

CHAIR'S SUMMARY

The third Clean Energy Ministerial (CEM3) was held in London, UK, on 25–26 April 2012. Participants welcomed the UK's leadership in convening the Ministerial. 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, South Africa, Spain, Sweden, the United Arab Emirates, the United Kingdom, and the United States attended the meeting. Observers from the International Energy Agency, the International Renewable Energy Agency, the International Partnership for Energy Efficiency Cooperation, the United Nations Development Program, and the ClimateWorks Foundation were also present. The series of Ministerials grew from the Major Economies Forum on Energy and Climate (MEF) Leaders' decision in July 2009 to launch the MEF Global Partnership to drive transformational low-carbon and climate-friendly technologies, as well as from dialogues among countries interested in accelerating the transition to clean energy technologies.

UK Secretary of State for Energy and Climate Change Edward Davey welcomed Ministers in the opening plenary, noting the need for ambition on the part of Clean Energy Ministerial (CEM) governments and underscoring the importance of scaling investment in clean energy solutions. Secretary Steven Chu of the United States highlighted the importance of the CEM as a forum to encourage smart policies that allow all governments to realize cost savings and emissions reductions from efficiency. Ambassador Jones of the International Energy Agency summarized the findings from the 2012 Clean Energy Progress Report as prepared for CEM3. Michael Liebreich of Bloomberg New Energy Finance summarized clean energy technology cost and investment trends. Ministers questioned the speakers about barriers to the scale-up of clean energy finance, including from institutional investors. Liebreich pointed to policy uncertainty as a major factor. Jones indicated that a lack of familiarity with clean energy technologies also plays a role. Ministers also discussed the role of new natural gas supplies and associated low prices on the global energy system. There was recognition that this resource could potentially change the global geopolitics of energy, but only if it is developed responsibly.

During a closed session, Ministers discussed clean energy, efficiency, and cross-cutting topics, respectively. In the discussion on clean energy, governments intervened as follows:

- Denmark, on behalf of Germany, Spain, and other partners, noted the launch of a Solar and Wind Resource Atlas as well as related work on capacity building and assessment of economic value creation from renewable investments.
- The UK highlighted the recent launch of a £1 billion carbon capture and storage (CCS) commercialization program as an action supporting the work of the Carbon Capture, Use and Storage (CCUS) Action Group.
- Australia noted the role of the CCUS Action Group in driving practical action to advance the global deployment of CCS and that further work will be undertaken to support CCS in industrial applications and to address some of the financial and commercial challenges associated with CCS demonstration. Australia also noted that the broadest range of clean energy technologies should be developed, including renewables, lower-carbon fossil fuels, and carbon capture, use, and storage.

- Brazil affirmed the importance of the CEM, noted its role as host of Rio+20, and urged countries to take commitments to renewables and efficiency.
- The Republic of South Africa noted that it is pursuing renewable energy through a tendering process. South Africa further indicated that a partnership between the UK, Norway, Germany, Denmark, and the European Investment Bank has been forged to accelerate, via a financial support mechanism, the deployment of renewable energy in southern Africa through the South African Renewable Initiative.
- China noted its expansion of renewable investment, including research, development, demonstration, and deployment, and encouraged other countries to get involved.
- Japan noted it would introduce a feed-in tariff for renewables in July 2012
- India expressed support for the CEM's work on renewable energy and indicated that it is using regulatory instruments to force distribution utilities to achieve a percentage of total power purchases from renewable sources.

During the discussion on efficiency, governments intervened as below:

- The United States underscored the potential impact from the Super-efficient Equipment and Appliance Deployment (SEAD) initiative.
- UK, Germany, and India expressed support for SEAD, and the United Arab Emirates noted its desire to participate more actively.
- India noted that it had leveraged cooperation with SEAD in implementing its Super Efficient Equipment Program and national standards for light-emitting diodes (LEDs). India hoped that other CEM governments would adopt similar standards so as to maintain quality and create global markets.
- Germany noted its support for the Electric Vehicles Initiative (EVI) and has a goal of having 1 million electric vehicles (EVs) on German roads in 2020. Germany is also establishing EV showcase regions.
- Finland noted its development of best practice policy tool kits for combined heat and power through the Global Superior Energy Performance (GSEP) partnership, and Japan noted that it had conducted GSEP workshops for sharing best practices in specific industrial sectors.
- India noted interest in ISO50001 for driving energy efficiency implementation.

Interventions on cross-cutting initiatives were as follows:

- Australia noted that the Clean Energy Solutions Center has gained strong support through its functions, including webinars, policy analysis, and an online panel of global experts available to offer no-cost policy support.
- Italy affirmed its support for the Solar and LED Energy Access initiative and joined the new Global Lighting and Energy Access Partnership (Global LEAP).
- Mexico noted its new domestic climate policy as well as work through GSEP on incorporating cool roof standards into its building codes.
- Germany and Denmark indicated support for the new 21st Century Power Partnership.
- The United Arab Emirates, on behalf of China, Denmark, and Sweden, introduced the Global Sustainable Cities Network (GSCN), a new CEM initiative, designed as a mechanism for knowledge-sharing and collaborative engagements among pioneering efforts in urban sustainability around the globe.
- Sweden noted that the CEM has accomplished a great deal already and suggested that they see great added value in their current participation in SEAD, EVI, and the International Smart Grid Action Network (ISGAN).
- Sweden further noted that urbanization is a major societal transformation, that sustainable urban development is essential, and expressed their support for GSCN.

- Korea, Italy, and Germany affirmed their support for ISGAN, highlighting the participation of 20 governments, the launch of a number of new projects, and the substantial progress in products delivered.
- Italy further affirmed its support for EVI, particularly with regard to smart charging infrastructures in coordination with ISGAN.

Other interventions were as follows:

- India underscored its objective of promoting growth strategies based on clean energy and noted that the CEM has developed as a valuable non-negotiating forum for promoting collaboration.
- Korea underscored that both clean supply and energy efficiency are needed and that the CEM is a chance to break down barriers to both.
- Japan thanked CEM members for their support since last year's earthquake and noted that it is adding building efficiency-related equipment to the Top Runner Program so as to enhance energy conservation measures for residential and commercial buildings.
- Japan also committed to advance its activities in GSEP, based on its leadership in certain industrial technologies.
- China indicated that it has partnerships with most CEM governments; underscored that it had led the launch of EVI; and noted its participation in CCUS, ISGAN, GSCN, SEAD, and GSEP.
- Norway affirmed the importance of the CEM and stated that it is considering increasing its participation in CEM activities. Norway noted its goal of increasing the share of renewable energy to 67.5% by 2020, and announced the release of a Climate Policy White Paper that proposes to increase the carbon dioxide (CO₂) tax to \$88/ton for the petroleum producing industry and to increase the fund for energy efficiency and new energy technology to \$8.8 billion.
- France highlighted its commitment to support research and development in clean energy technology, through its investment for the future program (more than €4.5 billion), and to build strong industrial capacities, for example in offshore wind.

Ministers participated in eight public-private roundtables co-organized with the World Economic Forum (WEF). The topics covered were renewable energy finance; energy efficiency finance; electric vehicles; large-scale energy efficiency programs; appliance efficiency; carbon capture, use, and storage; integrating variable renewables; and solar photovoltaics. A read-out from the roundtables was provided to Ministers in plenary. Common themes included the importance of stable, long-term policy frameworks that provide clarity and predictability for investment decisions; the importance of assessing and addressing risks; and the role of public-private partnerships in all areas of clean energy development and deployment. A full report of the roundtables will be issued by WEF in due course.

UK Prime Minister David Cameron addressed the Ministers, making the case for clean energy in the UK and globally, and stressing the need for close partnership between governments and the private sector. He heard reports from a number of the roundtable sessions and participated in discussions on policies to support clean energy.

The CEM this year was co-located with a meeting of the High Level Group of the Sustainable Energy for All (SE4All) initiative of United Nations Secretary-General Ban Ki-Moon. The Secretary-General addressed the ministers via telephone. The Secretary General underscored the need to meet energy demands without harming the environment; stressed the three SE4All goals for renewable energy, efficiency, and energy access; and

encouraged robust collaboration between public and private sectors. The co-chairs of SE4All discussed linkages between the two fora with Ministers:

- Co-chair Kandeh Yumkella of UN-Energy noted the launch of the SE4All Action Agenda and underscored that SE4All would leverage the existing Clean Energy Solutions Center as a central portal for policy support.
- Co-chair Chad Holliday of Bank of America noted that it would not be possible to achieve SE4All goals without improving the perceived balance between risk and reward for sustainable energy investments.
- Italy noted the importance of smart grid solutions integrated with distributed generation and natural gas.
- The UK noted the green deal as a fiscally efficient strategy to scale efficiency.
- Denmark applauded the progress of SE4All and emphasized the importance of all three energy goals.

A joint press event highlighted synergies between the two efforts and included both the release of the SE4All Action Agenda and substantial announcements from the CEM, which are listed in Annex A.

In a closing session, Ministers discussed possible criteria for considering requests to strategically expand CEM membership, given the need to ensure a manageable forum focused on practical cooperative action to advance clean energy technologies. India reaffirmed their plans to host the fourth Clean Energy Ministerial (CEM4) in 2013 and solicited the views of other participants on strategies to maximize its impact.

A number of CEM side events were held, including a session on Women in Clean Energy and a workshop on the Solar and Wind Atlas.

Annex A: Clean Energy Ministerial Announcements

- UK announced up to £60 million in new funding to take forward activities to accelerate the deployment of carbon capture and storage technologies in developing countries. The UK Department for International Development confirmed further financial commitments through the Scaling up Renewable Energy programme and also announced a new results-based financing facility for clean energy products and services. £30 million for this programme would provide access to clean cookstoves and/or solar lanterns for at least 2.5 million poor people by accelerating the growth of markets for these products.
- Ten partners announced the Global Lighting and Energy Access Partnership (Global LEAP) to promote market-based delivery of low-cost, quality-assured solutions to consumers who currently lack modern energy options. More than 100 manufacturers and distributors of these off-grid lighting products and services have also signed on as supporters of the Partnership already, and interest continues to come in. Italy and the United States announced a \$4.5 million Lighting India program that will deliver quality-assured solar lanterns to at least 2.5 million people by 2015. Partners also announced a product awards competition for superefficient off-grid lighting and televisions.
- Denmark, Germany, and Spain, together with partner governments and institutions, released a global renewable resource atlas that maps the potential for solar and wind energy across the world. Contributions to the Atlas from multiple CEM countries were highlighted at a signing ceremony during the CEM.
- The Ministerial's SEAD initiative launched two new Global Efficiency Medal competitions, for motors and computer monitors. SEAD is also launching a new Efficient Product Promotion Collaborative to better utilize the billions of dollars spent globally on appliance efficiency programs each year. With leadership from India, and in partnership with the \$20 million United Nations Environment Program's en.lighten initiative, SEAD launched a new effort providing technical cooperation to accelerate adoption of efficient lighting.
- The Climate Works Foundation committed \$1 million of in-kind support to facilitate direct access to global policy experts, provided at no cost to policy makers through the Clean Energy Solutions Center, a \$15 million Internet-based technical assistance project jointly led by Australia and the United States in partnership with UN-Energy.
- CEM governments also launched the 21st Century Power Partnership to unlock large-scale demand-side management and renewable energy electricity generation, through policies and programs that leverage smart grid technologies.
- China, Denmark, Sweden, and the United Arab Emirates launched the Global Sustainable Cities Network.