

SYDNEY APEC LEADERS' DECLARATION ON CLIMATE CHANGE, ENERGY SECURITY AND CLEAN DEVELOPMENT

Sydney, Australia, 9 September 2007

We, the APEC Economic Leaders, agree that economic growth, energy security and climate change are fundamental and interlinked challenges for the APEC region.

The dynamism of APEC, underpinned by open trade and investment, has reduced poverty, improved living standards and delivered economic and social development.

Our success has relied in part on secure supplies of energy, the use of which has also contributed to air quality problems and greenhouse gas emissions.

A great challenge for APEC, given the aspirations of 41 per cent of the world's population in our region, is to chart new pathways for clean and sustainable development.

We are committed, through wide-ranging and ambitious actions, to ensuring the energy needs of the economies of the region while addressing the issue of environmental quality and contributing to the reduction of greenhouse gas emissions.

Future international action

We reaffirm our commitment to the United Nations Framework Convention on Climate Change (UNFCCC). Based on UNFCCC principles, we believe the following must underpin an equitable and effective post-2012 international climate change arrangement:

Comprehensiveness

We need concerted international action with all economies contributing to shared global goals in ways that are equitable, and environmentally and economically effective.

Respect for different domestic circumstances and capacities

The future international climate change arrangement needs to reflect differences in economic and social conditions among economies and be consistent with our common but differentiated responsibilities and respective capabilities.

Flexibility

To ensure a comprehensive global effort, we support a flexible arrangement that recognises diverse approaches, and supports practical actions and international co-operation across a broad range of areas relevant to climate change. We support domestic actions which make measurable contributions to a shared global goal, and underline the importance of the effective operation of market mechanisms.

The important role for low and zero emissions energy sources and technologies

Fossil fuels will continue to play a major role in our regional and global energy needs. Co-operation, including joint research, development, deployment and transfer of low and zero emission technologies for their cleaner use, particularly coal, will be essential. It is also important to enhance energy efficiency and diversify energy sources and supplies, including renewable energy. For those economies which choose to do so, the use of nuclear energy, in a manner ensuring nuclear safety, security and non-proliferation in particular its safeguards, can also contribute.

The importance of forests and land use

Sustainable forest management and land use practices play a key role in the carbon cycle and need to be addressed in the post-2012 international climate change arrangement.

Promoting open trade and investment

The pursuit of climate change and energy security policies must avoid introducing barriers to trade and investment. Open trade, investment and environmental policies are crucial to disseminating low emissions products, technologies and best practices.

Support for effective adaptation strategies

Adapting to climate change impacts is a priority for domestic development strategies which should be supported by the international community, including through appropriate policy exchanges, financing, capacity building and technology transfer.

Support for a post-2012 international climate change arrangement

We are committed to the global objective of stabilising greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous human interference with the climate system. The world needs to slow, stop and then reverse the growth of global greenhouse gas emissions.

We, therefore, call for a post-2012 international climate change arrangement, building on the above, that strengthens, broadens and deepens the current arrangements and leads to reduced global emissions of greenhouse gases.

APEC economies that are Parties to the UNFCCC agree to work actively and constructively toward a comprehensive post-2012 arrangement at this year's UNFCCC Conference of the Parties. We pledge our strong support for Indonesia in its role as President of the Conference in Bali in December.

We agree to work to achieve a common understanding on a long-term aspirational global emissions reduction goal to pave the way for an effective post-2012 international arrangement. We appreciate the efforts of Japan and Canada in proposing a long-term global goal.

We welcome the initiative by the United States to convene a group of major economies to seek agreement on a detailed contribution to a post-2012 global arrangement under the UNFCCC.

We pledge our support for the initiative of the Secretary-General of the United Nations in convening a High-Level Event on Climate Change.

We agree to work through bilateral, regional and global partnerships to promote clean development, recognising that the UN climate process is the appropriate multilateral forum for international negotiations on climate change.

APEC Action Agenda

We announce a forward program of practical, co-operative actions and initiatives in APEC which complement those actions being undertaken by APEC economies in other fora. These initiatives are designed to support economic growth and development and to further contribute to the reduction of global greenhouse gas emissions in line with the objectives and principles of the UNFCCC. The Action Agenda is attached. In summary, and without prejudice to commitments in other fora, we have decided to:

- highlight the importance of improving energy efficiency by working towards achieving an APEC-wide regional aspirational goal of a reduction in energy intensity of at least 25 per cent by 2030 (with 2005 as the base year);
- work to achieve an APEC-wide aspirational goal of increasing forest cover in the region by at least 20 million hectares of all types of forests by 2020 – a goal which if achieved would store approximately 1.4 billion tonnes of carbon, equivalent to around 11 per cent of annual global emissions (in 2004);
- establish an Asia-Pacific Network for Energy Technology (APNet) to strengthen collaboration on energy research in our region particularly in areas such as clean fossil energy and renewable energy sources;
- establish an Asia-Pacific Network for Sustainable Forest Management and Rehabilitation to enhance capacity building and strengthen information sharing in the forestry sector; and
- further measures in trade in environmental goods and services, aviation transport, alternative and low carbon energy uses, energy security, the protection of marine biological resources, policy analysis capabilities and a co-benefit approach.

Conclusion

The APEC region has a major stake in global responses to the challenges of climate change, energy security and clean development. Economic growth and technology development are indispensable elements of our future agreed approach. The scale of these challenges demands new and innovative forms of international co-operation.

We, the APEC Leaders, reaffirm our commitment to work with all members of the international community for an enduring global solution to climate change.

Action Agenda

The following co-operative APEC actions and initiatives on climate change, energy security and clean development represent a further contribution to the reduction of global greenhouse gas emissions in line with the objectives and principles of the UNFCCC. In implementing this Action Agenda, joint research, development, deployment and transfer of technologies will be important.

Energy efficiency

Improving energy efficiency is a cost-effective way to enhance energy security and address greenhouse gas emissions while promoting economic growth and development. Without prejudice to commitments in other fora, we therefore:

- agree to work towards achieving an APEC-wide regional aspirational goal of a reduction in energy intensity of at least 25 per cent by 2030 (with 2005 as the base year).
- encourage all APEC economies to set individual goals and action plans for improving energy efficiency, taking into account this aspirational goal, and reflecting the individual circumstances of different economies.
- agree to facilitate and review progress through the voluntary APEC Energy Peer Review Mechanism, as established by APEC Energy Ministers in May 2007, with a report back to APEC Leaders in 2010.

Forests

Forests can play a critical role in the carbon cycle. Ongoing action is required to encourage afforestation and reforestation and to reduce deforestation, forest degradation and forest fires, including by promoting sustainable forest management, combating illegal logging and addressing the underlying economic and social drivers. We therefore:

- agree to work to achieve a regional aspirational goal of increasing forest cover in the APEC region by at least 20 million hectares of all types of forests by 2020.
- welcome the Global Initiative on Forests and Climate launched in Sydney in July 2007.
- welcome the development of other instruments which may include continued work on a Legally Binding Instrument on Sustainable Forest Management for those economies interested in pursuing this option.
- agree to establish the Asia-Pacific Network for Sustainable Forest Management and Rehabilitation to enhance capacity building and strengthen information sharing in the forestry sector. Collaboration between all regional initiatives on forests, including the Asia Forest Partnership, will be important.

- co-ordinate with relevant international institutions to develop forest program partnerships, including the proposed World Bank forest carbon partnership facility.

Low emissions technology and innovation

Joint research, development, deployment and transfer of low and zero emission technologies will be crucial in our shared efforts to address climate change. We therefore:

- agree to establish the Asia-Pacific Network for Energy Technology (APNet) to strengthen collaboration on energy research in the region. Participation in the Network will be open to all research bodies in the APEC region. The aim of the Network will be to facilitate research linkages and co-operation in areas such as clean fossil energy and renewable energy. APNet will be inaugurated at a major energy research conference in 2008.

Alternative and low carbon energy uses

Enhanced uptake of low carbon energy uses will require coherent policy and regulatory settings. We therefore:

- agree to promote policies that advance the deployment of low and zero emission energy uses, in particular in the field of clean coal use and carbon capture and storage, through co-operative work in the APEC Energy Working Group.
- support the development of criteria for performance-based biodiesel standards for the region through the work of the APEC Biofuels Task Force.
- welcome work underway in international partnerships involving a wide range of economies, including on methane, hydrogen, renewable energies and carbon sequestration, and the Asia Pacific Partnership on Clean Development and Climate, which are advancing key new clean technologies.

Energy security

We underline the importance to the region of affordable and secure supplies of energy which are central to economic growth and sustainable development, and we are committed to continuing efforts within APEC to address long-term energy needs in the region.

Trade in environmental goods and services

An open global trade and investment system is central to our clean development objectives and market opening in the World Trade Organisation (WTO) would advance our climate and energy security goals. We therefore:

- agree to review and discuss at the 2008 APEC Leaders' meeting the progress achieved in the WTO Doha Development Agenda negotiations on the liberalisation of trade in environmental goods and services.

Civil aviation transport

We see scope for co-operative action to address the issue of aviation emissions. We therefore:

- agree that any future global action to address the climate-related impact of aviation emissions needs to reflect the interests of all economies, including the views of all APEC economies while noting the leading role of the International Civil Aviation Organisation (ICAO) in developing a balanced approach to aviation emissions based on mutual consent and relevant international legal instruments.
- endorse the public-private sector work in APEC, launched by APEC Transportation Ministers in March 2007, to promote practical co-operative measures that address greenhouse gas emissions from this sector.
- agree to convene a second public-private sector APEC Strategic Seminar on Measures to Address Aviation Emissions in early 2008 to advance work in key areas such as air traffic management systems, aircraft design and alternative fuels.

Policy analysis capability

Improved dialogue and policy and technical co-operation is valuable in underpinning our efforts. We therefore:

- endorse the value of exchanging views on effective and coherent policy instruments for promoting energy efficiency and addressing greenhouse gas emissions.
- agree to enhance co-operation between regional economic modelling and related bodies to share views and expertise on approaches to assessing the economic implications of climate change policies, including measures aimed at adapting economies and societies to the impacts of climate change.

Marine and coastal resources

Sustainable marine and coastal resources are an integral part of the carbon cycle. We therefore:

- welcome the Coral Triangle Initiative on Coral Reefs, Fisheries and Food Security which is aimed at enhancing the conservation of marine biological resources.

Promoting a co-benefit approach

We support an approach to addressing global environmental challenges that simultaneously promotes sustainable development.