Ministry of Economic Development

G8 ENERGY MINISTERS MEETING 2009

JOINT STATEMENT BY THE G8 ENERGY MINISTERS, THE EUROPEAN COMMISSIONER AND THE ENERGY MINISTERS OF ALGERIA, AUSTRALIA, BRAZIL, CHINA, EGYPT, INDIA, INDONESIA, KOREA, LIBYA, MEXICO, NIGERIA, RWANDA, SAUDI ARABIA, SOUTH AFRICA, AND TURKEY

The G8 Energy Ministers, the European Energy Commissioner, the G5 Energy Ministers (Brazil, the People's Republic of China, India, Mexico and South Africa), and the Ministers of Algeria, Australia, Egypt, Indonesia, the Republic of Korea, Libya, Nigeria, Rwanda, the Kingdom of Saudi Arabia, and Turkey met in Rome on May 25th, 2009 to discuss the globally significant issues of energy investments and a programme of action to increase energy access in developing countries, with special focus on Africa.

While recognising varied national circumstances among the participating countries, we agree that we must play an important role in achieving global energy availability and access, while contributing to sustainable development.

Energy Investments

1. We believe that coping with the interlinked issues of energy investments, energy access and availability, and the climate change challenge is key to the future of our countries. The current financial and economic crisis must not delay investments and programmed energy projects which are essential to economic recovery and sustainable prosperity through the world.

2. We stress the need to define and share long-term scenarios on energy policy with the aim to increase transparency and reduce volatility in the energy markets. Consequently, we urge governments and energy companies to adopt a long-term view in planning their investments in energy infrastructure.

3. We welcome the work by the International Energy Agency, the International Energy Forum and OPEC Secretariats and invite them to continue preparing evidence-based analysis on the state of energy investments and prospects to be discussed at relevant Ministerial Meetings.

4. We commit to strengthen efforts in identifying obstacles to efficient energy markets, building upon the progress made in the 11th IEF Ministers' Meeting in Rome, the Jeddah and London Energy Meetings of 2008 and the Asian Ministerial Energy Round Table in Tokyo of 2009.

5. We call for transparent, open and well functioning world energy mar-

ket with a view to the changing context, the current economic and financial crisis and the challenges ahead.

Guiding steps are:

a) Strengthen and extend dialogue and partnership among fossil-fuel producing and consuming countries, as well as transit countries and between international organisations.

b) Support efforts by relevant national and multilateral authorities to improve transparency of energy commodities markets and supervision of over-the-counter markets and consider further harmonised actions.

c) Look forward to the activity conducted in the framework of the International Energy Forum by the high-level steering group established as a follow-up to the London Energy Meeting. This activity should address technical factors affecting energy market volatility, the linkage between financial and energy markets as well as ways to enhance the architecture of consumer – producer and transit countries dialogue through the International Energy Forum, with recommendations to be presented before the 12th IEF Ministers Meeting in Mexico in 2010.

d) Support and improve international predictable legal and regulatory frameworks as an essential prerequisite for well functioning energy markets and for reducing investment risks and uncertainties both in producing, transit and consuming countries.

e) Promote initiatives towards region-wide agreements with transit countries, focused on improving the investment climate for devel-

opment, maintenance and oversight of infrastructure aiming at uninterrupted transit of energy.

f) Support the collaboration between IOCs and NOCs and between national and international energy companies to achieve reciprocal benefits, to promote the use of the most advanced technologies and the development of human resources.

g) Promote market transparency of oil and its products by collecting and diffusing, as appropriate, reliable and timely data on demand, supply, stocks, refining and spare capacity, investments plans in production and transit to reduce market volatility. To this end, we continue to support the Joint Oil Data Initiative (JODI) as managed by the IEF.

   We welcome progress made and call all countries to co-operate in improving quality, completeness and timeliness of data. We encourage the IEF Secretariat to continue its work on extending JODI-type activities to the natural gas system and to report on progress made to the 12th IEF Ministers Meeting in Mexico in 2010. We encourage as well to continue the activity regarding information on upstream and downstream capacities and expansion and investment plans.

Energy Access for the Poor: Focus on Africa

1. We recognise that though energy demand is growing worldwide, modern electricity services are steadily available for only one fourth of the

world population.

2. Energy poverty remains widespread in many areas, most notably in Africa and region of Asia and Latin America. We commit to take resolute action without delay, together with countries' governments, international financial institutions, local communities and the private sector.

3. We confirm that access to modern and commercial energy services while combating energy poverty, is an important element of economic development and improvement of human and social living standards, including clean water, education, health care while contributing to the achievement of the Millennium Development Goals.

4. Building upon previous commitments and co-operation with other responsible national and international entities we, the Energy Ministers, seek to:
   a) promote the development of transparent national policies able to effectively use public resources, as well as to attract and stimulate private investments in rural and peri-urban electrification and alternative cooking technologies and fuels;
   b) enhance capacity building initiatives for the development and the deployment of oil, natural gas and electricity regional energy networks;
   c) encourage the active involvement of local communities in rural programmes, through the deployment of suitable technologies and

the development of appropriate skills and capabilities in cooperation with the public and the private sector;

d) ensure that work to improve energy access is helping to put developing countries on the path to a low greenhouse gases emission development, thus helping them exploit new technologies and improve their energy availability, including through off-grid access in remote areas.

5. Noting that problems of energy access are exacerbated in Africa though the continent has a great fossil fuels resources and renewable energy potential, we, the Energy Ministers

a) encourage the mobilisation of increased financing for addressing the problem of energy access throughout Africa;

b) endorse the existing energy access initiatives and programmes by the World Bank for the African continent and their scaling-up, supporting in particular the Scaling-Up Renewable Energy Program as a part of the Climate Investment Fund set up under the World Bank;

c) support the Global Bioenergy Partnership as effective means to promote wider, cost effective biomass and biofuels deployment;

d) support African initiatives and programs undertaken in the energy sector, namely the African Union/NEPAD Infrastructure programme and the work done by the African Energy Commission;

e) call for better co-ordination of existing and on-going programmes and initiatives and transfer of the best practice through the infrastructure consortium for Africa;

f) support initiatives to combat energy poverty, including the initiative of King Abdullah of Saudi Arabia launched during the Jeddah Energy Meeting of 2008.

g) ask the African Development Bank, the World Bank, the European Investment Bank, the Energy Charter Secretariat, the OPEC Fund for International Development and others to prepare a strategy for the development of energy networks and corridors and assuring transits towards the integration of national energy markets in Africa, while identifying financing mechanisms.

h) promote regional initiatives aimed at developing local energy resources and making them deployable in a wide context.

6. Considering that lack of energy access in Africa, notably in the sub-Saharan region, is widespread and a major impediment to living standards in this continent, we support the proposal for the creation of an Expert-Level Working Group within an appropriate framework and with participation from G8 countries and other countries, particularly from the African continent, and institutions who may wish to contribute on enabling entrepreneurs to build clean energy businesses serving rural and urban Africa.

   The Expert-Level Working Group should:

   a) include participants from governments, NGOs, and the private sector, especially entrepreneurs, venture capitalists, and financial institutions to increase policy-making capacity and activate all participant countries on potential new policies and approaches;

b) focus on how to promote public-private partnership to provide energy services to the poorest of the poor in Africa, seek ways to support small scale power networks, identify new approaches to reducing urban energy poverty and promote alternative fuels while improving forest governance to reduce the case of charcoal and fuelwood;
c) identify actions that all participant countries can take to build private sector clean energy business in Africa, including local factories to manufacture fuel efficient cook-stoves, energy services firms to provide small-scale electricity access for villages, and micro-scale co-generation.