

Group of Seven Nations (G7) have adopted the G7 Digital Trade Principles that will guide the G7's approach to digital trade.

What is G7?

The G7 or the Group of Seven is a group of the seven most advanced economies as per the International Monetary Fund (IMF). The seven countries are Canada, the USA, UK, France, Germany, Japan and Italy.

G7 Summit 2021 - Latest Update

- Opposing digital protectionism and authoritarianism; G7 countries have adopted G7 Digital Trade Principles.
- [Carbis Bay Declaration](#) was one of the major outcomes of the latest G7 Summit. Learn what is this declaration all about in the linked article.
- The 47th G7 Summit was held between June 11 and 13, 2021. It was the first physical G7 summit held in two years and took place in Carbis Bay, Cornwall, the UK. The Indian Prime Minister Narendra Modi had also been invited to be a part of the Summit.

G7 Digital Trade Principles

These principles were agreed upon in the meeting of G7 trade ministers in London, in October 2021.

- It will govern cross-border data use and digital trade.
- The following issues are covered in the G7 Digital Trade Principles:
 - Open digital markets
 - Cross border data flows
 - Safeguards for workers, consumers, and businesses
 - Digital trading systems; and
 - Fair and inclusive global governance

This agreement on digital trade principles intends to establish a middle ground between highly regulated data protection regimes used in European countries and the more open approach of the United States.

47th G7 Summit 2021

- Held in June 2021 in the United Kingdom. The Indian Prime Minister and representatives from South Korea, South Africa, and Australia were also invited as the guest nations to the 47th Summit. Read about [India-UK Relations](#) in the linked article
- The Objective of the 47th G7 Summit was to unite leading democracies to help the world build back better from the coronavirus and create a greener, more prosperous future. It aimed at:
 - Leading the global recovery from the [Novel Coronavirus](#) while strengthening resilience against future pandemics
 - Promoting future prosperity by championing free and fair trade

- Tackling climate change and preserving the planet's [biodiversity](#)
 - Championing globally shared values in open societies.
- International pressure has also been built over the G7 countries to contribute funds towards climate change and the provision of surplus Covid-19 vaccines for economically weaker countries. This was one of the causes of concern for the 7 countries as they themselves have faced severe economic losses during the pandemic period
- Discussion over raising funds for climate finance was another key issue that was taken care of during the 47th G7 Summit

India's Stand

- India is a natural ally for the G7.
- The Prime Minister of India called for a **“one earth, one health”** approach to deal with the global pandemic situation and also conveyed India's commitment to finding a “collective” solution to global health challenges. He also highlighted the need to keep raw materials for manufacturing vaccines easily available.
- In order to boost vaccine production in countries like India, India emphasizes maintaining open supply chains for procuring vaccine raw materials.
- The Prime Minister also sought support from G7 nations for the [TRIPS](#) waiver proposal moved by India and South Africa at the WTO. The waiver is expected to increase the production of vaccines in India.

Other G7 Agenda in 47th Summit

- **China**
 - The leaders of G7 resented China's behaviour towards the Uyghur community in its Xinjiang region, autonomy in Hong Kong, and the situation in the East and South China Seas. The nations have asked China to show respect towards the human rights of minorities.
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 - The nations also encourage the peaceful resolution of cross-Strait issues across the Taiwan Strait, as it has caused instability and lack of peace in the region.
 - The G7 leaders also recommended a more transparent science-based WHO-convened Phase 2 investigation on the origin of COVID-19, amid allegations that a likely laboratory leak in Wuhan city may have a connection with the start of the pandemic.
 - To counter China's multi-trillion-dollar [Belt and Road Initiative \(BRI\)](#), the G7 nations have decided to support developing countries on a global infrastructure plan. On similar lines, the US President proposed the “Build Back Better World” (B3W) initiative to counter China's BRI.
- The nations in the summit are also concerned with promoting future prosperity by advocating free and fair trade, tackling climate change and conserving the planet's biodiversity, and embracing our shared values in open societies, and strengthening our partnership.

Overview of the G7

The Group of Seven is an informal bloc of advanced/developed nations which meets annually to discuss matters such as global economic policy, international security, and energy policy, among others. Critics are of the opinion that the decisions and discussions in the annual summits lack follow-through and excludes important emerging powers.

History of the G7

- The concept of a forum for the world's major industrialized countries emerged before the 1973 oil crisis.
- In 1975, a summit hosted by France brought together representatives of six governments: France, West Germany, Italy, Japan, the United Kingdom, and the United States.
- Helmut Schmidt and Valéry Giscard d'Estaing were heads of government in their respective countries, and since they both spoke fluent English, it occurred to them that they, and British Prime Minister Harold Wilson and U.S. President Gerald Ford could get together in an informal retreat and discuss election results and the issues of the day.
- In late spring, d'Estaing of France invited the heads of government from West Germany, Italy, Japan, the United Kingdom, and the United States to a summit in Château de Rambouillet; the annual meeting of the six leaders was organized under a rotating presidency, forming the Group of Six (G6).
- The Group of Six (G6), consisting of leading industrial countries, met in 1975 for the first time to discuss the huge economic problems such as **oil shock** and the **collapse of the Bretton Woods fixed exchange rate system** faced by the world in the 1970s.
- Canada joined the G6 group in 1976, which henceforth became Group of Seven (G7).
- Beyond discussing the economic problems, G7 started to show interests in foreign and security policy issues in the 1980s.
- The role of Russia:
 - Following 1994's G7 summit in Naples, Russian officials held separate meetings with leaders of the G7 after the group's summits.
 - This informal arrangement was dubbed the Political 8 (P8) – or, colloquially, the G7+1.
 - At the invitation of Prime Minister of the United Kingdom Tony Blair and President of the United States Bill Clinton, Russian President Boris Yeltsin was invited first as a guest observer, later as a full participant.
 - After the 1997 meeting, Russia was formally invited to the next meeting and formally joined the group in 1998, resulting in a new governmental political forum, the [Group of Eight or G8](#). Despite not being a major economic power according to the International Monetary Fund (IMF).
 - However, the Russia was ejected from the G8 political forum in March 2014, following its annexation of Crimea.

Composition of the G7

The G7 is composed of the seven wealthiest advanced countries. Various reports suggest that the G7 (without the [European Union](#)) represents above 62% of the global net wealth. Including the EU the G7 represents over 70% of the global net wealth.

Group of 7 - G7 Summit Participation:

- Summits are held annually and hosted on a rotation basis by the group's members.
- The leaders of important international organizations like the **European Union, IMF, World Bank and the United Nations** are also invited.
 - Aspirants can know in detail about all these organizations on the given links -
 - [World Bank](#)
 - [International Monetary Fund IMF](#)
 - [United Nations Organization - UNO](#)
 - [European Unions - EU](#)

- The groundwork for the summit, including matters to be discussed and follow-up meetings, is **done by the “sherpas”**, who are generally personal representatives of the Heads of State and of Government of the G7 countries such as ambassadors.
- Why China is not a member of the G7?
 - The People’s Republic of China, according to its data, would be the second-largest with 16.4% of the world net wealth but is excluded because the IMF and other main global institutions do not consider China an advanced country and because of its relatively low net wealth per adult and HDI.

Challenges Faced by G7 Members

1. There are a number of disagreements in the Group of 7 internally, e.g. clash of the USA with other members over taxes on imports and action on climate change.
2. It is also facing a challenge from fast-growing emerging economies like India and Brazil are not members of the G7. However, In 1999, G20 was formed to bring more countries on board to address global economic concerns. You can know in detail about [the G20 Summits](#) in the link provided here.
3. G7 The organization has also been criticized for not reflecting the current state of global politics or economics.

Facts about the members of G7

Here we give you some brief facts about a few members of G8 nations

- All the 7 are top-ranked advanced economies with the current largest GDP and with the highest national wealth (United States, Japan, Germany, UK, France, Italy, Canada).
- The G7 are among the 15 top-ranked countries with the highest net wealth per capita (United States, France, Japan, United Kingdom, Italy, Canada, Germany).
- All the 7 are leaders when it comes to export
- 5 members of the G-7 have the largest proven reserves of gold (United States, Germany, Italy, France, Japan).
- All 5 of the members of the [NATO](#) Quint (The Quint is the informal decision making body of NATO consisting of the U.S., U.K., France, Germany, Italy) and Canada is also a member of Five Eyes intelligence gathering body with the U.S. and U.K.
- 6 of the 9 largest nuclear energy producers (United States, France, Japan, Germany, Canada, UK), although Germany announced in 2011 that it will close all of its nuclear power plants by 2022. Following the 2011 Tōhoku earthquake and tsunami, Japan shut down all of its nuclear reactors. However, Japan restarted several nuclear reactors, with the refuelling of other reactors underway.
- There are no G7 members from Africa, Latin America, or the southern hemisphere.

The requirements to be a member of the G7 are a high net national wealth and a high HDI (Human Development Index). The G7 also accounts for 46% of the global Gross Domestic Product ([GDP](#)) calculated at market exchange rates and also for 32% of the global PPP GDP.

FAQ about G7

What countries are in G7?

The seven G7 countries are Canada, France, Germany, Italy, Japan, the UK and the US. They are seven most

advanced economies as per the International Monetary Fund (IMF).

Why is China not in G7?

China has accused the G7 of "political manipulation" after it criticised Beijing over a range of issues. In a joint statement at the end of a three-day summit, leaders of the G7 countries urged China to "respect human rights and fundamental freedoms".

