

Daegu Declaration

of the 22nd World Energy Congress

- Proposal to Secure Tomorrow's Energy Today -
at the 22nd World Energy Congress on 16 October 2013

The development of human civilization has come hand in hand with that of energy. Coal sparked the industrial revolution, oil revolutionized transportation and electric power transformed everyday life.

The oil crises of the 1970s made us recognize for the first time the instability of the energy supply, and with the Kyoto Protocol in the late 1990s we took the first step towards aggressive action against climate change. Moreover, the oil price surge of the mid-2000s raised awareness of not only price but also quantity instability.

During the 22nd World Energy Congress held in Daegu, Korea, energy leaders from the public and private sectors have acknowledged the need for change amid the complexity and uncertainty of the fast-growing 21st century world. The world energy map is changing; we need to change to keep pace with new developments. As we search for solutions, we need to address the triple challenge of Energy Security, Energy Equity and Environmental Sustainability, as identified by the World Energy Council as the Energy Trilemma.

In response to this, participants recognize the importance of striving to reach the following objectives:

Energy Security

In the interest of establishing a stable energy supply system that can respond to population growth and economic expansion, we recognize the need to find ways to effectively use conventional and non-conventional energy sources from domestic and external sources. In addition, we recognize that stronger communication among government, industry and civil society is needed in order to establish a safe and reliable energy infrastructure, to support the ability of energy providers to meet current and future demand. The congress recognized the importance of keeping all energy options open and of incorporating leading innovative systems such as smart grid, energy storage systems and CC(U)S and the need for further investment in RD&D.

Energy Equity

We agree that the vision of global energy as the foundation of sustainable growth can be achieved by expanding clean energy in advanced nations through technological breakthroughs and by ensuring equity through the expansion of infrastructure distribution in developing countries. To this end, developing and advanced nations need to urgently cooperate more actively in adjusting policy, improving the business environment and building networks. Such efforts to balance the Energy Trilemma are sure to contribute to the long-term maintenance of global peace and security.

Environmental Sustainability

Finding an acceptable compromise between climate change response and economic growth is one of the most critical issues we face. We recognize that a wise response to this issue will take into account of the need to achieve environmentally sustainable economic growth with the right energy mix for each nation. Additionally, in order to address concerns and build trust in all sources of energy, we recognize the need to go beyond domestic

efforts and devise measures to ensure good governance and safety through international cooperation.

From Conflict and Competition to Trust and Cooperation

We recognize that Northeast Asia will contribute positively to resolving regional and potentially global energy problems by connecting power grids and transportation networks for oil and natural gas on the basis of enhanced mutual trust. In addition, we agreed to continuously seek measures to develop concrete actions to address the Energy Trilemma such as designing financial mechanisms and forming multi-lateral discussion channels.

The Next Steps

As the World Energy Council moves to the decade of its 100th anniversary the organization will continue to fulfill its role as an important forum for discussion to promote the sustainable energy system. We recognize the success of the 22nd World Energy Congress as a significant milestone in the delivery of this mission. We will ensure that the issues discussed at the World Energy Congress in Daegu, Korea continue to be developed through future World Energy Congresses and through the work of the World Energy Council and its network of national member committees.

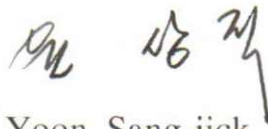
Against this background, the World Energy Council and the Ministry of Trade, Industry and Energy of the Republic of Korea, have agreed to build on the proceedings of the 22nd World Energy Congress, Daegu and the topics discussed in the World Energy Leaders' Summit and the Ministerial Roundtable to push forward with the following items in their respective areas of activity.

1. The Ministry of Trade, Industry and Energy recognizes that the World Energy Council and the 22nd World Energy Congress have set out meaningful vision for the future direction for the global energy system. In line with the objectives of the Clean Energy Ministerial (CEM),

which will be hosted in Korea in 2014, we agree to inform the CEM of the recommendations of the congress. The World Energy Council has agreed to support the Ministry of Trade, Industry and Energy in the staging of this event in seeking ways, with the agreement of the CEM secretariat, to develop joint working activates, particularly in relation to the CEM's stated goal of enhancing Public Private Partnership.

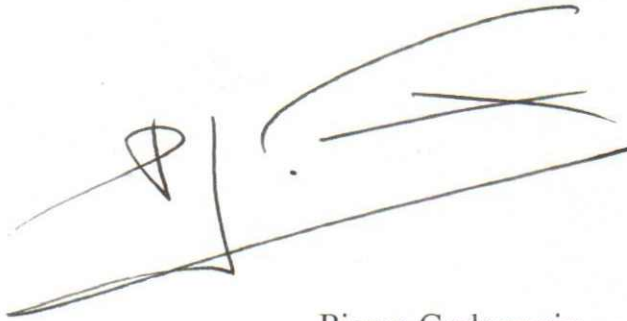
2. Building on the 2013 APEC Economic Leaders' Declaration, the World Energy Council has agreed to continue to support the work of APEC in the area of 'environmental' goods and services. The Government of Korea has already recognized the importance of this issue and has welcomed the World Energy Council's contribution on Rules of Trade and Investment which has already helped to inform the APEC agreement on tariff caps for 54 types of 'environmental' goods by 2015. We will continue to build on the outcomes of the 22nd World Energy Congress to further this agenda.
3. We agree to support the objectives of United Nation Secretary General's Sustainable Energy for All (SE4All) initiative and the inclusion of energy in the post-2015 Millennium Development Goals. A key part of this support has been the dedication of an entire day for deliberations at the 22nd World Energy Congress focused on Securing a Sustainable Energy Future. The World Energy Council also reiterated its commitment to the SE4All Global Tracking Framework process.

In conclusion, we agreed that, if governments and industries cooperate with each other to set a course for the future, improve the business environment, coordinate government policies, and enhance sustainability, it will be possible to achieve the goal of strengthening the role that the energy sector plays in economic development and climate change response.



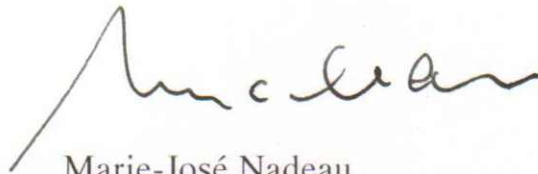
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Pierre Gadonneix,

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Incoming Chair of the World Energy Council