

Chair's Summary G8 Environment Ministers Meeting

**Kobe, Japan
May 24-26, 2008**

1. The G8 Ministers and European Commissioner responsible for the environment met in Kobe from May 24 to 26, 2008. They were joined by ministers and senior officials from Antigua and Barbuda, Australia, Brazil, China, India, Indonesia, Mexico, Republic of Korea, Slovenia and South Africa and heads and senior officials of the Global Environment Facility (GEF), the Global Legislators Organization for a Balanced Environment (GLOBE), the International Union for Conservation of Nature and Natural Resources (IUCN), the Organisation for Economic Co-operation and Development (OECD), the United Nations Environment Programme (UNEP), the World Bank, the Secretariat of the Basel Convention, and the Secretariat of the United Nations Framework Convention on Climate Change (UNFCCC). The meeting was held with a view to providing appropriate inputs to the G8 Hokkaido Toyako Summit to be held in July.
2. The meeting highlighted the global environmental issues that the international community faces at present, encouraged each country to further strengthen their efforts at all levels, including national, regional, and global levels, and underlined the importance of facilitating such efforts through international cooperation.
3. Three themes were set as the agenda of this meeting, namely biological diversity, the 3Rs, and climate change, and discussions were held on these topics accordingly. Prior to the discussions among the ministers and other participants, a dialogue with representatives of relevant stakeholders was held, generating valuable input. A summary of the G8 ministers and other participants' discussions during the meeting is as follows.

Climate Change

Transition to Low-carbon Societies for the Achievement of Long-term Goals

Long-term goals

4. Noting the findings of the Intergovernmental Panel on Climate Change (IPCC), the importance of setting long-term goals towards the realization of the ultimate objective of the UNFCCC was recognized. It was recalled that at the Heiligendamm Summit in 2007, the G8 leaders agreed to seriously consider reducing global greenhouse gas (GHG) emissions by at least half by 2050. Strong political will was expressed to go beyond this agreement and reach agreement on a shared vision of long-term global goal at the G8 Hokkaido Toyako Summit. It was noted that in order to halve global GHG emissions, developed countries should take the lead in achieving a significant reduction.

Transitioning to low-carbon societies and establishing an international research network on low-carbon societies

5. To realize such long-term goals, it is necessary to change the current socio-economic structures and transition to low-carbon societies. In so doing, there was general recognition of the importance of all the countries to have a clear vision of low-carbon societies. Strong support for establishing an international research network of institutions involved in the research on low-carbon societies was shown by a number of countries, and other countries also expressed their support for the consideration of its establishment.

Actions to realize low-carbon societies

6. To achieve low-carbon societies, all countries need innovations in their lifestyle, production and consumption patterns, and social infrastructure in addition to technological innovations. It was recognized that technology transfer and capacity building are necessary to achieve low-carbon societies at the global scale. The importance of research and development, information infrastructures and institutional planning was also pointed out. It was highlighted that there is a need to promote further development of technologies such as carbon capture and storage and biofuels. Carbon offsetting was also recognized as an effective mechanism that provides a wide range of stakeholders such as citizens, companies, and governments with opportunities to contribute to mitigation actions. It was observed that in shifting toward low-carbon societies, international cooperation on carbon offsets will play an

important role.

Use of economic instruments for sound emission reductions

7. The view was shared that market mechanisms such as emissions trading, tax incentives, performance-based regulations, fees or taxes, and consumer labelling could assist in setting a price for carbon, send price signals to the market, serve as vital economic incentives that offer long-term certainty to the private sector as well as further incentives to promote CDM projects, and constitute a critical set of instruments for the greater reduction of GHG emissions. Especially regarding emission trading, there were descriptions of actions taken in several countries. It was recognized that countries should further explore the possible utilization of these economic instruments according to their own national circumstances. Such instruments should be designed in a way to avoid carbon leakage.

Carbon Disclosure

8. It was noted that, in the context of financial and capital markets, it is useful to inform shareholders of significant risks and opportunities raised by climate change through carbon disclosure efforts.

Cooperation among Developed Countries and Developing Countries

Co-benefits and technology transfer

9. The need for technology innovation, development and deployment as well as financial support for technology transfer to promote further mitigation actions in developing countries was recognized. In particular, it was indicated that a co-benefits approach can be an effective means to promote mitigation actions in developing countries. The importance of the following activities was pointed out: compiling best practices and developing technology maps and tools to identify projects generating significant co-benefits, especially in the area of pollution abatement, forest conservation, and the 3Rs. Also, the importance of assisting developing countries in building sufficient capacity to use these tools was emphasized. It was also acknowledged that it would be useful to consider how to mainstream policy and measures with co-benefits into development by expanding the current efforts by the OECD to mainstream adaptation into climate-related policy and development efforts. The necessity to improve the current CDM to enhance its contribution to sustainable development was highlighted.

Adaptation

10. Adaptation is an urgent issue for all, particularly for least developed countries and small island developing states. It was observed that adaptation requires immediate actions in a wide range of areas such as water resources, disaster prevention, food, public health, and coastal management and therefore, capacity building in such areas is urgently needed. As part of this, it is important to mainstream adaptation into development policies and strategies, and in this regard, the OECD's current efforts in this area were commended. For mainstreaming to succeed, it is essential to strengthen the capacity for scientific impact assessments in developing countries. In addition, it is necessary to strengthen international cooperation on observation and monitoring systems for current and future climate conditions as well as on early-warning for natural disasters. The importance of assisting developing countries with these matters was recognized.

Finance to assist developing countries

11. The gap between the need for sufficient flow of financial resources, both public and private, and current funding levels needs to be acknowledged. The ways and means to bridge such a gap should be elaborated. To support mitigation measures in developing countries, in addition to public funding, private sector investments are essential. The active use of carbon markets and public-private partnerships (PPP), as well as innovative funding mechanisms should be considered for these purposes. The World Bank presented its work to establish a comprehensive financial framework to address climate change and development. Mexico elaborated its proposal for a Multilateral Fund and Climate Change. Furthermore, it was explained that Japan, US and the UK are inviting other donors to join their efforts in establishing a new multilateral fund.

Capacity building and Education for Sustainable Development

12. It was pointed out that the UN Decade of Education for Sustainable Development (DESD) is important in order to promote capacity building for realizing a sustainable society and the World Conference on Education for Sustainable Development (ESD) to convene in Germany in March 2009 was welcomed. In order to further promote ESD, it may be helpful to share best practices such as partnership projects by related stakeholders and to assist capacity building in developing countries through networks among higher educational institution in developing and developed countries and international organizations.

Post-2012 Framework

Contribution to UN negotiations

13. The importance of concluding negotiations on a post-2012 framework in line with the Bali Action Plan no later than December 2009 was emphasized.

Mid-term targets

14. The need was expressed for effective mid-term targets which take into account the findings of the IPCC.

Commitment and actions by developed countries and actions by developing countries

15. It was recognized that there is considerable work already being undertaken by both developed and developing countries. At the same time, the need to strengthen our efforts to make a shift to low-carbon societies was emphasized. For the total global GHG emissions to peak and then decrease within the next 10-20 years, bearing in mind the principle of common but differentiated responsibilities and respective capabilities, developed countries must commit to quantified national emission targets, actively adopting measures to reduce GHG emissions, while further mitigation actions by developing countries are also necessary. Incentives for such actions by developing countries are also necessary. For countries with rapidly increasing GHG emissions, it is especially critical to strive to curb the rate of increase. Elaborating on such commitments and actions is an important element of implementing the Bali Action Plan, and providing support to the process is necessary.

Effectiveness of sectoral approach

16. Bottom-up analyses of GHG emissions reduction potentials can be useful tools for setting national reduction targets. In this context, a gap that might occur between reduction potentials based on a bottom-up approach on one hand and required emissions reductions levels calculated by a top-down approach on the other must be bridged to ensure environmental integrity. These gaps can be bridged by exploring further emission reductions using policies and measures, innovative technologies, and changes in lifestyles through national campaigns. It was clarified by a proponent of the sectoral approaches that sectoral approaches would be used to set national targets, not as a substitute for them. Analyses of the mitigation potentials can provide scientific and objective knowledge that contribute to the formulation of an effective future regime. It was pointed out that reduction potentials in developing countries are likely to be

large and relatively inexpensive, and the cooperative sectoral approach backed by assistances from developed countries could contribute to realizing these potentials.

Assistance towards mitigation actions in developing countries

17. It was recognized that mitigation actions in developing countries require support and incentives from developed countries.

Measurability, reportability, and verifiability

18. It is essential to develop methodologies to enable the measuring, reporting, and verifying of countries' commitments and actions based on the Bali Action Plan. It is also important to collect methodologies to formulate and promote environmental policies, and to provide them to the UNFCCC process. It was noted that setting up and running GHG inventories in developing countries is of fundamental importance and G8 countries should consider supporting capacity building in developing countries for the collection and provision of data.

Importance of dialogues among major economies and the "Kobe Initiative"

19. A continuation of dialogues among major economies would be a valuable input for confidence-building towards the establishment of an effective post-2012 framework. There was wide support to follow up on the outcome of this meeting as the "Kobe Initiative". Appreciation was expressed to the UK and Italy for hosting meetings focusing on an international research network on low-carbon societies for later this year (UK), and next spring (Italy).

The Kobe Initiative involves:

- i. International research network on low-carbon societies
- ii. Analysis on bottom-up sectoral mitigation potentials
- iii. Promotion of co-benefits among relevant policies
- iv. Capacity building support for developing countries on inventories and data collection (measurability, reportability, and verifiability [MRV])

Biodiversity

Significance of biodiversity

20. It is underlined that a high proportion of ecosystems have been degraded and that many species are threatened with extinction by human activities. It is recognized that biodiversity is the basis of human security and that the loss of biodiversity exacerbates inequality and instability in human society. The three objectives of the Convention on Biological Diversity are reaffirmed, namely the conservation of biological diversity, the sustainable use of its components, and the access to and fair and equitable sharing of benefits arising from the utilization of genetic resources.

Achieving the 2010 Biodiversity Target and effective follow-up

21. It is recognized that further efforts, including the development and implementation of National Biodiversity Strategies and Action Plans, are necessary to achieve the 2010 Biodiversity Target, which was reaffirmed at the G8 Environment Ministers Meeting in Potsdam, Germany in 2007, and to develop effective follow-up.

Scientific approach to biodiversity

22. The significance is recognised of scientific monitoring, assessment, information provision and the strengthening of research activities. It is noted that some countries expressed their determination to provide leadership in improving the interface between these activities and the public and policy makers, building upon the Millennium Ecosystem Assessment and the outcome of IMoSEB consultations. It is also noted that some countries called for actions to engage with the UNEP-sponsored process, including a dedicated conference, to address operational steps relating to the above mentioned activities.

Sustainable use of biodiversity

23. In addition to the conservation of pristine nature, the importance is recognized of realizing biodiversity conservation and sustainable natural resource management in secondary nature such as satoyama in Japan, including agricultural lands and their surrounding ecosystems, where people utilize natural resources through such activities as agriculture and forestry, in order to realize conservation and sustainable use of biodiversity.

Tackling illegal logging

24. It is reaffirmed that deforestation leads to the loss of biodiversity and high GHG emission and the international community is urged to tackle illegal logging which is a contributing factor to deforestation. Recognition is shared on the effectiveness of actions by both importing and exporting countries to exclude illegally logged timber from the market as well as on the improvement of forest governance. The G8 Forest Experts' Report on Illegal Logging is welcomed and it is agreed to forward the report to the Chair of the G8 in 2008. Some concrete proposals on illegal logging presented by participants including GLOBE International are taken into consideration.

Access and benefit sharing

25. Concerns expressed by some outreach countries regarding access to and benefit sharing (ABS) of genetic resources are taken note of. The need to elaborate an appropriate international regime was emphasized by some countries. Attention was drawn to the fact that discussion on an international regime is being held at COP 9 of the CBD in Bonn right now.

Technology transfer and finance

26. The issue regarding technology transfer and financing raised by outreach countries is recognized. To promote conservation and sustainable use of biodiversity in developing countries, it is recognized that appropriate technologies and funding provided by the international community are necessary. In addition to the maximum utilization of existing financial mechanisms, further discussions are considered necessary to address this issue more sufficiently.

Promotion of private sector involvement

27. The importance is reaffirmed of promoting involvement of all social actors including actors from the private sector in facilitating conservation and sustainable use of biodiversity.

Linkage to climate change

28. It is emphasized that climate change is expected to have serious impacts on biodiversity, even threatening the very basis of human survival. The need to pay

sufficient attention to the linkage between climate change and biodiversity was pointed out.

Biodiversity and protected areas

29. The importance of protected areas is reconfirmed and emphasis is given to the significance of developing ecological networks of protected areas that carry significance in maintaining global biodiversity.

Call for action

30. The urgent need to engage in further efforts to tackle the aforementioned challenges on biodiversity is reaffirmed and G8 members agree on the “Kobe Call for Action for Biodiversity” proposed by the Chair. Japan, the Chair country, announced its “Commitments for the Implementation of the ‘Kobe Call for Action for Biodiversity’” for the implementation of the “Call for Action,” including the SATOYAMA Initiative.

The 3Rs

Progress of the 3R Initiative

31. The contributions of the 3R Initiative in advancing 3Rs activities in each G8 member country and other countries since its proposal at the G8 Sea Island Summit in 2004 were recognized. It was also recognized that the 3R Initiative has provided a platform for sharing information and exchanging views and experiences on 3Rs-related policies among the G8 and other countries. It was noted that the 3R Initiative has demonstrated the G8 countries’ determination to contribute to the establishment of a sustainable society.

Prioritized implementation of 3Rs policies and increases in resource productivity

32. It was observed that the promotion of the 3Rs and increases in resource productivity are important for achieving sustainable development in both the G8 and other countries. Towards that end it was also observed that comprehensive policies comprising both regulatory and market-based tools, and addressing the full life-cycles of products are needed. Furthermore, the need for policies to further stimulate technological development and innovation and to create markets for resource-efficient products was acknowledged. However, it was also recognized that governments alone cannot produce the necessary changes

and that the contribution of all actors and sectors of society is crucial.

33. In addition to environmentally sound waste treatment and recycling, high priority was placed on waste reduction. Several efforts to reduce the use of disposable plastic bags and other single-use consumer products were described. Japan observed that China, Japan, and the Republic of Korea will jointly call for other countries to follow suit. It was noted that substantial reductions of waste generation and resource utilization require fundamental changes in awareness and lifestyle.

34. It was noted that both G8 and non-G8 countries recognize that strong linkages and the co-benefits exist between the promotion of environmentally sound waste management and the 3Rs, and the reduction of greenhouse gas emissions. In addition, the views from non-G8 countries emphasizing the importance of developing and disseminating technologies for the promotion of the 3Rs in accordance with national circumstances were also noted.

35. The progress and achievements of the work by the OECD on material flow analysis and resource productivity and the contributions on sustainable resource management by UNEP were welcomed.

Establishment of an international sound material-cycle society

36. The occurrence of severe health and environmental problems related with improper recycling of end-of-life products, such as e-waste, as well as with improper ship dismantling, in developing countries were considered. However, the potential resource value of such materials was also recognised. The hope was expressed that further collaboration between the 3R Initiative and the Basel Convention¹ will both promote capacity building for environmentally sound waste management in developing countries and facilitate sound international resource circulation.

Confirmation of the significance of collaboration for capacity development in developing countries

37. The importance of technical and financial support toward capacity development for the 3Rs in developing countries, building on existing

¹ The United States is not a party to the Basel Convention.

frameworks, was observed. It was also observed that there is a need for improved coordination of international assistance related with the 3Rs and better synchronization of development agencies' activities in this field were called for. Furthermore, it was noted that effective capacity development requires a multi-stakeholder approach, involving the private sector, local governments and NGOs.

Agreement on Kobe 3R Action Plan

38. G8 Ministers agreed on the Kobe 3R Action Plan and to report the progress in 2011. Finally, Japan observed that it has launched its “New Action Plan towards a Global Zero Waste Society,” which it hopes will stimulate further international co-operation in the spirit of the Kobe 3R Action Plan.