



Brussels, 30 May 2016
(OR. en)

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'I/A' ITEM NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council

Subject: Commission Decision on the endorsement on behalf of the European Union of the Clean Energy Ministerial Framework Document
- Establishment of the EU position

1. On 20 May 2016, the Commission adopted the above Decision endorsing the draft of the Clean Energy Ministerial (CEM) Framework Document, which formalises and further develops the existing informal modes of cooperation between the CEM Members. The 7th meeting of the Clean Energy Ministerial will take place on 1-2 June 2016 in San Francisco.
2. Following information from the Commission at its meeting on 17 May, the Working Party on Energy examined the draft Framework Document at its meeting on 24 May 2016, expressed support for strengthening cooperation in the framework of CEM and suggested to approve the political position of the Union as reflected in the draft Framework Document set out in the Annex.¹
3. The Permanent Representatives Committee is invited to confirm the approval and suggest to the Council to approve the political position of the Union as set out in the draft Framework Document contained in the Annex.

¹ No Council document was issued, however a copy of the adopted Commission Decision has been transmitted and is attached to this note.



Brussels, 20.5.2016
C(2016) 3125 final

COMMISSION DECISION

of 20.5.2016

**on the endorsement on behalf of the European Union of the Clean Energy Ministerial
Framework Document**

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COMMISSION DECISION

of 20.5.2016

on the endorsement on behalf of the European Union of the Clean Energy Ministerial Framework Document

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the European Union, and in particular Article 17 thereof,

Whereas:

- (1) The Commission has been actively participating in the work of the Clean Energy Ministerial (CEM) since its first meeting in Washington in July 2010.
- (2) The CEM is a global forum to promote policies and share best practices in order to accelerate the global transition to clean energy. To achieve this, it aims, through ministerial level leadership, to engage with the private sector, international and non-governmental partners and also to promote initiatives and campaigns to advance clean energy policy and technology, including energy efficiency, expanding clean energy supply, supporting the transformation of energy systems and enhancing human capacity.
- (3) The CEM consists of a relatively small group of countries that, together with the European Union, has the potential for making a major impact as they represent about 90% of global clean energy investments and 75% of global greenhouse gas emissions. Apart from the European Commission Ministers from Denmark, Finland, France, Germany, Italy Spain, Sweden and the United Kingdom also participate in the CEM alongside the Ministers from the following countries which are not Members of the European Union: Australia, Brazil, Canada, China, India, Indonesia, Japan, Mexico, Norway, Russia, Saudi Arabia, South Africa, South Korea, the United Arab Emirates and the United States.
- (4) The CEM is in line with the Union objectives to move to a low carbon economy through the promotion of renewable energy sources and energy efficiency and to boost clean energy research and innovation at all levels as expressed in legislation laid down by the Parliament and Council.
- (5) It is important for the Union to continue to work with external partners both in a bilateral and in a multilateral context in the framework of initiatives such as the CEM to advance international co-operation in promoting clean energy.
- (6) The Commission Communication on "The Road from Paris: assessing the implications of the Paris Agreement and accompanying the proposal for a Council decision on the signing, on behalf of the European Union, of the Paris agreement adopted under the United Nations Framework Convention on Climate Change"¹ underlined that the Union's commitment to a clean energy transition is irreversible and non-negotiable, and the importance of the Union leading by example and by action on regulatory policies to reduce emissions while ensuring that other major economies press ahead with commitments.

¹ COM(2016) 110 final of 2.3.2016

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- (7) The Commission Communication on a Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy² defines the moving away from an economy driven by fossil fuels as one of its priorities. The research and innovation technologies listed in the same document are also reflected in the international initiatives underway in the context of the CEM.
- (8) The European Council called, in its conclusions of 20 March 2015 on the Energy Union, for "developing an energy and climate-related technology and innovation strategy" and having recourse to "safe and sustainable low carbon technologies".
- (9) The aim of the proposed CEM Framework Document is to formalise and further develop the existing informal modes of co-operation between the CEM Members.
- (10) The Energy Working Group of the Council has been informed on 17 May 2016 of the intention of the Commission to join the CEM Framework Document on behalf of the Union. Member States were also informed on the occasion of the meeting of the Strategic Group for International Energy Cooperation on 18 March 2016.
- (11) The proposed CEM Framework Document should be sent to the Council so that it has the necessary time to examine it. The Commission, on behalf of the European Union, should endorse the CEM Framework Document thereafter.
- (12) However, taking into account the current participation to the CEM and the timing of the Seventh Clean Energy Ministerial (CEM7) on 1-2 June 2016, the Commission could already express the interest of the European Union towards the Clean Energy Ministerial Framework Document, subject to the examination of the proposed CEM Framework Document by the Council. For this purpose, any such expression of interest should indicate that the Commission is currently working to ensure the necessary support for the European Union to endorse the proposed CEM Framework Document.
- (13) The proposed CEM Framework does not, nor is intended to, create any binding or legal obligations on participating entities under domestic or international law.
- (14) The proposed CEM Framework Document has no financial implications.

HAS DECIDED AS FOLLOWS:

Article 1

The Commission approves the attached Clean Energy Ministerial Framework Document.

Article 2

² COM (2015) 80 final of 25.02.2015

The Commission authorises its Vice-President responsible for Energy Union, its Member responsible for Research Science and Innovation as well as its Member responsible for Climate Action and Energy to act in co-ordination to endorse, on behalf of the European Union, the Clean Energy Ministerial Framework Document, subject to non-substantial changes.

Done at Brussels, 20.5.2016

For the Commission
Miguel ARIAS CAÑETE
Member of the Commission

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DRAFT FRAMEWORK FOR THE CLEAN ENERGY MINISTERIAL (CEM)

The Governments of [Australia, Brazil, Canada, China, Denmark, Finland, France, Germany, India, Indonesia, Italy, Japan, Korea, Mexico, Norway, Russia, Saudi Arabia, South Africa, Spain, Sweden, the United Arab Emirates, the United Kingdom, and the United States] [and the European Commission on behalf of the European Union²] (hereinafter collectively referred to as the “Members”) [*NOTE: Governments to be listed here will initially be those current CEM participating governments that endorse this Framework upon its completion and adoption by ministers at CEM7. Governments may subsequently be added or removed per process laid out in section III*]:

Recognizing that clean energy is a vital driver of economic growth, emissions reductions, energy access, and energy security;

Acknowledging that all Clean Energy Ministerial (CEM) Members have prioritized clean energy advancement, that the CEM is a voluntary and collaborative forum, and that clean energy progress will move further and faster if Members work together rather than alone;

Understanding that the CEM is most efficient and effective as a small group of governments that includes major economies and forward-leaning countries, which in 2016 account for about 75 percent of global greenhouse gas emissions and 90 percent of global clean energy investment;

Referencing the milestone Paris Agreement reached at the 21st Conference of Parties to the United Nations (UN) Framework Convention on Climate Change and the adoption in 2015 of the UN Sustainable Development Goals, the seventh of which calls for universal access to modern energy by 2030;

² The European Commission is currently working to ensure the necessary support for the European Union to endorse this Framework document.

Recognizing the unique role the CEM can play within the global clean energy institutional architecture to help its Members and the broader world implement their self-determined clean energy goals;

Emphasizing that minister-level dialogue and engagement together with sustained initiatives and campaigns is a powerful combination for accelerating clean energy policy and technology deployment;

Understanding that CEM efforts benefit from the active involvement and leadership of the private sector as well as international and non-governmental organizations; and

Building on the six years of successful collaboration through the CEM to date, including through annual ministerial meetings in the United States in 2010, *the United Arab Emirates* in 2011, the United Kingdom in 2012, India in 2013, Korea in 2014, and Mexico in 2015,

Set forth the following Framework for the Clean Energy Ministerial (the “Framework”):

I. MISSION STATEMENT

- a. The CEM aims to accelerate the global clean energy transition through a voluntary, efficient, global partnership of the world’s largest and most forward-leaning economies.

II. OBJECTIVES

- a. The CEM, through ministerial leadership; engagement by private-sector, international, and non-governmental Partners; and sustained year-round Initiatives and Campaigns aims to:
 - i. Foster ambitious, scaled-up collaborations to support implementation of Members’ self-determined clean energy goals and to encourage all Members to be even more ambitious over time;
 - ii. Advance a broad range of clean energy activities that includes improving energy efficiency, expanding clean energy supply, supporting energy system transformation, and enhancing human capacity;

- iii. Act as a platform and incubator for exchanging good practices and innovative solutions, as well as promoting their wide-scale adoption;
- iv. Leverage minister-level leadership to amplify attention to specific challenges and solutions related to clean energy and spur robust, sustained commitment to CEM Initiatives and Campaigns; and
- v. Mobilize targeted support and partnership for those countries requiring help to fully develop their clean energy capabilities.

III. MEMBERSHIP

- a. Members, which have endorsed this Framework, intend to actively collaborate with other Members and Partners to accelerate the global clean energy transition.
- b. With the understanding that the CEM is a relatively small group of the world's largest and most forward-leaning economies, Members welcome and encourage non-Member participation in CEM Initiatives and Campaigns.
- c. The Steering Committee (referred to in Section IX of this Framework) may invite additional countries and regions to join the CEM as Members. Upon invitation, the potential Member should send a letter to the CEM Secretariat expressing its interest. Expressions of interest should include the following:
 - i. Endorsement of this Framework at a ministerial level;
 - ii. Documentation of active participation in at least two CEM Initiatives and/or Campaigns for a period of at least one year;
 - iii. An outline of how the government or governing body intends to expand its CEM collaboration if it were to become a Member;
 - iv. An outline of the candidate's broader efforts and commitment to help accelerate the global clean energy transition; and
 - v. A clear expression of how the new Member would helpfully add to the CEM as a group of the world's largest and forward-leaning economies.

- d. The CEM Steering Committee should initially review all requests for membership and provide notice of all requests to all existing CEM Members. The Steering Committee may grant membership if no objection has been lodged by any existing CEM Member following notice and a reasonable time period for review by all CEM Members. Any CEM Member may object to a request for admission by providing notice of the objection to the Steering Committee. The Steering Committee should then provide notice to all CEM Members of the objection, and should facilitate discussion among interested Members with a view toward resolution.
- e. A Member may discontinue its participation in the CEM by giving written notice to the Secretariat (referred to in Section X of this Framework) ninety (90) days prior to its anticipated discontinuation.
- f. A Member may be deemed to have discontinued its participation in the CEM if its designated Minister or Vice Minister (or equivalent) does not attend annual Ministerial Meetings for two consecutive years and otherwise does not actively participate in any CEM Initiatives or Campaigns. Prior to considering membership to have discontinued on this basis, the Steering Committee should engage directly with the affected Member to discuss any extenuating circumstances and possible measures to retain membership status.

IV. CEM EXTERNAL PARTNERS

- a. CEM Members appreciate that efforts to accelerate the global clean energy transition will only be fully successful with the leadership and participation of a variety of industry, international, and non-governmental Partners.
- b. Partners should be encouraged to participate in CEM Initiatives, Campaigns, and Meetings. Coordination with Partners, in the first instance, should be done by the Secretariat and the Steering Committee, under the following general guidelines:
 - i. The Steering Committee should implement an engagement strategy for business and industry with a view to:
 - 1. Broaden business and industry participation in CEM activities; and
 - 2. Review the benefit and relevance of CEM activities to businesses and industry.

- ii. The Steering Committee, in coordination with the Secretariat and Annual Ministerial Meeting host, should invite Partner participation in any given Annual Ministerial Meeting and the Sherpas' Preparatory Meeting.
- iii. Partners should be widely encouraged to participate in CEM Initiatives and Campaigns, as coordinated by leads for each Initiative and Campaign.

V. MINISTERIAL LEADERSHIP, GUIDANCE, AND ANNUAL MEETINGS

- a. Ministers of the CEM Members ("CEM Ministers") are to serve as the ultimate priority-setting body for the CEM.
- b. CEM Ministers are strongly encouraged to both attend the Annual Ministerial Meetings as well as to provide ongoing leadership of CEM Initiatives and Campaigns throughout the year.
- c. Annual Ministerial Meetings
 - i. Ministerial Meetings should be convened annually for high-level, open, and constructive dialogue among CEM Ministers and other invited Partners and stakeholders.
 - ii. The Steering Committee and Secretariat should support identification and selection of Ministerial Meeting hosts. Members may volunteer to host a future Ministerial Meeting by expressing such interest to the Secretariat. Hosts are to be designated, ideally, at least two years in advance.
 - iii. A Member that agrees to host a Ministerial Meeting should also agree to host the Preparatory Meeting for the preceding Ministerial Meeting.
 - iv. The Ministerial Meeting host, in coordination with the Steering Committee and the Secretariat, should prepare, organize, and conduct the Ministerial Meeting so that it leads to a focused and results-oriented dialogue in pursuit of the objectives of the CEM. The costs related to the meeting venue and other administrative arrangements should be borne by the host Member, which is also encouraged to second staff to the Secretariat in the lead-up to the meeting to facilitate collaboration and communication.

- v. Unless otherwise agreed to by the Steering Committee, the two Co-Chairs of a Ministerial Meeting should consist of the Minister of the host Member and the Minister from the host Member for the following year's Ministerial Meeting.
 - vi. The Co-Chairs, with support from the Secretariat, should issue a Chairs' Summary of the meeting.
- d. Determinations
- i. On matters that impact the entire CEM Membership (e.g., changes to this Framework or CEM governance, allowing new Members to join, statements issued on behalf of the entire CEM Membership), positions should be determined on a non-objection basis following ample notification to and opportunity for input from all CEM Members. In circumstances where Ministerial determinations are needed outside of the Annual Ministerial Meetings, a written process may be employed.
 - ii. Given the voluntary, bottom-up nature of the CEM, many efforts of the CEM (including CEM Members agreeing to collaborate together on new Initiatives) may only need the support of participating CEM Members. Accordingly, such efforts may proceed without a determination by the entire CEM Membership.
 - iii. If a CEM Member wants to raise an issue to the entire CEM Membership concerning any CEM Initiative or effort pursued under paragraph d.ii of this Section that the Member believes impacts the entire CEM Membership, the CEM Member should initially advise the Steering Committee of the matter.

VI. CEM INITIATIVES

- a. CEM Initiatives are the sustained collaborative efforts established and led by CEM Members to advance clean energy policy and technology. Initiatives may take a wide variety of forms, based on the interests of Members.
- b. Initiatives should be based on areas of common interest among participating Members and other Partners and are to meet the following criteria:

- i. The Initiative's objectives align with the CEM's mission statement and objectives;
 - ii. Three or more CEM Members commit to actively participate in the Initiative's work;
 - iii. The Initiative has a detailed work plan with tangible expected outcomes;
 - iv. The work plan and expected outcomes add value apart from, or are complementary to, work taking place through other multilateral fora and benefit from CEM ministerial input and support; and
 - v. Adequate resources have been committed that should enable the work plan to be executed.
- c. After an initial three-year period, Initiatives should be renewed each year thereafter with lead and participating government Ministers re-confirming leadership and participation at the Annual Ministerial Meetings.
 - d. Non-Member participation will be at the discretion of the Members leading the Initiative.
 - e. Initiative leads are expected to provide annual updates at the time of the Annual Ministerial Meeting on the results and outcomes of their work.
 - f. Initiatives should undergo an independent review on a regular basis, to ensure work is being carried out successfully, aligned with ministerial priorities, and delivering impactful outcomes.
 - g. Initiative reviews should be coordinated by the Secretariat with guidance from the Steering Committee and conducted in the following manner:
 - i. Each Initiative should conduct a self-assessment based on the Initiative criteria; and
 - ii. A panel of independent, non-governmental experts, nominated by CEM Members, should be convened by the Secretariat to further review the Initiatives based on such self-assessments and provide recommendations.

VII. CEM CAMPAIGNS

- a. CEM Campaigns are intended to elevate prioritized Initiatives, or certain efforts of Initiatives, from the technical level to the political level in order to garner high-level ministerial guidance and more public visibility and support. Campaigns should generally be of short duration, with the underlying Initiatives being of longer duration.
- b. Each year, the Steering Committee, with discussion and endorsement by the Sherpas' Group, should undertake a transparent process to select a limited number of CEM Campaigns for consideration and potential launch at the Annual Ministerial Meeting.
- c. CEM Campaigns can take a variety of forms and can be co-branded with efforts of other international organizations, as helpful.

VIII. SHERPAS' GROUP

- a. The Sherpas' Group should be comprised of designated high-level representatives of CEM Ministers.
- b. The Sherpas' Group should meet once a year at the CEM Preparatory Meeting to recommend the Annual Ministerial Meeting agenda, select that year's CEM Campaigns, review the biennial initiative review process (when applicable) and otherwise propose decisions about new and existing Initiatives, and prepare other possible Ministerial determinations.
- c. In many instances, the Steering Committee should make recommendations to the Sherpas' Group, which will take up the issue on behalf of all CEM Members.

IX. STEERING COMMITTEE

- a. The Steering Committee should provide high-level strategic guidance on an ongoing basis, recognizing that the full body of CEM Ministers is the level at which positions affecting the entire CEM Membership are to be set. In undertaking these functions, the Steering Committee should be assisted by and provide strategic direction to the Secretariat.

- b. The Steering Committee should take the following format:
- i. The Steering Committee should be comprised of approximately six (6) to eight (8) Members, seeking both to be efficient and to represent a diversity of perspectives, and the package should be endorsed by CEM Ministers.
 - ii. Ministers of Members appointed to the Steering Committee should designate their Steering Committee representatives. The vast bulk of the Steering Committee work is to be done at the Sherpa level, although there may be limited exceptions when the Steering Committee Ministers are asked to participate.
 - iii. Steering Committee Members should serve two-year, renewable terms with staggered rotation (meaning that only half of the Steering Committee will turn over in any single year).
 - iv. The hosts for the two upcoming Annual Ministerial Meetings should be automatically included on the Steering Committee.
 - v. The immediate past Meeting-host Member and the upcoming Meeting-host Member should serve as Co-Chairs of the Steering Committee.
 - vi. Steering Committee meetings are expected to be conducted virtually on a quarterly basis at the discretion of the Steering Committee members, with the possibility of additional calls, as needed.
 - vii. CEM Ministers whose Members are represented on the Steering Committee should attend Annual Ministerial Meetings.
 - viii. All recommendations and decisions of the Steering Committee are to be made through consensus and in a transparent manner. A comprehensive summary of all Steering Committee calls should be shared with all CEM Members in a timely manner.
 - ix. The Steering Committee, at its discretion and as appropriate, may create and oversee sub-groups to undertake specific tasks. Non-Steering Committee Members are encouraged to participate in such sub-groups.
- c. The functions of the Steering Committee may include the following:
- i. Ensure that the CEM is delivering on its priorities.
 1. Provide ongoing, strategic assessment for whether the CEM overall and CEM Initiatives are on track to deliver on their priorities.

2. Promote resources, participation, and leadership for CEM efforts from a full range of CEM Members.
 3. Elevate CEM efforts through outreach and communication strategies; ensure quality control on CEM outcomes, projects, events, and branding.
 4. Coordinate with the Secretariat on a biennial review and assessment of all Initiatives to ensure work is aligned with Ministerial priorities and delivering impactful outcomes.
- ii. Ensure that the CEM is providing maximum value to all CEM Members.
1. Oversee the timely and strategic flow of information from the Secretariat and Initiatives to all CEM Members.
 2. Propose options for making determinations at the Annual Preparatory and Ministerial Meetings, including prioritizing Initiatives for special Ministerial attention, taking into account, inter alia, the extent to which these ideas can help CEM Members to meet their self-determined goals and objectives.
 3. Review requests for CEM membership.
 4. Advise and support identification of Ministerial Meeting hosts and host decision-making.
 5. Work with hosts to ensure Ministerial Meetings provide maximum value to all CEM Ministers.
- iii. Encourage and identify opportunities for access to clean energy expertise by Initiatives and broader CEM efforts.
1. Facilitate ongoing engagement with and input from key private sector stakeholders while ensuring no undue influence from any single entity.
 2. Ensure synergies and avoid duplication with other international organizations and fora.
 3. Work with Initiative leads to facilitate success and maximize utility, including helping identify potential areas for scale-up and prioritization.
- iv. Consider the annual budget of the CEM Secretariat and send it forward for approval by all CEM Ministers at the Annual Ministerial Meeting.

X. CEM SECRETARIAT

- a. The purpose of the multilateral CEM Secretariat should be to facilitate the long-term engagement of all CEM Members in the work of the CEM.
- b. The Secretariat consists of a small, flexible team and is not an independent implementing entity.
- c. The CEM Secretariat is hosted at the International Energy Agency under the “Administrative Arrangement concerning the Multilateralisation of the Clean Energy Ministerial (CEM) Secretariat.”
- d. Key functions of the Secretariat should include:
 - i. Work with CEM Members to provide support for CEM efforts.
 - ii. Connect the ongoing high-level strategic guidance from the Ministers, the Sherpas’ Group, and the Steering Committee with the day-to-day activities in the Initiatives and Campaigns through its coordination of the work of the CEM.
 - iii. Coordinate agenda-setting for annual Preparatory and Ministerial Meetings, and co-manage logistics (in partnership with Ministerial host governments) for the meetings themselves.
 - iv. Manage communications:
 - a. Internally, to and among CEM Members; and
 - b. Externally, including outreach to publicize progress and outcomes, and disseminate resources developed through the work of the CEM.
 - v. Facilitate and support meetings of the CEM Steering Committee and sub-groups.
 - vi. Support the development, direction, and review of CEM Initiatives and Campaigns.
 - vii. Facilitate the integration of international expertise on a diverse set of clean energy issues into the work of the CEM.
 - viii. Conduct sustained and broad relationship-building with government representatives, international organizations, and other Partners.

- ix. Develop and execute a funding strategy aimed at attracting new sources of funding and securing increased, steady, flexible, and reliable resources for Initiatives and Campaigns.
- x. Manage rotating secondments and designated national in-country human resources.
- xi. Manage funding mechanisms established to support Initiative and Campaign activities and the Secretariat functions.

XI. BUDGET AND EXPENDITURE

- a. In order to provide adequate and predictable financial resources for the CEM Secretariat, the fulfillment of ambitious CEM Initiatives and Campaigns, and to permit long-term planning, all CEM Members are encouraged to provide voluntary contributions on an annual or multi-year basis:
 - i. In support of the CEM Secretariat;
 - ii. To specific Initiatives or Campaigns; and
 - iii. To a central CEM Trust Fund to support CEM Initiatives and Campaigns
- b. In order to provide sufficient, foundational resources for the establishment of the Secretariat, CEM Members are encouraged to provide start-up funds until regular voluntary contribution cycles begin.
- c. CEM Members are also encouraged to provide in-kind support to the Secretariat, including through:
 - i. Secondments to the Secretariat;
 - ii. Designated in-country resources to support the Secretariat remotely; and
 - iii. Hosting meetings, workshops, and other efforts to advance CEM objectives.
- d. CEM Partners are encouraged to provide, as appropriate and in full transparency, financial and in-kind contributions to support the CEM, including its Initiatives and Campaigns, based on the following principles:

- i. Contributions are to be made with full transparency (the CEM Secretariat will make amounts and specific destinations available to all CEM Members).
 - ii. Contributions are never to be made conditionally or to secure any kind of preference or advantage for a company or organization's products and services.
- e. The budget of the Secretariat and the allocation of the CEM Trust Fund for each upcoming year are to be proposed by the Secretariat, reviewed by the Steering Committee, shared with all CEM Members, and ultimately approved at the Annual Ministerial Meeting.
- f. The budgetary year of the CEM is to be from January 1 through December 31 of each year.

XII. ENDORSEMENT, DURATION, EXTENSION, AND MODIFICATION

- a. [This Framework was endorsed at the 7th CEM Annual Ministerial Meeting on 1 June 2016, held in the United States in San Francisco, California.]
- b. Activities under this Framework may commence on [Date] and may continue in effect for five years unless discontinued by determination of CEM Members in accordance with Section V.d.i of this Framework.
- c. This Framework may be extended for additional periods upon determination of CEM Members in accordance with Section V.d.i of this Framework.
- d. Any modifications to this Framework may be made by determination of CEM Members in accordance with Section V.d.i of this Framework, and can be recommended by the Steering Committee.
- e. This Framework does not create any legally binding obligations between or among the CEM Members.
