

Summary of the Chair, The Hon. Ernest J. Moniz, U.S. Secretary of Energy
2015 IEA Ministerial Meeting

17-18 November 2015

1. The 2015 Meeting of the IEA Governing Board at Ministerial Level was chaired by Ernest J. Moniz, Secretary of Energy of the United States of America, in Paris on 17-18 November 2015 under the theme “Innovation for a Clean, Secure Energy Future.”

2. Twenty-nine member countries and the European Union participated in this year’s IEA Ministerial. Accession and Partner countries (Brazil, Chile, India, Indonesia, Mexico, Morocco, the People’s Republic of China, South Africa and Thailand) also made essential contributions toward the success of this meeting. Finally, 30 high level executives participated from the IEA’s Energy Business Council (EBC).

3. This Ministerial occurred in the wake of tragic terrorist attacks across the city of Paris. In this difficult time, all Ministers and EBC executives expressed their sorrow over the loss of life and their solidarity with the people of France. On behalf of the Ministers and business leaders participating in the Ministerial, the Ministerial Chair, Dr. Moniz, and the IEA’s Executive Director, Dr. Fatih Birol, conveyed to Mme. Segolene Royal, France’s Minister of Ecology, Sustainable Development and Energy, two books of condolences to the Government of France and the French people.

4. Ministers welcomed Mexico’s intention to start the accession process to the Agreement on an International Energy Program and encouraged Mexico to proceed toward becoming a member of the IEA. Ministers also saluted the efforts of Chile to advance in its efforts toward IEA membership.

5. Ministers welcomed the appointment of Dr. Fatih Birol as the new Executive Director of the IEA, and they endorsed his vision of strengthening the Agency’s role as an authoritative voice on global energy policy. Ministers welcomed Dr. Birol’s focus on creating a more inclusive and truly global agency through closer engagement with emerging energy economies. Ministers supported the Executive Director’s objective of modernization of the IEA under three pillars: enhanced engagement with major emerging economies, strengthened and broadened commitment to energy security, and greater focus on clean energy technology, including energy efficiency.

6. Recognizing energy security as the foundation of the IEA's mandate, Ministers agreed on the need to promote the secure, affordable and efficient supply of energy. They also welcomed the diversification of supply and the safe and sustainable development of energy resources, new transit routes, renewable energy, low-carbon technologies including nuclear energy, where this is in accordance with national policies and circumstances. Ministers recognized the role that energy efficiency and diversification play in enhancing energy security. Ministers also reaffirmed that the IEA has a key role in energy security through its emergency preparedness and response mechanisms and its legal instruments.

7. Reiterating the need to maintain existing Members' compliance with oil stockholding obligations and, to take into account the continued evolution of global oil markets, Ministers asked the IEA Secretariat to examine potential options for broadening the collective oil security mechanisms and to report back to the 2017 IEA Ministerial, with periodic updates in the interim to the Governing Board and the relevant Standing Groups and Committees.

8. Considering the new challenges and opportunities emerging with the globalization of natural gas markets, Ministers asked the IEA Secretariat to develop potential options for IEA activities that would enhance global gas supply security and to report back to the 2017 IEA Ministerial, with periodic updates, in the interim, to the Governing Board and the relevant Standing Groups and Committees.

9. Ministers recognized the timeliness of this year's gathering, which occurs just two weeks prior to the 21st Conference of the Parties of the UN Framework Convention on Climate Change ("COP-21"). Given that the energy sector contributes some two-thirds of global greenhouse gas emissions, Ministers' discussions focused on the critical role that energy sector policies and energy innovation can play to successfully combat climate change. A number of ministers noted their countries' efforts to place a price on carbon emissions. Their deliberations resulted in the adoption of a Ministerial Statement on Energy and Climate Change, which is intended to provide input to the COP-21 meeting. The Statement emphasizes the close relationship between energy and climate change, and it highlights the need to promote policies and innovation that can facilitate a global transition to a clean energy economy. In particular, the Statement welcomes five key opportunities that countries can adopt in the short run to advance the date by which global emissions peak, with a special emphasis on energy efficiency, renewable energy, phasing-out of inefficient fossil fuel subsidies, phasing-out of least-efficient coal-fired generation, and methane emissions reductions. The Statement also points to the importance of taking regular further steps that

build ever-increasing ambition, the importance of good statistics, as well as the innovation and deployment of clean energy technologies. Ministers saluted the valuable work of the IEA Secretariat in developing the World Energy Outlook Special Report on Energy and Climate Change, from which these recommendations were drawn.

10. Ministers noted the increasing significance of key emerging economies in global energy supply and demand, and they welcomed the activation of Association at this meeting. Ministers highlighted Association as the launching of a new era of enhanced IEA engagement with China and Indonesia¹ across the range of energy policy issues. Brazil, India, and South Africa continue their active review of this initiative, while Thailand and Morocco declared their interest in joining the process. The enhanced engagement under Association will include initial focus in the areas of energy security, data and statistics, energy policy analysis, with equal importance attached to energy efficiency, energy technologies, renewables, electricity security, grid integration and other issues of mutual interest. For its future development, Association would be open for additional issues to be included, based on mutual benefits in pursuit of common interests. Ministers also welcomed further bilateral cooperation with Brazil, Chile, China, India, Indonesia, Mexico, Morocco, South Africa, and Thailand. Ministers noted that Association will serve as the first step in an ongoing process of strengthening IEA engagement with the key emerging energy economies, which will account for increasingly significant shares of global energy consumption in the coming decades.

11. Ministers recognized the critical need for increased clean energy technology research and development to fully achieve our shared climate goals, improve energy security, and provide energy access for affordable and reliable energy for everyone. Recognizing the importance of accelerated energy technology development, demonstration and deployment, faster cost reduction, and appropriate policies, Ministers asked the IEA to strengthen its energy technology outreach activities and expand participation of Member and nonMember countries, the science and research communities, industry partners and other stakeholders. Ministers endorsed the rebranding of the Implementing Agreements as IEA Technology Collaboration Programmes and asked the Secretariat, the Governing Board and the relevant Standing Groups and Committees to strengthen the energy technology and innovation-related activities of the Agency.

12. Ministers drew attention to the need for sustained and smart investments to accelerate

¹ The IEA Governing Board subsequently approved Thailand's request to join Association.

deployment of low carbon technologies and efficient power generation and distribution networks, especially in light of projections of rising energy demand from the global economic recovery. Ministers expressed the view that energy market design and independent regulation should strive for efficient, functional, transparent, and market-based solutions to promote investment and produce accurate price signals for producers and consumers. Ministers benefited from the participation of the private sector in the meeting and emphasized the role of the public-private partnership in the energy field. Participation by members of the IEA Energy Business Council enriched the discussions.

13. Ministers also discussed the shifting energy landscapes and geopolitics that have direct impacts on global energy markets. Changes in global energy supply and demand, including shifts in regional energy demand growth and new areas of production and sources of energy, were of significant interest to all Ministers at this meeting. Ministers also devoted attention to energy security and diversification, increasing energy efficiency, and linkages between energy, sustainable development and inclusive growth.

14. Ministers took note of the analysis by the IEA Secretariat that energy efficiency has become the “first fuel” over the past few decades, helping countries to better use their energy resources to support economic growth. Ministers recognized the important role of this “fuel” in enabling economic growth to decouple from energy related emissions. Ministers also noted the importance of energy efficiency in supporting continued sound economic growth across member and partner countries.

15. Ministers were encouraged by the robust renewable deployment growth in recent years and strong outlook for continued growth, supported by policy frameworks set by many countries and increased cost competitiveness of renewable generation sources. Ministers noted that, while certain renewables no longer require high economic incentives, they still need predictable and long-term oriented regulatory and market frameworks. Ministers further observed that with decreasing technology costs and increasing shares of wind and solar, grid integration issues and innovation at system-level would become crucial in the longer term, including a higher integration of the power, heat and transport sectors.

16. Since 1974, the IEA has served as a critical institution for coordinating international energy cooperation and developing global solutions to address global challenges, both for its members and beyond. Ministers discussed the challenge of ensuring the IEA’s long-term financial health and sustainability. Ministers asked the IEA Secretariat and Members to

develop and analyze solutions that mitigate the financial risks of the Agency. This work is to be completed by no later than the Governing Board meeting planned for 7-8 December 2016, with an interim report to be discussed at the Governing Board meeting planned for 15-16 June 2016.

17. Ministers discussed the importance of close collaboration and dialogue with other international and regional bodies and processes, including the International Energy Forum, the Organization for the Petroleum Exporting Countries (OPEC), the International Renewable Energy Agency (IRENA), the Clean Energy Ministerial (CEM), the International Partnership for Energy Efficiency Cooperation (IPEEC), Sustainable Energy for All (SE4All), the Energy Charter, the Asia-Pacific Economic Cooperation forum (APEC), the Association of South Eastern Nations (ASEAN) the United Nations, the G-7 and the G-20. Ministers saluted the IEA's critical analytical contributions to the success of all these initiatives.

18. Ministers were also briefed on the key messages of the recently released World Energy Outlook 2015 (WEO-2015), the IEA's flagship publication, which was published in advance of the meeting. Ministers also noted the valuable contributions made by other IEA analytical products and publications, which confirm the enormous scale and breadth of the world's energy challenges and the vital role that high-quality energy statistics and analysis play in understanding energy markets.

19. Ministers emphasized the necessity of increased in-depth cooperation, dialogue, and coordinated action, especially at the global level, for a more secure, cleaner, and sustainable energy future, for human development, and to address poverty and climate change. All Ministers present at this meeting – representing IEA members, Accession countries, and Partner countries – emphasized the need for more transparent, efficient, and effective energy policies to promote sustainable development and inclusive growth in the face of current global dynamics and developments.