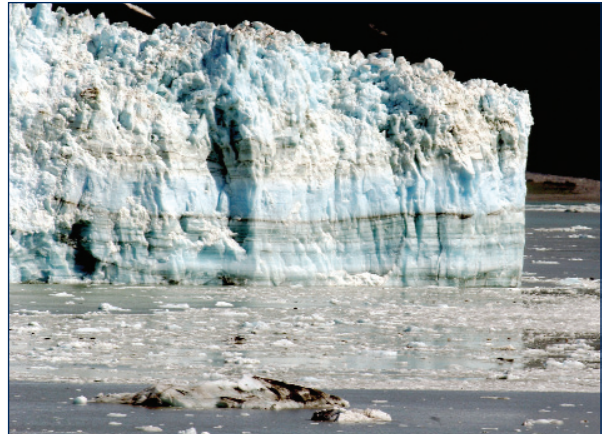


Climate Change: The Gleneagles Dialogue Industry Partnership Project

Climate change is one of the foremost global corporate citizenship issues in which Industry Partners have asked the World Economic Forum to meaningfully engage. This document explains the high-level, public-private partnership project on climate change (the Gleneagles Dialogue Industry Partnership Project) that the Forum currently offers its Industry Partners. This project will end with delivery of recommendations to the G8 Summit in Hokkaido in July 2008. The World Economic Forum invited the World Business Council for Sustainable Development to form an innovative collaboration for this project.



The Gleneagles Dialogue

The Gleneagles Dialogue on Climate Change, Clean Energy and Sustainable Development is a unique G8/G20 governmental process involving the world's largest energy producer and consumer nations. It is a public-private dialogue that intends to deliver recommendations for reducing greenhouse gas emissions in time for the G8 Summit in Japan in 2008. The Gleneagles Dialogue operates outside the UN Framework Convention on Climate Change or other more formal climate change negotiation processes and is free to explore fresh and innovative public-private solutions. The UK government launched the Dialogue in 2005 at the G8 Summit in Gleneagles, Scotland, and in 2006 and 2007 Mexico and Germany hosted the Dialogue, respectively. In 2008 Japan will oversee the conclusion of the process.

Each host government of the Gleneagles Dialogue organizes related events. The next Gleneagles ministerial event will be in Chiba, Japan on 14-16 March 2008. Ministers of finance, economy, environment and energy and their policy-makers participate in these meetings. A series of initiatives have been commissioned under the auspices of the Gleneagles Dialogue Action Plan, including Sir Nicholas Stern's Review on the Economics of Climate Change; the 2006 IEA Energy Technology Scenarios review; and the Clean Energy Investment Framework process to coordinate the World Bank and other development finance institutions in financing low-carbon energy infrastructure in developing, emerging and transitional economies.

In 2005, the World Economic Forum helped 24 CEOs create a business statement on climate change that formed part of the G8 Gleneagles Summit discussions. In 2006, the Forum was invited to engage business more deeply in the Gleneagles Dialogue. The objective is for Industry Partners to contribute the business view to Gleneagles Dialogue politicians to consider ahead of the G8 Summit in July 2008.

Steering Board

The Steering Board takes a leading role in shaping the business contribution to the Gleneagles Dialogue. Members include companies from various industries and regions of the world: **Alcoa, Basic Element Company, British Airways, Duke Energy Corporation, Deutsche Bank, Electricité de France (EDF), Eskom, Fluor Corporation, Lehman Brothers, Petroleo Brasileiro Petrobras, RAO UESR, Royal Dutch Shell, Tokyo Electric Power Company (TEPCO), TNT and Vattenfall.**

Work Programme for 2007 and 2008

The Gleneagles Dialogue Project work programme focuses on engaging business with the G8/G20 governments across three key areas of climate change:

- **International Policy Framework:** Since Spring 2007, a task force of Industry Partners has been developing a global business statement on long-term policy frameworks for climate change. This will be a comprehensive statement from a diverse range of international business leaders as to how the international framework to address climate change post-2012 should best be designed to enable business to deliver a lower-carbon economy by 2050, in tune with the latest IPCC guidance. The Forum is pleased to acknowledge the Pew Centre for Global Climate Change as a resource partner for the policy framework workstream of the Gleneagles Dialogue Project.

At the invitation of the government of Japan, this statement will be delivered to G8 leaders as part of the G8 Summit process. The statement will form the first significant business contribution to the Bali Roadmap process, following the intergovernmental agreement at the UNFCCC conference in Bali (December 2007) to develop a post-2012 international framework to address climate change by December 2009.

- **Smarter Investment:** Since Spring 2007 a group of Industry Partners has been working with specialists from the multilateral development banks to develop a concept for a new global finance facility that can catalyse much more finance from the private sector to invest in clean energy projects in developing, emerging and transitional economies.

The concept was most recently profiled for finance ministers who met in Bali in December. In 2008, the public-private partnership will move from conceptual design to practical realization. A new inter-governmental, multi-billion dollar global climate investment fund is under design and due to be launched before the end of the year. The aim is for Industry Partners to engage in the design process of the new fund, helping to develop the mechanics of catalysing private sector finance in practice.

- **Changing Behaviours:** Taking the form of a public-private action plan, this workstream explores and proposes practical strategies to help companies and governments work together to share and scale up best practices for lowering the carbon footprint in the near term. Leading international brands across a range of consumer-facing sectors met in summer 2007 to lead the development of a Changing Behaviours action plan, comprised of concrete suggestions to operationalize carbon abatement opportunities. These stem from cost analysis performed by McKinsey & Company and build, in close partnership, on the energy efficiency work of the UN Foundation and recommendations issued by the International Energy Agency.

The Changing Behaviours workstream will deliver a final action plan into the Ministerial Meeting of the Gleneagles Dialogue in Chiba Japan from 14-16 March 2008.

Events History

The Forum has used its regional events and a series of specific Gleneagles-related private meetings to move the work forward. At each event, Industry Partners, government officials and specialists were present.

A series of roundtable discussion events entitled "Policy Frameworks for Climate Change: Regional Business Perspectives for the Gleneagles Dialogue" took place during 2007. These discussions occurred at the following Forum regional events:

- World Economic Forum on Latin America, **Santiago de Chile**, 25-26 April
- Inaugural Annual Meeting of the New Champions, **Dalian**, People's Republic of China, 6-8 September
- India Economic Summit, **New Delhi**, 2-4 December

“ The World Economic Forum and the World Business Council for Sustainable Development are working together as part of the Gleneagles Plan of Action helping business to identify the major building blocks of a post-2012 regime. This is a very welcome initiative. ”

Yvo de Boer, Executive Secretary, United Nations Framework Convention on Climate Change (UNFCCC), Bonn

Gleneagles Dialogue: Meetings in 2007

- 13-14 March, **London:** Launch of Smarter Investment workstream at a high-level conference and workshop co-organized with the World Bank and hosted by the EBRD
- 9-10 May, **London:** Private sessions at the Forum's Industry Partnership Strategy Meeting to frame the scope of the Changing Behaviours and Policy Frameworks workstreams
- 10-11 September, **Berlin:** Gleneagles Dialogue G8/G20 Ministerial Meeting at which dialogue between Industry Partners and ministers of energy and environment took place on all three Gleneagles Project workstreams
- 18 October, **Tokyo:** High-level business roundtable on the Gleneagles Dialogue organized in cooperation with the government of Japan
- 20 October, **Washington DC:** Private event to discuss the outcomes of the Smarter Investment workstream, connected with the wider programme of the World Bank Annual Meeting
- 8 November, **Washington DC:** Workshop focused on drafting core principles and elements of the Policy Framework business statement

Events for 2008

- 25, 26 January, **Davos**, during the World Economic Forum Annual Meeting 2008: 25 January – A key private meeting for Industry Partnership CEOs to respond to the emerging Policy Framework business statement. 26 January – A private session to discuss progress on the changing behaviours action plan.
- 28 February, **Paris:** Workshop to consolidate the draft Action Plan for the Changing Behaviours workstream, to be delivered to ministers in March
- 14-16 March, **Chiba**, Japan: Gleneagles Dialogue Ministerial Meetings. Outcomes of the Smarter Finance and Changing Behaviours workstreams to be presented
- 3 April, **Geneva or London** (location TBC): A key roundtable event for Industry Partners to review the full draft of the Policy Framework business statement to the G8/G20 in order to ready it for final CEO endorsements
- 7-9 July 2008, **Hokkaido:** G8 Summit, Japan

How to Engage?

World Economic Forum Industry Partners are invited to express interest to endorse the CEO statement on long-term international climate change policy frameworks and also to participate in the 3 April workshop. This is a strategic/expert level event.

Opportunity still exists for Industry Partners to engage in the finance and changing behaviours workstreams.

For more information on the Gleneagles Dialogue Project contact: gleneagles@weforum.org

Or at the World Economic Forum Annual Meeting 2008, contact one of the Forum's climate change team:

Dominic.Waughray@weforum.org

Randall.Krantz@weforum.org

Brindusa.Fidanza@weforum.org

Arsene.Panov@weforum.org