

[Note from SEEN: The following paper was circulated by the UK government on September 21, 2005. It outlines the U.S./U.K. agenda for guiding the global climate debate through the “Gleneagles Dialogue”]

Gleneagles Dialogue

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1. What is the Gleneagles Dialogue?

- At Gleneagles, the G8 agreed a Communique and Plan of Action on Climate Change, Clean energy and Sustainable Development, and the outreach countries agreed their own statement, including a vision of a new paradigm for international cooperation on climate change issues.
- The Gleneagles Dialogue was launched at the Summit, to provide a forum for continuing discussions amongst G8 and with China, India, Brazil, South Africa and Mexico and other countries with significant energy needs.
- The Dialogue will create a unique forum for participating countries to work together on the shared challenges of addressing climate change, energy security and access to energy. The Gleneagles Communique outlined the need to:
 - (a) address the strategic challenge of transforming our energy systems to create a secure and sustainable future
 - (b) monitor the implementation of the Gleneagles Plan of Action and explore how we can build on that progress
 - (c) share best practice.
- The Dialogue also provides the opportunity to address the elements of a new paradigm for cooperation on climate change. The outreach countries identified these in their statement of 7 July as issues related to technology transfer including intellectual property rights, finance, and full participation in research and development of new technologies.
- The World Bank and the IEA will play a very important role in supporting the Dialogue.
 - The World Bank is working to create a framework for investment in cleaner energy technologies and in measures necessary for adaptation, involving the private sector and the regional development banks.
 - The IEA is analysing alternative energy strategies and supporting work on best practice in energy efficiency and cleaner coal technologies.
- As the Prime Minister announced at Gleneagles, the first formal meeting of the Dialogue will be on 1st November.
 - We are inviting energy and environment ministers from 20 countries to participate, along with the World Bank, International Energy Agency, UN Framework Convention for Climate Change.
 - Relevant partnerships including the Renewable Energy and Energy Efficiency Partnership and the Carbon Sequestration Leadership Forum will also be present.
- The Gleneagles Communique makes very clear that the Dialogue is not a substitute for negotiations on future action in the UNFCCC. The UNFCCC is the only place where agreement can be reached on future action.

2. World Bank role

- The G8 invited the World Bank to take a leadership role in creating a new framework for clean energy and development, including investment and financing.
- This investment framework is an opportunity for shared analysis and action, including on the issues raised by the outreach countries as part of the new paradigm for cooperation on climate change.
- The concept is to look for opportunities to use existing WB instruments more effectively and to work with the private sector and regional development banks to create platforms to invest at scale in key lower carbon energy systems.
- The World Bank also see this as an opportunity to explore issues of investment in adaptation, particularly in mainstreaming climate risk in sustainable development
- It is vital that the investment framework meets developing country needs and priorities, building on the WB's country based approach.
- The aim is to bring more developed ideas back in time for discussion at the Spring Meetings in 2006.
- World Bank staff have begun to explore the issues and have presented a Board paper on the process for information at the Annual Meetings.
- The formal launch will take place on 24 September at a short meeting. It will consist of a presentation by the WB of the basic concept, remarks by key ministers on their hopes and expectations for what it might deliver.
- World Bank and UK will co-chair and we are inviting countries at Gleneagles and others with a significant interest in this agenda.

3. IEA Role

- The G8 invited the IEA to advise participants in the Dialogue on alternative energy scenarios and strategies to create a clean clever and competitive energy future, and to take forward work on many specific areas of the Plan of Action.
- The IEA's role is in line with the work and priorities identified at the IEA Ministerial in May 2005.
- The G8 have agreed to fund specific additional pieces of work in key areas, including on energy efficiency and cleaner coal technologies. The overall cost of the programme is modest, at up to E5m over 3 years. The UK has guaranteed to fund 20% of this work programme and understands that other G8 countries will also be making contributions.
- The IEA's work for the Dialogue will be available to all its member countries, and to all the countries participating in the Dialogue.
- The IEA will build on its existing programme of outreach to non-member countries, including to disseminate the results of relevant work under the Plan of Action.

4. Aims for 1st November meeting

- The meeting on 1st November marks the formal launch of the Dialogue for all the countries who wish to participate, and is a key opportunity for ministers to express their views on the scope and direction of the Dialogue.
- The format will build on the Energy and Environment Ministerial Roundtable earlier this year, with the emphasis on informal, practical exchanges rather than negotiated outcomes. We anticipate two key outputs:
 - an inventory of contributions on implementing the Plan of Action, including reactions from non G8 participants and ideas for how to build on it.
 - a short Chair's statement summarising what Ministers see as the key challenges that the Dialogue should explore.

Implementing the Plan of Action

- We hope that G8 countries will prepare in advance short summaries of key policies and programmes relating to the Plan of Action, both new and existing, as part of our commitment to share best practice and to take forward implementation.
- The Plan of Action was negotiated by the G8. Although we were able to discuss key themes with the outreach countries in advance, the Plan does not represent their views in detail and we are not expecting other countries to accept every aspect of it.
- We hope that other countries will identify areas in the Plan of Action where they are most interested in taking forward cooperation or where there are opportunities to build on the commitments.

Addressing strategic challenges

- We believe there are a number of key themes which could be explored by Ministers at key points of the Dialogue. All strongly linked to the questions we need to tackle to implement the Plan of Action effectively. These might include:
 - Exploring projections of energy demand, supply and alternative energy strategies
 - Exploring how to mobilise greater investment in lower carbon technologies in developed and developing countries, including where appropriate through market-based instruments
 - Promoting wider access to clean technologies, including looking at the role of intellectual property rights and national regulatory frameworks
 - Understanding how climate risk can be mainstreamed into sustainable development
- It is clearly very important to get Ministers' views on these themes and on the opportunities to work together to explore the key challenges, with the aim of stimulating relevant work through existing partnerships and institutions. We anticipate that ministers would meet again in late 2006 to review progress in addressing the challenges and in implementing the Plan of Action.

5. *Continuing the Dialogue to 2008*

- The UK will retain a strong interest in progress to 2008, and is willing to play a part in coordinating the reporting of activities under various strands of the Dialogue, both as an input to future ministerial meetings of the Gleneagles Dialogue and to assist the G8 Presidency as required.

- We are very pleased that the outcomes agreed at Gleneagles will be reflected in Russia's G8 Presidency, through the discussion of energy security. We are looking forward to participating in relevant meetings including the Energy Ministerial and meeting of energy and environment technical authorities.

- Energy security is one of the three themes of the Gleneagles Plan. There are many synergies between action to promote energy security and to tackle climate change, for example measures to increase energy efficiency and to promote alternative sources of energy.

- We think it would be valuable for ministers from all participating countries to review progress on the Gleneagles Dialogue towards the end of 2006.

- We have a commitment to report to the Japanese Summit in 2008. Ministers from participating countries will need to agree how this should be handled. One option would be for the UK to work with the G8 Presidency of the day to prepare a final meeting of all participating countries ahead of the Summit.

7. Q&A

Why should Ministers attend a Dialogue at such a busy time?

- This Dialogue is unique in bringing discussion of the three aspects of climate change, access to energy and energy security together and backing it up with major initiatives from the World Bank and IEA.
- It will continue to command attention from G8 leaders, including through follow-up in the Russian Presidency in 2006 and the report to the Japanese Summit in 2008.
- Very important that ministers from participating countries attend the first meeting, to ensure they can help to shape the scope and direction of the Dialogue.

Will the Dialogue negotiate a future framework for climate change?

- The Dialogue will complement the work of the UN Framework Convention on Climate Change (UNFCCC) and existing organisations, partnerships and initiatives by providing an informal space to explore key challenges away from the negotiating room, and to work together on shared analysis of some of the barriers and opportunities to addressing the shared challenges of climate change, access to energy and energy security.
- In this way, the Dialogue may help to create the conditions under which a consensus on future action on climate change could emerge, but it is in no way an alternative negotiating process. An agreement on future frameworks for climate change action can only be reached under the UNFCCC.

What is the investment framework – is it new money?

- The investment framework will look in the first instance at how to combine, adapt and build on existing funds and mechanisms, creating platforms for investment that include World Bank, regional development bank and private sector instruments. These include sources such as carbon finance and the Global Environment Facility, and instruments such as credit risk guarantees.

Is the Dialogue open to any country?

- UK Ministers have agreed that participation on 1 November should be restricted to those countries with significant future energy needs who attended the Energy and Environment Ministerial Roundtable in March 2005, to maintain the momentum of discussions in this group.
- The work done by the IEA and World Bank to support the Dialogue is open to any country that is a member of those organisations.

Can you guarantee high-level attendance at the Dialogue?

- Two UK Cabinet ministers will chair the Dialogue and may be joined by other senior colleagues. We understand that the President Paul Wolfowitz will make the presentation for the World Bank and that Claude Mandil, Executive Director will represent the IEA.

Will the PM or the Chancellor be involved?

- We cannot confirm details of their participation at this stage, but the Prime Minister is highly likely to attend for the high level concluding session.

How does this relate to other UK meetings this autumn?

Other UK meetings include:

- an event for business on 5-6th October, looking at the implications of climate change for business and seeking business views on issues such as emissions trading.
- a conference looking in detail at how to achieve higher levels of energy efficiency with a focus on products with industry and NGO participation, from 2-3 November. We would be delighted if ministers wished to stay and participate in this event.
- a conference on the technologies and policies relevant to environmentally friendly vehicles on 10-11 November.

Will the Dialogue address adaptation?

Adaptation to climate change is a major issue. The Gleneagles Communique and Plan of Action recognised the importance of this, and made recommendations about ways to mainstream climate risk in sustainable development. We anticipate that many countries participating in the Dialogue will want to talk about adaptation, although on 1st November we would expect the focus to be on clean energy. It may be appropriate to organise separate expert or official meetings to address adaptation issues in general.

Will NGOs and business be represented in the Dialogue?

- On 1st November, we want ministers from participating countries to take the lead in identifying the scope and direction of the Dialogue. We are not inviting business or NGOs to participate directly in that meeting.
- We welcome NGO and business participation in the Dialogue more broadly, through the work of the World Bank, partnerships and others contributing to the ministerial meetings and through briefing and consultation meetings with the UK government.
- We will be holding meetings after 1st November to brief business and NGOs in the UK on the outcomes of the ministerial meeting and consider how best to reflect their input to the Dialogue through to 2008.
- Other participating countries may also want to make arrangements to consult business and NGOs.