

Letter from Ricardo Lagos,

President of the Club of Madrid and former President of Chile

January 2007

On 20th-21st October 2006, Members of the Club of Madrid – democratic former Heads of State and Government – met in Madrid with renowned scholars, representatives of international organizations and leaders from industry and civil society, to formulate practical responses to the challenges that energy poses to our collective future. The V Annual Conference was thus an important watershed for the Club of Madrid as its Members resolved to use their unique global leadership to focus on this increasingly formidable challenge to democratic governance. This sense of urgency and commitment is evident in the Final Statement emanating from the Conference, which is included here as part of this report.

In underlining the significance of this conference for the Club of Madrid, it is also incumbent upon me to express my profound appreciation of the outstanding expertise and spirit of open engagement which invited participants brought to the proceedings.

In a truly globalized world, international cooperation is an essential *sine qua non* to dealing effectively with the key energy concerns addressed during the V Annual Conference of the Club of Madrid - energy security, resource mismanagement, the development and exchange of alternative fuel technology and the alleviation of energy poverty. Four Working Groups were convened during the Conference to focus on each of these key areas and, in each Working Group, Members of the Club of Madrid shared their own political experience in dealing with these issues with other participants who approached them from notably different perspectives, those of industry, civil society and government.

On behalf of the Club of Madrid, I would like to thank the Conference Content Coordinator Dr. Robert Skinner for preparing this important report on the proceedings of our V Annual Conference. His knowledge and experience of these issues is evident throughout his analysis, as it was in his guidance during the organization of the Conference. Crucially he asks the right questions and concisely sets out the recommendations identified at the conference to meet energy-related problems that affect both consolidated and transitional democracies.

Dr. Skinner does not try to conceal the magnitude or the complexity of successfully overcoming global energy challenges, nor does he suggest that the conclusions and recommendations of our V Annual Conference constitute a panacea for meeting them. Rather, drawing upon the deliberations, he offers us an excellent basis through which the Club of Madrid can further international action – expanding upon and implementing these recommendations and thereby demonstrating that democratic leadership can meet these challenges and actively promote the adoption of far-sighted policies to secure a sustainable future.

A consistent point of concern raised by participants at the Annual Conference was the need for urgent adjustment to meet the threat of climate change. In responding to this key priority, I am pleased to currently chair, in partnership with the President of the UN Foundation, Timothy E. Wirth, a High Level Task Force on Climate Change (HLTFCC), consisting of 12 Members of the Club of Madrid and 10 Eminent Persons, which will engage the G8 process, specifically the G8 Gleneagles Dialogue on Climate Change to promote and facilitate the establishment of a framework for an international agreement post-2012. Members of the Club of Madrid will also

begin work to establish a series of guidelines on how energy poverty can be addressed within democracies in the developing world.

In his report, Dr. Skinner concurs with the International Energy Agency (IEA) prognosis that "we face a future where energy supply will be dirty, costly and insecure." Rising costs of energy will also maintain the global *status quo* where the poorest have no access to electricity. "The world is on an energy treadmill and it is both speeding up and getting much steeper." It is now time to step off. We must get to work on establishing a new energy equilibrium.

A handwritten signature in black ink, appearing to read 'Ricardo Lagos', with a horizontal line underneath it.

Ricardo Lagos
President of the Club of Madrid
Former President of Chile