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**Chairman's Summary
First Major Economies Meeting
On Energy Security and Climate Change
September 27-28, 2007**

The first Major Economies Meeting on Energy Security and Climate Change was convened on September 27-28 in Washington D.C. Secretary Condoleezza Rice hosted the meeting, which was attended by senior representatives of seventeen Major Economies. The United Nations was also represented.

In their national statements, participants reflected a diversity of perspectives, and all placed a high priority on actions to address energy security and climate change. All underlined the central role of the UNFCCC as the global forum for addressing climate change. Speakers underlined their commitment to contribute to global efforts under the UNFCCC, reflecting their national circumstances and in line with their common but differentiated responsibilities and respective capabilities. Speakers welcomed the U.S. initiative as a contribution to these efforts. Participants underscored their commitment to a successful outcome in upcoming climate meetings in Bali.

Various speakers highlighted the importance they place in:

- establishing a long-term global goal for greenhouse gas reduction, in balance with sustainable development objectives;
- all nations acting to advance the global goal in environmentally effective and measurable ways, and in accordance with their common but differentiated responsibilities and respective capabilities;
- enhancing investments in technology, and the need for financing clean energy technologies, especially in the developing world;
- addressing adaptation in concert with efforts to mitigate climate change;
- addressing deforestation, reforestation and afforestation in the context of mitigating climate change;
- generating a price signal through various mechanisms to provide needed incentives on clean technology investments;
- the importance of reaching agreement on comprehensive arrangements to address post-2012 action under the UNFCCC;
- Mandatory binding reductions for short- and medium-term by developing countries.

Identifying Opportunities in Key Sectors

Participants heard from government representatives, as well as leaders from industry and the non-governmental community on key challenges associated with accelerating development and commercialization of technologies. Presentations and discussion focused on five key areas: low carbon fossil power generation, transportation, land use, market penetration and energy efficiency, and finance. Significant opportunities for achieving progress were identified, including:

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- Scaling up cooperation in carbon capture and storage;
- Promotion of low emission transportation fuels;
- Improvements in vehicle efficiency and electrification;
- Reducing emissions from deforestation, restoring forest cover, and promoting sustainable harvest and product yields;
- Uptake of low-carbon technologies, including nuclear, wind, biomass, renewables and other systems;
- Overcoming market barriers to promote energy efficiency;
- Innovative financial mechanisms for financing and transferring cleaner technologies and efficiency, and reducing investment risk.

Discussion reflected general support for the view that a Major Economy focus on key sectors offers the opportunity to advance thinking toward effective action in the post-2012 period. Sectors that some participants identified include: power generation, including in particular clean coal, as well as nuclear power and renewable energy; transportation; land use; energy efficiency; adaptation, with a focus on technology; and finance, which could look at ways of facilitating investment in and transfer of clean technologies.

It was suggested that work could, among other things: identify gaps and significant opportunities to accelerate research and development (R&D) to reduce costs and expand options; identify effective policies and incentives to address non-technical barriers, and expand the availability and scope of financing for clean energy deployment.

Long term Goal for Greenhouse Gas Reduction

Representatives of Japan, Canada and the European Union described their decisions relating to a long-term goal for greenhouse gas reduction. A rich initial discussion of this issue followed. Discussion reflected a common understanding that any long term goal is aspirational, and that it should not be used as a basis for burden sharing.

Various speakers raised a range of considerations for the development of a long-term goal, including:

1. It should be guided by Article 2 of the UNFCCC;
2. It should be science-based;
3. It should be underpinned by environmentally effective and measurable near- and mid-term actions;
4. It should reflect the overall global vision of ambition and an understanding of the scale of action that would be required to achieve it;
5. It should take into account countries' differing circumstances and common but differentiated responsibilities and respective capabilities;
6. It requires an understanding of the future availability of key low carbon technologies, and the feasibility of delivering technologies at different scales and time periods;

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7. It should take into account the costs of adaptation in addition to mitigation, in the context of broader sustainable development strategies.
8. It should take into account historical cumulative emissions, per capita emissions, and development needs of developing countries.

It was suggested that a more focused consideration of the long-term goal be given in a future meeting of this group. It was suggested that participants could bring forward for this purpose relevant technical or scientific information that would inform discussions, as well as information on factors in the consideration and expression of a long-term goal.

Next Steps

The participants agreed that there is value in reconvening another meeting of Major Economies after the climate meetings in Bali. The discussion would be informed by the outcomes in Bali.

Participants agreed that the group would work together as appropriate at the technical level to help prepare for a successful finance ministers meeting in Bali. The participants agreed to consider information to be provided on technology R&D issues and to consider the desirability of an in-person meeting of technology officials.

The participants agreed to consider information on how best to carry forward discussion on sectoral opportunities. They expressed interest in considering ways to improve measurement systems.