

# Overview of the outcomes of the Ise-Shima Summit and the future direction of capacity building under the CONNEX Initiative

16 September, 2016



**Misako Takahashi,  
Director, Economic Security Division,  
Ministry of Foreign Affairs, Japan**

## **The initiative on Strengthening Assistance for Complex Contract Negotiations (CONNEX)**

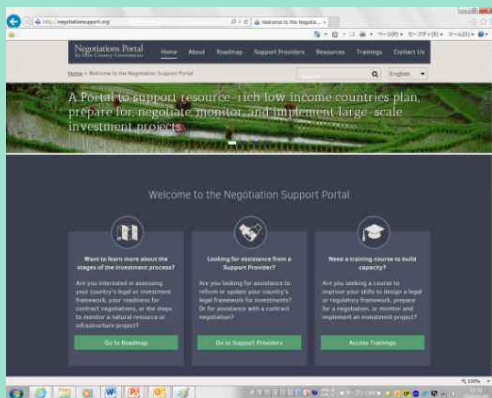
- Launched at the G7 Brussels Summit in 2014
- Aiming to provide developing country partners with multi-disciplinary and concrete expertise for negotiating complex commercial contracts
- To ensure such complex commercial contracts are well-conceived and well-negotiated for a host country's successful and inclusive development

# Three Pillars of the CONNEX Initiative

## Pillar 1

**Information integration and accessibility on existing resources**

- Open web portal @CCSI



## Pillar 2

**Enhancing existing negotiation support**

- CONNEX Code of Conduct at the Elmau Summit
- Negotiation Support Forum @OECD



## Pillar 3

**Long-term capacity building and increasing transparency**

- CONNEX Guiding Principles towards Sustainable Development
- G7 CONNEX Initiative International Conference on Capacity Building and Transparency



## Priorities at the Ise-Shima Summit under Japanese G7 presidency

- Making the position of the CONNEX Initiative clear within the context of the global efforts towards the achievement of the 2030 Agenda for Sustainable Development
- Deepening the discussions on future orientation of G7 actions under the CONNEX Initiative
- Continuing discussions on Pillar 1 and Pillar 2



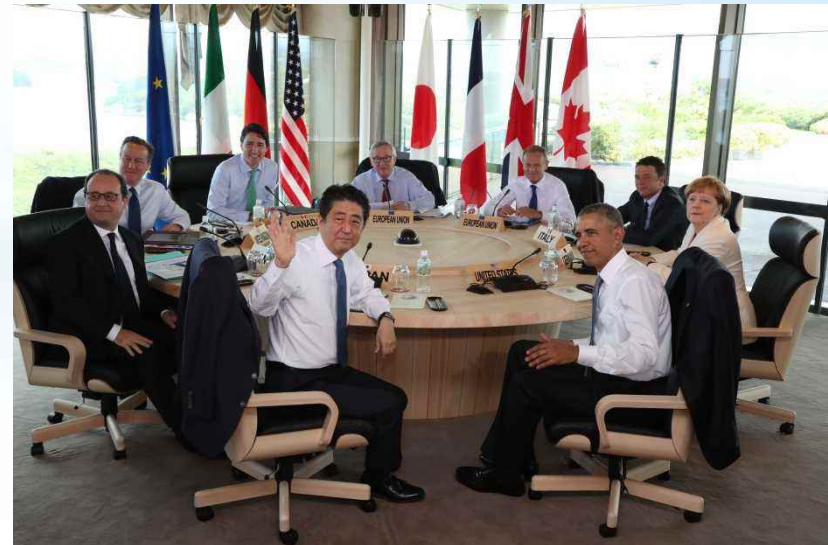
**CONNEX Guiding Principles towards Sustainable Development**

# The G7 Ise-Shima Summit

Chaired by Mr. Shinzo Abe, Prime Minister of Japan, on May 26-27

## G7 Ise-Shima Leaders' Declaration

We commit to intensify our efforts under the CONNEX Initiative, [...]. We endorse the CONNEX Guiding Principles towards Sustainable Development, [...]. We commit to align CONNEX with existing initiatives to build capacity in developing countries and to improve governance and transparency in extractives sectors. Further progress will be sought in [...] the CONNEX International Conference on Capacity Building and Transparency to be held in Tokyo.



# CONNEX Guiding Principles towards Sustainable Development

The G7 will implement the CONNEX Initiative in accordance with the 5 principles.

- 2030 Agenda for Sustainable Development

- Mutual trust among stakeholders

- Capacity Building

- Improving governance and transparency

- Enhancing synergy with the relevant stakeholders



# CONNEX Guiding Principles towards Sustainable Development

1. The G7 will implement the CONNEX Initiative to contribute to the on-going global efforts towards the achievement of the Sustainable Development Goals contained in the 2030 Agenda for Sustainable Development.
- Revenues generated from the development of natural resources can play a significant role in the global efforts towards the achievement of the Sustainable Development Goals (SDGs).



# CONNEX Guiding Principles towards Sustainable Development

2. The CONNEX Initiative will be implemented in the spirit of mutual trust among stakeholders, and on the basis of collaboration between G7 members and developing country partners, building upon the ownership of the latter.





## CONNEX Guiding Principles towards Sustainable Development

3. The G7 will align their assistance under the CONNEX Initiative with their long-term assistance for capacity building in developing countries, covering all the phases of projects in the extractives sector.
- The CONNEX Initiative should be implemented by aligning the Initiative's assistance with the G7's long-term assistance for capacity building.

## CONNEX Guiding Principles towards Sustainable Development

4. The G7 will align their assistance under the CONNEX Initiative with their long-term assistance to developing country partners in improving governance and transparency in the extractive industries.
- The benefits from extractive projects should be redistributed in a fair and equitable manner, or effectively and efficiently utilized to support the national development.

## CONNEX Guiding Principles towards Sustainable Development

**5. The G7 will implement the CONNEX Initiative in a manner complementary with the efforts made by relevant stakeholders in the areas pertaining to the extractive industries and sustainable development.**

- There are an extensive range of on-going efforts in the fields related to the extractive industries and sustainable development by various stakeholders.



## Future direction of capacity building under the CONNEX Initiative:

- What kind of capacity building is needed in the resource-rich developing countries? How does the current market trend (low commodity prices) affect such countries' capacity building?
- What are the lessons learned from previous/current efforts by stakeholders?
- Should we approach not only the contract negotiations but also assistance for litigation and other areas in the value chain or packaged elements of the extractive sector, such as maintenance and management of transport infrastructure in the extractives sector?

# Thank you Arigato

<http://www.mofa.go.jp/mofaj/index.html>