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## SPOTLIGHT

# G7 Summit in Canada—Erupting Conflicts Overshadow Economic Security Talks

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At their meeting in the Canadian mountain resort of Kananaskis on 15-17 June, G7 leaders agreed, among other things, to strengthen cooperation on the security of critical raw material supplies. Disagreements among the leaders concerned, for example, U.S. tariffs and sanctions against Russia. The outcome of the summit indicates that, despite existing differences, agreement on selected issues is possible.

### Under what circumstances did the meeting take place and who participated in it?

The summit in Kananaskis took place on the 50<sup>th</sup> anniversary of the first meeting of G7 leaders. It was the first summit of U.S. President Donald Trump's second term, who, since January this year, has introduced, among other things, a series of tariffs, including on [steel, aluminium and products made from them](#), and cars and car parts, as well as so-called [reciprocal tariffs](#) on most of U.S. trading partners (those duties are currently suspended). These measures have worsened U.S. relations with its allies, including other G7 members (the group also includes Canada, France, Germany, Italy, Japan, the United Kingdom, and the EU). The meeting took place amid intensified Russian attacks on Ukraine and in the face of [Ukrainian-Russian](#) and [U.S.-Russian](#) talks on ending the fighting. The G7 talks were influenced by the tense situation in the Middle East, including the ongoing humanitarian crisis in the Gaza Strip and the [Israel-Iran](#) conflict, which began with Israeli airstrikes two days before the summit. President Trump left the summit early to return to Washington to deal with the escalating conflict. The summit was also attended by, among others, the presidents of Ukraine, South Africa, Brazil, Mexico, and South Korea, the prime ministers of India and Australia, the secretaries-general of NATO and the UN, as well as the head of the World Bank.

### What was the outcome of the summit and what decisions were taken?

Instead of a final communiqué, a summary by the summit chair, Canadian Prime Minister Mark Carney, was published. This may have been due to Trump's early departure. However, the G7 countries did adopt seven joint statements, demonstrating the group's unity on issues important to it. They announced cooperation with other partners (including developing countries) on the security of critical minerals supplies. This is related to China's dominant position in the extraction and, most of all, processing of these materials (it accounts for about 90% of global refining of rare earth elements, used in, among others, the electronic, automotive, energy, and defence sectors). Tensions related to critical minerals have been visible on the global market since April when China restricted exports of them in response to [U.S. trade policy](#), resulting in shortages and production problems. The G7 leaders adopted the "G7 Critical Minerals Action Plan", which entails, among other things, the mobilisation of funds for investment and innovation. They also supported Canada's initiative for a "Critical Minerals Production Alliance" to support advanced industries and the defence sector. The group members also pointed to the need for cooperation in the development of artificial intelligence, quantum technologies, combating human and drug trafficking, interference by third countries in G7 countries' internal

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affairs, and preventing and combating wildfires. The G7 also adopted a joint statement on the Israel-Iran conflict, in which it supported Israel's right to defend itself and recognised Iran as the main source of regional instability and terror. The leaders also linked the security situation in Europe, the Middle East, and the Indo-Pacific.

## On what issues did differences arise?

Differences within the group were visible on the Russia-Ukraine war and trade. President Trump stated that the group should welcome Russia back into its ranks, arguing that its exclusion from the G8 format in 2014 following the annexation of Crimea was a mistake and may have contributed to the outbreak of full-scale war with Ukraine in 2022. At the same time, Trump refused to strengthen sanctions against Russia, arguing that the main burden in this regard should fall on European countries. This may indicate attempts by the U.S. administration to further appease Russia in order to halt military action in Ukraine, which, however, has so far proved ineffective. At the same time, the G7 members supported the U.S. president's efforts to "achieve a just and lasting peace in Ukraine". However, the meeting between Trump and Ukrainian President Volodymyr Zelensky scheduled for 17 June did not take place due to the U.S. leader's early departure.

On trade issues, the participants had hoped for direct talks with the U.S. president on tariffs. However, only a partial agreement between the U.S. and the UK (announced in May) was signed, covering such issues as imports of cars to the U.S. and agricultural products to the UK. Talks between Trump and the leaders of Japan and Canada ended without results (although Prime Minister Carney announced that an agreement with the U.S. would be reached soon). There is also no information on progress in U.S. talks with other

countries, including India and Brazil, as well as with the EU. European Commission President Ursula von der Leyen criticised China for unfair trade practices and economic pressure, which can be interpreted as part of negotiations and a signal of possible cooperation with the U.S. in the face of challenges from China. The U.S. administration's approach may indicate a desire to show a tough negotiating stance in order to obtain concessions from its partners. This is in line with the increase in tariffs on steel and aluminium from 25% to 50% at the beginning of June.

## What is the international significance of the meeting?

The meeting highlighted the difficulties that the G7 will face during Trump's term due to the transactional nature of the U.S. administration's actions. However, the achievement of a common position on several issues, including measures to strengthen the resilience of critical minerals supply chains, points to the potential for cooperation within the G7. This offers opportunities to maintain the international significance of the group in the face of the expansion of the [BRICS](#) format and broader platforms, including the [G20](#). Combining the potential of the G7 countries, including their financial and technological capabilities, would be beneficial in terms of competition with other countries, mainly China. In this context, it is important that the G7 has highlighted cooperation with partners outside the group, including the countries whose leaders were present at this summit. Building partnerships in areas such as infrastructure development, connectivity, and supply chain resilience can be beneficial for both the G7 and the countries of the Global South. In relations with developing countries, issues may arise, among others, from U.S. trade policy and the G7's support for Israel's actions, which may lead to concerns in the context of protecting state sovereignty.