

## Remarks at the Major Economies Meeting on Energy Security and Climate Change

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MR. CONNAUGHTON: Thank you, Paula. Madame Secretary. I'd just like to extend President Bush's greetings to all of you here today. He's very much looking forward to speaking to you tomorrow and looking forward with great eagerness to the outcome of today's discussions as well as how we conclude things.

I want to begin first by recognizing Yvo de Boer, here's the man who bears the burden of all of our collective opportunity and all of our collective will. And I'm delighted that he's here with us today to speak with us this morning.

But I also want to call out the Indonesian delegation who's going to be hosting the meetings coming up in Bali. You were very gracious in your hospitality to me, and are we here to make your meetings this year a great success, so thank you for coming as well. And I do also want to start by thanking each of your countries. I think I've made it to almost every one in the last couple of months, and your hospitality's been very welcomed, your advice and sound counsel, and putting together an agenda that we can all share.

I want to cover three topics, so pay no attention to the screen for a moment. I want to cover three topics: First, the goal and nature of this meeting, give you a sense of our view of the expectations. Two, with a little bit of presentation help, I want to speak about the scope of the challenge so that we can approach this issue with a shared awareness of what we need to take on to make meaningful progress, and then talk a little bit about just the mechanics of how we are going to proceed today.

So first: the goal and nature of the meeting. This has been a remarkable year. Starting with the - - at least for America -- starting with the U.S.-EU summit, we got very strong direction from the U.S. and EU leaders on how we're going to work transatlantically on this issue. We then had the build up to the G-8, led so ably by Chancellor Merkel, who brings more than 15 years of experience to this issue and brought the G-8 leaders together on one of the most proactive agendas on climate change that the world has ever seen.

Of course, we recently had in Australia the APEC Leaders' Declaration that brought together 21 of our nation's leaders on a shared agenda. And then, of course, just this week at the UN, under Ban Ki-moon's leadership, giving all of us the collective guidance from the leaders in the UN process, we have a strong foundation for discussions that we carry forward. We do not need to revisit the will of our leaders; they have made their views clear. We are here to act. We have a common sense of purpose, and I think we should all recognize there's a remarkable convergence of ideas. We've really done the legwork coming here.

A few principles: We all agree on the importance of the UN as the negotiating forum on climate change. The goal of our discussions here today is to do what we can to reinforce and to accelerate progress in the United Nations. The major items on our agenda in the next 48 hours are our agenda items. They're the result of a lot of consultation among all of us, drawn from these leaders' declarations to give us a sense of action and purpose. And so this is going to be a working meeting.

I would expect before too long the jackets will be off, the sleeves will be rolled up, and we'll be

talking very specifically about how we need to make progress in each area that we have identified. And of course this needs to be collegial. The advantage of having leader's representatives is they expect us to respect each other and that's what we need to do in this discussion. We bring many different perspectives to this issue, but we all have a shared goal.

I hope in my own role that you'll see some of me but not a lot of me. Our delegation is going to take the lead in guiding some of the discussion and they'll be bringing perspectives from others, other parts outside of America and from experts in America. But this has to be about more than presentations. We have tried in this first agenda to leave ample room for discussion, clear, sort of unguided discussion, and we hope in discussions ahead that we can have even more of that. That is what will be necessary for fast progress here.

So as we look forward with this common foundation, I want to just give -- sort of set the stage because we talk about developing a long-term global goal, we're talking about each of us developing national commitments beyond 2012. We are talking about areas where we need to take collective action to advance technologies. This all has to occur on a basis of fact, on a basis of information. We talk about financing -- what is the scale and scope of financing that we need to achieve the vision that Secretary Rice just described?

So if you would, let me just give a situation analysis. So the first slide, please. This is the wonders of technology, of course, it never works like that, right? (Laughter.) Now, of course, I was the audio visual guy when I was in high school and so I would like to jump over there and give a hand, but we'll have to just wait one more second. There's another audio visual guy over here. Do we have it? No, we don't. All right. Well, let me carry on.

As we look forward, and we look at the projections from the International Energy Agency, we can see that global greenhouse gas emissions are going to decrease dramatically if we stay on our current path. It is expected that emissions coming from the major emerging economies will exceed those of the major developed economies within this coming decade. I say that because it's a foundation to recognize. We are in this together, although the developed economies started this first, so we need to find a pathway where together we can address this increasing challenge of increasing emissions, primarily related to fossil fuels, but also related to deforestation.

As we look at that challenge, we have to ask ourselves: What are our technology pathways? What does it take to get there? Well, if you look at future estimates of greenhouse gases, I think today we currently emit somewhere in the order of 22 gigatons of carbon dioxide -- 22 gigatons. That is a massive amount of carbon dioxide that's causing, you know, increased concentrations of greenhouse gases in the atmosphere. But under future projections, we are looking at 37 gigatons of greenhouse gases.

Now, if we take -- one of the proposals on the table, which is to cut greenhouse gases by 50 percent by 2050, that suggests that we collectively need to find -- collectively need to find more than 25 gigatons of reductions. And so I hope -- now this sounds very technical and wonky, but we have to break the problem down. What does a gigaton mean? Well, a gigaton, just for example, is several hundred nuclear power plants -- several hundred. Today we have 400. So one can imagine, as we go forward, we have to see is the globe prepared to develop in advance what could be a need for 1,000 to 2,500 nuclear power plants. Are we on that pathway?

A gigaton comes from about 250 coal-fired power plants. So to reduce that gigaton, we would need full capture and -- carbon capture and storage on 250 of those coal-fired power plants. Are we on the pathway to achieve that in the timescale that we need? A gigaton is an area of biomass production that I think exceeds the total landmass of the United Kingdom. Are we prepared to develop the technology and come up with the sustainable land management practices that can make a gigaton reduction of biomass energy production possible? These are the challenges before us.

Now, we can be optimistic. We can be optimistic. The technology pathways are there. We have worked together on nuclear. We have worked together on fusion. We have worked together on biofuels. Second generation technologies hold a promise. But to move those forward, we have to accomplish each of these "wedges," as they are called. We need to accomplish each of them through collective action and through national commitment and that's what our conversation is about today. So with that as a foundation, and I've got -- the information is in your materials at tab 4 -- with that as a foundation, I'd like to recognize what this means for us in the global community.

First, it does require ambition, it does require inclusiveness, and it does require realism. We need action at all levels of government, federal, state, local, and we need action within all sectors of the economy. But it also means we have to set some priorities collectively and that's what I hope we can achieve in the next 48 hours.

Different countries are going to have different priorities. I was speaking with my colleagues from Indonesia and Brazil; obviously, forestry is of keen importance to them. For China and America, tackling our coal-fired electricity emissions is a very big challenge for us. And for every nation that's using a lot of cars, we need to find a pathway for low and, ultimately, no carbon vehicle transportation.

A mix of strategies is what's going to deliver that -- incentives, mandates and partnerships -- and of course, we have to recognize technological capability is going to differ from country to country and we need to broaden the opportunity with respect to that.

So as we look forward to the discussions, let me focus on potential outcomes of this meeting. I am hopeful, and I hope you share this objective, that we can collectively affirm the major components of the agenda today. And the agenda will evolve. Your further contribution to that is going to help it to evolve.

Can we then outline a shared agenda for developing our detailed contribution within this year so that we can have a strong commitment from the major economies to a successful outcome by the end of 2009, when the meetings are held in Denmark? Can we establish a structure to carry this conversation forward, so that the leaders can hold us accountable for their commitment to provide a detailed contribution next year? And can we develop and come together on a strong message to take to Bali? I think the time is now and we would like to take a strong message to Bali.

We hope to capture all of this in a summary -- there will be a summary of this group, but the summary will not be a rhetorical one. It will be a summary of actions -- actions that we are committed to take as we bring this process forward. So let's proceed, as we already have begun, in a spirit of consensus. Let's proceed, walking firmly on a lot of common ground, and let's hope that together we can define a common cause.

So thank you very much and I look forward to a very invigorating two days with all of you.