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## Transatlantic Conference on Energy Policy

### News

### Location

Washington, DC, United States

The US National Commission on Energy Policy (NCEP) presented its bipartisan strategy to meet America's energy challenges in December 2004. Entitled "Ending the Stalemate", it recommends inter alia a cap on greenhouse gas emissions and trading of allowances with an upper limit of \$7 per ton. The German Marshall Fund of the United States (GMF) and NCEP brought together experts from the US and the EU to discuss the NCEP strategy in Washington, DC, on 3 and 4 April 2005.

R. Andreas Kraemer attended the "Transatlantic Conference on Energy Policy – Understanding US and EU Clean Energy Technology Approaches and Goals" as part of the GMF-Ecologic project on Transatlantic Climate Dinners.

### Background

Over the last several years, both the EU (and individual member countries) and the US have made major changes in priorities for energy technology research, development, demonstration and deployment. The EU has adopted a limit on greenhouse gas emissions (GHG) from major industrial sectors and has, along with other major nations, ratified the Kyoto Protocol with its binding emissions targets. In the US, a debate continues about adopting mandatory carbon constraints. A number of US states have adopted a variety of programs to address GHG emissions.

At the federal level, the Senate rejected legislation proposed by Senators John McCain (R-AZ) and Joseph Lieberman (D-CT) in 2003 by a vote of 55-43 to set a cap on US GHG emissions (see the report by the Pew Center on Global Climate Change). The US Administration's policy is to promote technology advancement through incentives and voluntary programs to develop clean energy technologies that will achieve near and long-term reductions in greenhouse gas emissions.

In 2005, several Senators and notably Senator Chuck Hagel (R-NE) and Senator Robert Byrd (D-WV) have introduced legislation to promote investment in low-carbon energy and greenhouse gas mitigation efforts.

This development is significant not least because Senators Hagel and Byrd cosponsored a 1997 Senate resolution to prohibit climate change treaties unless certain requirements were met (see Senator Hagel's press release and Senator Byrd's page on climate change). The introduction of a new, expanded proposal by Senators McCain and Lieberman is expected.

In both the US and the EU there seems to be consensus that the answer to cleaner, more robust

energy development lies in technological advancement and energy efficiency, but sizable differences remain regarding how best to stimulate this technological progress.Â The degree of consensus between Germany and the US is documented by the U.S.-German Joint Actions on Cleaner and More Efficient Energy, Development and Climate Change agreed by US President George W. Bush and German Chancellor Gerhard Schröder, on February 23rd, 2005, in Mainz, Germany, only a few weeks before the conference.Â

However, significant confusion exists in the US about the specific actions currently being required within the EU with its emissions trading systems and other energy-related policies and measures, and their practical impact on energy supply, environmental progress, and industrial competitiveness.Â

## Conference Achievements

The conference allowed for an open dialogue between government, academic, industry, and NGO representatives on current, on-the-ground, developments in the US and European energy sectors and how supply, environmental progress, and industrial competitiveness have shaped policy decisions on either side of the Atlantic. Specifically the conference:

- facilitated a candid and detailed discussion about the EU emissions trading program, so that European government and industry leaders shared their experiences and discussed the program's design and consequences with their US counterparts;
- examined options for US clean energy development, specifically the recent recommendations of the NCEP;
- helped to illuminate concerns and hopes of major multinational corporations regarding both the EU and US approaches, and in particular the development of contradictory standards and regulations which increase compliance costs.

A number of key issues requiring further reflection and exchange across the Atlantic emerged from the discussion:

- Carbon trading and linking of trading systems;
- Compatibility of NCEP proposal with EU emissions trading;
- Technology and deployment; environmental impact:
  - Carbon sequestration or capture and storage,
  - Biomass: Impact on and opportunities in the farming sector,
  - Electricity grid reform, and infrastructure siting problems,
  - Clean fuels and energy conversion technologies,
- National and energy security issues in the climate debate;
- Efficient energy use and demand-side management;
- Economic effects and competitiveness in the global economy;
- Working of markets, inter-linkages and repercussions;
- Strategy and policy formulation process and assessment;
- Transnational policy learning and diffusion of good practice;
- Clean development projects in developing countries;
- Expectations and roles in the global climate policy process of:
  - China,
  - India,
  - Mexico,
  - Brazil, and
  - South Africa.

These and other issues and emerging voices in the US climate and energy policy debate will be given prominence over food and wine in Ecologic's GMF-sponsored series of Transatlantic Climate

Dinners.

## Further Links

- [National Commission on Energy Policy](#) (NCEP) with further links
- [The German Marshall Fund of the United States](#) (GMF)
- NCEP: "[Ending the Energy Stalemate: Summary of Recommendations](#)" (pdf, 628 KB, English)
- [GMF-Ecologic Project Transatlantic Climate Dinners](#)
- Report by the [Pew Center on McCain-Lieberman proposal](#)
- U.S.-German [Joint Actions](#) on Cleaner and More Efficient Energy, Development and Climate Change (February 23rd, 2005) [pdf, 29 KB, English]

**Sponsor:** [German Marshall Fund of the United States](#)

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**Project number:** 1710

## Project

[Transatlantic Climate Dinners – Wine & Ideas from the New World](#)

## Keywords

[Energy](#)

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