CLEAN ENERGY MINISTERIAL
Accelerating the Transition to Clean Energy Technologies

CEM6 Chairs' Summary

The sixth Clean Energy Ministerial (CEM6) was held in Mérida, Mexico, on 27-28 May 2015. Energy ministers and heads of delegation laid out a vision for a more effective, ambitious CEM, referred to as "CEM 2.0," that can play a fundamental and sustained role in accelerating the transition to a global clean energy economy.

Ministers and senior officials from Australia, Brazil, Canada, China, Denmark, the European Commission, Finland, France, Germany, India, Indonesia, Italy, Japan, Korea, Mexico, Norway, the Russian Federation, Saudi Arabia, South Africa, Spain, Sweden, the United Arab Emirates, the United Kingdom, and the United States attended the meeting. The CEM welcomed the Kingdom of Saudi Arabia as a new member. Representatives from the International Energy Agency, the International Renewable Energy Agency, and the International Partnership for Energy Efficiency Cooperation were also present as official observer organizations.

Day One

Mexico Secretary of Energy Pedro Joaquin Coldwell welcomed Ministers and delegates in the opening plenary and described steps that Mexico is taking to advance clean energy, particularly in energy efficiency. U.S. Secretary of Energy Ernest Moniz set the stage for the two-day meeting by commenting that actions must match the scale of the CEM's core objective to accelerate the global transition to a clean energy economy. Ministers from China, Sweden, the United Arab Emirates, and Canada also voiced their support for the CEM 2.0 process as did heads of delegation from the European Commission, India, Italy, and Korea.

Three international energy leaders gave scene-setting presentations. Maria van der Hoeven, Executive Director of the International Energy Agency, presented the 2015 *Tracking Clean Energy Progress* report, prepared for CEM6. The IEA presentation also referenced how metrics and CEM objectives could support the design and implementation of policies and could be used to help track progress among CEM countries. Adnan Amin, Director General of the International Renewable Energy Agency, spoke about key trends in the global clean energy transformation, highlighting market mechanisms, grid integration, and energy storage as critical to the next phase of clean energy development. Christoph Frei, Director General of the World Energy Council, presented forecasts from the Council's two energy scenarios and the *2015 World Energy Trilemma report*, citing survey results from energy leaders in more than 80 countries showing the lack of a global climate framework as one of the sector's greatest uncertainties.

Addressing the meeting by video, Laurent Fabius, France's Minister of Foreign Affairs and International Development and President of the 21st United Nations Conference on Climate Change (COP21), stressed the importance of clean energy, which he said would be "central" to reaching agreement to limit global warming at COP21 in December 2015.

Ministers, heads of delegation, senior government officials, heads of international organizations, and private sector representatives also participated in six public-private roundtables on accelerating energy productivity, sustainable urban energy systems, achieving a social license for clean energy deployment, finance for energy access, power system

transformation and utilities of the future, and public-private consortia for advanced clean energy technology research. The CEM Secretariat will produce a follow-up report on the discussions and outcomes of the roundtables in July.

Michael Liebreich, Chairman of Bloomberg New Energy Finance, spoke in plenary about clean energy investment trends around the world, highlighting the large cost reductions for renewable technologies that have occurred over the last several years. He then chaired a panel of experts on clean energy finance, consisting of Rachel Kyte, Vice President and Special Envoy for Climate Change at the World Bank; Kai Buntrock, Managing Director and CFO of Sowitec; Josué Tanaka, Managing Director at the European Bank for Reconstruction and Development; and Marshal Salant, Head of Alternative Energy Finance at Citigroup. The panelists noted that new mechanisms, both through debt and equity, have evolved to finance clean energy projects, although challenges with foreign currency and political risks remain in developing countries.

The first day of CEM6 closed with an Awards Ceremony recognizing exceptional efficiency and innovation in electric motors and smart grids. The Super-efficient Equipment and Appliance Deployment (SEAD) initiative awarded its Global Efficiency Medal for motors to Nanyang Explosion Protection Group Co. Ltd. The "Grid4EU Large-scale Demonstration of European Smart Distribution Networks" took top honors in the International Smart Grid Action Network (ISGAN) Award of Excellence, recognizing projects that exemplify the use of smart grids for integration of variable renewable energy sources. Two honorable mentions for smart grid innovation went to Ireland's Eirgrid's DS3 – Delivering a Secure, Sustainable Electricity System and to Smart Grid Station of the Korea Electric Power Corporation.

Day Two

The closed door session on the second day of CEM6 began with the launching or expansion of three significant global efforts that the CEM will particularly focus on this year:

- The preliminary launch of the CEM Global Lighting Challenge established a global race to reach cumulative sales of 10 billion high-efficiency, high-quality and affordable advanced lighting products. Australia, China, France, Germany, India, Indonesia, Korea, Mexico, Russia, South Africa, Sweden, the United States, and the Directorate-General for Energy for the European Commission signed on to the Challenge at CEM6. The United Nations Environment Programme also expressed support, noting the Challenge will provide critical market pull and awareness-raising. The IEA noted it could contribute by tracking progress.

- Under the CEM Power System Challenge, Denmark, Finland, France, Germany, India, Indonesia, Japan, Korea, Mexico, Norway, South Africa, Sweden, the United Arab Emirates, the United States, and the Directorate-General for Energy for the European Commission endorsed a set of principles to help guide their countries' efforts toward the clean, reliable, resilient and affordable power systems of the future. Endorsing countries agreed to take actions, including establishing national roadmaps and strategies to increase energy efficiency while also taking advantage of smart grid technologies and renewable resources such as wind and solar power.

- Ministers also announced efforts to scale-up the Clean Energy Solutions Center, a CEM initiative that has already provided real-time, no-cost clean energy expert policy

assistance to more than 80 countries around the world. The scale-up includes increasing the number of global experts to help respond to significantly more requests for assistance as well as establishing a new section on Clean Energy Finance. Australia and the United States announced additional funding support. France, India, Italy, and Indonesia announced the provision of additional experts, and Canada announced its contribution of additional experts and tools to the Solutions Center.

Additional countries were encouraged to sign on to each of these efforts after the CEM6 proceedings.

Ministers and heads of delegation also discussed potential topics for special emphasis at CEM7. The United Arab Emirates opened the session by suggesting an enhanced focus on sustainable and smart cities. Russia, Mexico, the United Kingdom, Saudi Arabia, the European Commission, China, and France all came forward with positive comments about this idea. The IEA also noted that the 2016 Energy Technology Perspective will focus on cities.

The United States also suggested ideas for future emphasis, including greater support for the Clean Energy Empowerment and Education (C3E) initiative and broader adoption of the ISO 50001 energy management system standard. Mexico voiced its support for both of these ideas.

Following up on potential new work streams that were proposed at CEM5, Secretary Moniz reported that although a number of countries showed interest in energy-water issues, there was not sufficient support at present to go forward with the creation of a new CEM initiative. Korea announced that it is continuing to undertake work on its potential market access for clean energy products initiative.

In the CEM 2.0 part of the closed session, ministers and heads of delegation discussed and took decisions about several matters pertaining to scaling-up the effectiveness of the CEM. A new CEM Steering Committee was established to provide strategic guidance to CEM efforts year-round and to help prioritize efforts on areas of greatest potential impact. China, Denmark, the European Commission, France, India, Mexico, the United Arab Emirates, and the United States were announced as inaugural members.

As initial tasks, the Steering Committee will draft a non-legally binding Framework Document to establish a transparent decision-making process for the CEM, conduct due diligence on possible options for multi-lateralizing the CEM Secretariat, work with the IEA to develop possible objectives and metrics to track the progress of the CEM and its initiatives, focus on expanding communications efforts for the CEM, and develop a mechanism to further involvement of the private sector in the CEM and its initiatives. These efforts will be undertaken by the Steering Committee and its associated sub-groups (which will also be open to CEM members that are not Steering Committee Members). Ministers and heads of delegation also agreed to a review process for CEM initiatives every two years to include an independent review panel.

To close the conference, U.S. President Barack Obama announced in a video message that the United States will host CEM7 in 2016. This was followed by the announcement from China's Minister Wan Gang that China intends to host CEM8 in 2017.

http://www.cleanenergyministerial.org/Events/CEM6