



Road to the 2013 Lough Erne Summit

Prime Minister's Letter to G8 Leaders

**David Cameron, prime minister, United Kingdom
January 2, 2013**

Prime Minister David Cameron has written to fellow G8 leaders to outline his plans for the G8 Presidency.

“As the UK takes over the Presidency of the G8, I wanted to write myself to begin a discussion with you about what we can achieve together. We will be meeting at Lough Erne in Northern Ireland in June. Northern Ireland’s prospects have been transformed by the peace process of the last twenty years – and it is a mark of the progress made that we can hold a G8 Summit there.

It is clear that in 2013 the world will continue to face grave economic uncertainty. Our first priority will be dealing with the challenges in our own countries. But as leaders of eight countries making up around half of the world’s entire GDP, the ambitious standards we set and the bold steps we take by working together through the G8 can make a tangible difference by firing up economies and driving prosperity, not just in our own countries, but all over the world.

I hope that at Lough Erne we can seize this opportunity. At the heart of my agenda for the Summit are three issues – advancing trade, ensuring tax compliance and promoting greater transparency. All of them are areas where I believe the G8 can play a distinctive role, using our commitment to open economies, open governments and open societies to support enterprise and deliver economic growth.

But to achieve this will require strong political leadership and months of detailed policy work from our teams. This G8 will not be the kind of Summit where we simply whip out a chequebook at the 11th hour, pledge some money and call it a success. What we are talking about are long-term changes in our countries and the rules that govern the relationships between them. With ambition on this scale, I am convinced that success depends on us starting a debate on these changes now.

Firstly, on trade, there is a huge amount on the table in the coming year – including a possible deal between the EU and Canada, the opening of negotiations between the EU and Japan, and Russia deepening its integration into the global trading system as it enters its second year of WTO membership.

Globally we can also hope to reduce paperwork and bureaucracy at borders including through an agreement on Trade Facilitation at the WTO Ministerial in December, which would also give extra impetus to our support for free-flowing trade across Africa. And, with Europe and America together accounting for a third of global trade, perhaps the single biggest prize of all would be the beginning of negotiations on an EU-US trade agreement.

These are vital opportunities for global growth, and I hope that we in the G8 can offer leadership – in particular by working with businesses in every sector of our economies to mobilise support for these deals and by using the openness of our direct engagement as leaders to address the sticking points frankly and to fix them.

Secondly, on tax, we know that in a globalised world, no one country can, on its own, effectively tackle tax evasion and aggressive avoidance. But as a group of eight major economies together we have an opportunity to galvanise collective international action. We can lead the way in sharing the information to tackle abuses of the system, including in developing countries, so that Governments can collect the taxes due to them. We can work together to sign more countries up to the international standards. And we can examine the case for strengthening those standards themselves – whether by improving existing standards or looking at new ones. These are complex questions, and will involve honest and detailed discussion about the right approach. But I do believe that as leaders, we all have a common interest in being able to tell our taxpayers who work hard and pay their fair share of taxes, that we will make sure others do the same.

Thirdly, in our partnership with less developed and emerging economies, I believe we must put a new and practical emphasis on transparency, accountability and open government. Too many developing countries are held back by corruption – and this can be reinforced or even encouraged by poor business practice and a lack of transparency from those that trade with them.

Our collective efforts on international development over the years give the G8 both the legitimacy and responsibility to move the international agenda forward to focus not just on aid, but also on the underlying drivers of growth and jobs which will lift people out of poverty for good.

So I would like to see the G8 continue to increase transparency in our aid flows so people in developing countries can hold their governments to account for spending them effectively, and people at home can see the impact their generosity makes. This accountability is vital if we are to maintain a global coalition on development and to build on last year's New Alliance for Food Security and Nutrition, stepping up the fight against hunger by encouraging the growth of more nutritious food and getting it to families at prices they can afford. The G8 can also support the underlying building blocks of growth, including the rule of law, the absence of conflict and corruption, and the presence of property

rights and strong institutions – what I have called the “golden thread” that makes open economies and open societies the best foundation for growth. I hope our work will demonstrate that this is not just about what developing countries do themselves. We in the developed world need to work together with them to prevent money laundering and stamp out bribery and corruption. And we need to look at how to enhance transparency – including through the Construction Sector Transparency Initiative and new ideas like a global land transparency partnership.

Inevitably, there will be questions about what we are each prepared to sign up to. I hope we can be ambitious. In that spirit I have already signalled some important changes in the UK’s positions. For example, while the US has agreed to sign up to the Extractive Industries Transparency Initiative, Britain and all the other G8 countries have yet to subscribe to this global process which helps to ensure that people around the world benefit from the extraction of natural resources from the countries in which they live. We need to change that. We cannot call on other countries to live up to these high standards if we are not prepared to do so ourselves. That is why I have asked for an urgent review of the UK position.

These decisions can not simply be left to our technical experts. They need our decisive leadership. The truth is that on all these issues, we know what the sticking points are and we need to find the political will to tackle them head on. By working together over the coming months, I believe that we can.

I look forward to discussing these issues with you and to welcoming you to Lough Erne this Summer.”

Sources: **UK Presidency of the G8**