress to date. Despite our differences with Russia, we are willing to engage with Russia to address regional crises and common challenges when it is in our interest.

14. We reaffirm our commitment to maintaining a rules-based order in the maritime domain based on the principles of international law, including as reflected in the United Nations Convention on the Law of the Sea (UNCLOS), and to the peaceful settlement of maritime disputes through diplomatic and legal means, including arbitration. We remain concerned about the situation in the East and South China Seas and strongly opposed to any unilateral actions that could increase tensions. We urge all parties to pursue demilitarization of disputed features.

15. The recent cyber attacks hitting critical infrastructures worldwide reinforce our commitment to increased international cooperation to protect an accessible, open, interoperable, reliable and secure cyberspace and its vast benefits for economic growth and prosperity. We will work together and with other partners to tackle cyber attacks and mitigate their impact on our critical infrastructures and the well-being of our societies.

Global Economy

16. Global recovery is gaining momentum, yet growth remains moderate and GDP is still below potential in many countries, with the balance of risks tilted to the downside. Our top priority is to raise global growth to deliver higher living standards and quality jobs. To this end, we reaffirm our commitment to use all policy tools – monetary, fiscal and structural – individually and collectively to achieve strong, sustainable, balanced and inclusive growth. In particular, monetary policy should continue to support economic activity and ensure price stability, consistently with central banks' mandate. We concur that fiscal policy should be used flexibly to strengthen growth and job creation, while also enhancing inclusiveness and ensuring that debt as a share of GDP is on a sustainable path. In doing so, we agree on the importance of improving the quality of public finances, including by prioritizing high-quality investment, such as in infrastructures. We remain committed to advancing structural reforms to boost productivity and potential output, while ensuring these are appropriately coordinated with macroeconomic policies. We reaffirm our existing G7 exchange rate commitments, as agreed upon by Finance Ministers and Central Bank Governors at their meeting in Bari. We will strive to reduce excessive global imbalances and in a way that supports global growth. We commit to tackling all forms of corruption and tax evasion, as a means of reinforcing public trust in governments and fostering sustainable global growth.

Inequalities

17. We welcome the "Bari Policy Agenda on Growth and Inequalities" adopted by G7 Finance Ministers and Central Bank Governors as a framework to foster inclusive growth through a broad menu of policy options. We acknowledge that inequalities – not just in income, but in all their forms – represent a major source of concern. In fact, excessive inequality, also at the global level, undermines confidence and limits future growth potential. Furthermore, inequality may contribute to regional disparities within countries and undermine intergenerational mobility, while jeopardizing social cohesion and putting stress on institutions. In this respect, we will strive to strengthen the capabilities and resilience of our economies and communities to adjust to the pace of change, so that the global economy works for everyone.

Gender Equality

18. Gender equality is fundamental for the fulfillment of human rights and a top priority for us, as women and girls are powerful agents for change. Promoting their empowerment and closing the gender gap is not only right, but also smart for our economies, and a crucial contribution to progress towards sustainable development. Women and girls face high rates of discrimination, harassment, and violence and other human rights violations and abuses. Although girls and women today are better educated than ever before, they are still more likely to be employed in low-skilled and low-paying jobs, carry most of the burden of unpaid care and domestic work, and their participation and leadership in private and public life as well as their access to economic opportunities remains uneven. Increasing women's involvement in the economy – such as by closing the gender gaps in credit and entrepreneurship and by enhancing women's access to capital, networks and markets – can have dramatically positive economic impacts. We, as the G7, have undertaken significant measures to tackle gender inequality, but more needs to be done. We therefore remain committed to mainstreaming gender equality into all our policies. We welcome the important

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contribution provided by the W7. To foster the economic empowerment of women and girls, we have furthermore adopted the first "G7 Roadmap for a Gender-Responsive Economic Environment".

Trade

19. We acknowledge that free, fair and mutually beneficial trade and investment, while creating reciprocal benefits, are key engines for growth and job creation. Therefore, we reiterate our commitment to keep our markets open and to fight protectionism, while standing firm against all unfair trade practices. At the same time, we acknowledge that trade has not always worked to the benefit of everyone. For this reason, we commit to adopting appropriate policies so that all firms and citizens can make the most of opportunities offered by the global economy.

20. We push for the removal of all trade-distorting practices – including dumping, discriminatory non-tariff barriers, forced technology transfers, subsidies and other support by governments and related institutions that distort markets – so as to foster a truly level playing field. We commit to further strengthening our cooperation and to working with our partners in order to address global excess capacity in the steel, aluminum and other key industrial sectors and to avoid its emergence in other areas. In this sense, we view with concern market-distorting measures targeted at promoting key technologies. To this end, we welcome the Global Forum on Steel Excess Capacity, established by the G20 and facilitated by the OECD, and urge all Members to promptly deliver on effective policy solutions that enhance market function and adjustment in order to address the root causes of global steel excess capacity. We also call on the International Working Group on Export Credits to develop new guidelines for publicly supported export finance.

21. We recognize the importance of the rules-based international trading system. We commit to working together to improve the functioning of the WTO, to ensure full and transparent implementation and effective and timely enforcement of all WTO rules by all Members and to achieve a successful 11th WTO Ministerial Conference.

22. We commit to striving for better application and promotion of internationally recognized social, labor, safety, tax cooperation and environmental standards throughout the global economy and its supply chains.

23. Finally, we recognize that international investment too can play an important role in sustaining growth and job creation, and therefore strive to foster a predictable environment so as to facilitate foreign direct investment.

Human Mobility

24. The ongoing large-scale movement of migrants and refugees is a global trend that, given its implications for security and human rights, calls for coordinated efforts at the national and international level. We recognize that the management and control of migrant flows – while taking into account the distinction between refugees and migrants – requires both an emergency approach and a long-term one. We also recognize the need to support refugees as close to their home countries as possible, and enable them to return safely to and help rebuild their home communities. At the same time, while upholding the human rights of all migrants and refugees, we reaffirm the sovereign rights of states, individually and collectively, to control their own borders and to establish policies in their own national interest and national security.

25. We agree to establish partnerships to help countries create the conditions within their own borders that address the drivers of migration, as this is the best long-term solution to these challenges. We also acknowledge that states share a responsibility in managing the flows; in protecting refugees and migrants, and safeguarding the most vulnerable of them, such as women at risk, adolescents, children and unaccompanied minors; and in enforcing border control, establishing returns schemes and enhancing law enforcement cooperation. These are essential instruments to reduce irregular or illegal migration and to fight migrant smuggling, human trafficking and exploitation, and all forms of slavery, including modern slavery. In this manner, we will safeguard the value of the positive aspects of a safe, orderly and regular migration, since properly managed flows can bring economic and social benefits to countries of both origin and destination as well as to migrants and refugees themselves.

Africa

26. Africa's security, stability and sustainable development are high priorities for us. Our goal is indeed to strengthen cooperation and dialogue with African countries and regional organizations to develop African capacity in order to better prevent, respond to and manage crises and conflicts, as regards the relevant goals of the 2030 Agenda for Sustainable Development. A stable Africa means a stable environment for investment. In this regard, we note the forthcoming launch by the EU of the External Investment Plan (EIP) as an important tool to boost investment in the continent, as well as the envisaged G20 Partnership Initiative with Africa and the investment pledge made at the Tokyo International Conference for African Development (TICADVI). It is also important to continue our efforts to expand reliable access to energy in Africa. Unlocking Africa's potential requires empowering millions of people through innovation, education, promoting gender equality and human capital development. Decent employment, better health services, and food security will also contribute to building a more resilient society in a rapidly changing world. We aim to work in partnership with the African continent, supporting the African Union Agenda 2063, in order to provide the young generation in particular with adequate skills, quality infrastructures, financial resources, and access to a sustainable, prosperous and safe future. Such advances also promise to help reduce migratory pressure, relieve humanitarian emergencies and create socio-economic opportunities for all.

Food Security and Nutrition

27. Ending hunger, achieving food security and improved nutrition, and promoting sustainable agriculture is a crucial goal for the G7. We reaffirm our collective aim to lift 500 million people in developing countries out of hunger and malnutrition by 2030, as part of a broader effort involving our partners and international actors.

28. We are deeply concerned about the devastating levels of food insecurity, fueled by conflicts and instability, already resulting in famine in parts of South Sudan and in the serious risk of famine in Somalia, Yemen and northeastern Nigeria and critically affecting more than 20 million people. We strongly support the UNSG call for urgent action. We are rapidly mobilizing humanitarian assistance, we will continue to support political processes addressing the underlying causes of the crises and we are committed to strengthening the international humanitarian system to prevent, mitigate and better prepare for future crises, while strengthening engagement to build resilience.

29. While stressing the global dimension of the food insecurity and malnutrition challenge, we recognize that urgent action is needed in Sub-Saharan Africa, the region with the highest percentage of undernourished people, deep rural and urban poverty and particularly large movements of people, and where more than two-thirds of the Least Developed Countries are located.

30. We have therefore decided to raise our collective support for food security, nutrition and sustainable agriculture in Sub-Saharan Africa through an array of possible actions, such as increasing Official Development Assistance, better targeting and measuring our respective interventions in line with the food security and nutrition-related recommendations defined at Elmau and Ise-Shima, and ensuring they reach women and girls, backing efforts to attract responsible private investments and additional resources from other development stakeholders. We will encourage blended finance and public-private partnerships (PPPs). We will act in line with African countries' priorities and consistently with the African Union Agenda 2063, aiming to reach also the most neglected areas and the most vulnerable people.

Climate and Energy

31. We commit to strengthening our collective energy security and to ensuring open, transparent, liquid and secure global markets for energy resources and technologies. We reaffirm that all countries that opt to use nuclear power must ensure the highest standards of nuclear safety, security and non-proliferation. We are determined to harness the significant economic opportunities, in terms of growth and job creation, offered by the transformation of the energy sector and clean technology.

32. The United States of America is in the process of reviewing its policies on climate change and on the Paris Agreement and thus is not in a position to join the consensus on these topics. Understanding this process, the Heads of State and of Government of Canada, France, Germany, Italy, Japan, and the United Kingdom and the Presidents of the European Council and of the European Commission reaffirm their strong commitment to swiftly implement the Paris Agreement, as previously stated at the Ise-Shima Summit.

33. In this context, we all agree on the importance of supporting developing countries.

Innovation, Skills and Labor

34. The Next Production Revolution (NPR) offers an extraordinary opportunity to increase competitiveness and to boost an innovation-driven growth. By reshaping our existing production systems, the NPR can indeed allow all firms – including micro, small and medium-sized enterprises (MSMEs) – and help people across all sectors and regions to reap the benefits of innovation and digitalization and enhance women's opportunities to pursue STEM careers.

35. At the same time, the advance of automation and of emerging technologies, while they contribute to innovation and economic growth, presents us with challenges and significantly changes the future of work. We have a responsibility to face these challenges by managing the related risks of the NPR and of the ongoing transition, and to rethink the future of work and of education – also through strong collaboration with stakeholders – so as to ensure a transition that works for all. Our education systems and working styles must be adapted, based on national circumstances. Companies and social partners should be closely involved and commit to new engagement in both initial and lifelong education and training. We also need to address new forms of work and improve working conditions by implementing sound labor market policies and by making adjustments to our welfare systems, when necessary, in a multi-stakeholder approach, so as to provide stability for our labor force.

36. For these reasons, we have adopted a "G7 People-Centered Action Plan on Innovation, Skills and Labor". Elaborated with the support of the OECD and the ILO, it outlines a set of potential policy recommendations to maximize the benefits of the NPR, to be further developed by our relevant Ministers during their upcoming Ministerial Meetings.

37. In addition, in order to facilitate dialogue with key stakeholders and to provide the G7 with first-hand insights on innovation issues, we have set up a "Strategic Advisory Board to G7 Leaders on People-Centered Innovation" (I-7). The group's first meeting is to take place during the "G7 Innovation Week" in Turin.

Health

38. We are committed to advancing global health security and pursuing policies that advance physical and mental health improvements across the globe. Healthy lives and well-being are important to broader economic, social and security gains. We recognize that women's and adolescents' health and healthcare must be promoted. We acknowledge the role of environmental factors in affecting human health. We remain committed to strengthening health systems, preparedness for, and a prompt, effective and coordinated response to public health emergencies and long-term challenges. On this basis, we have asked our Health Ministers to follow up on these issues during their November meeting.

Conclusion

39. We look forward to meeting under the Presidency of Canada in 2018.