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'I/A' ITEM NOTE

From:	General Secretariat of the Council	
To:	Permanent Representatives Committee/Council	
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Subject:	Declarations at the United Nations Framework Convention on Climate Change meetings (Marrakech, 7-18 November 2016)	
	- Approval of signature on behalf of the European Union	

- The EU involvement in various international partnerships expressed also by political
 declarations demonstrates its commitment to concrete activities, in the context of the recent
 entry into force of the Paris Agreement on 5 October 2016 and ambitious plans of the COP 22
 Moroccan Presidency for the Global Climate Action Agenda.
- 2. On 14 and 27 October 2016, the Working Party on the Environment received information from the European Commission on three declarations to be signed during the Marrakech UNFCCC meetings (7-18 November 2016): a joint declaration on the Renewable Energy Initiative, a bilateral declaration on climate cooperation with Mozambique and a joint statement on the Initiative on Climate Risk Insurance. All delegations can agree with the signature of these declarations.

3.	In light of the foregoing, the <u>Permanent Representatives Committee</u> is invited to suggest to	
	the Council that it approves the signature, on behalf of the European Union, of the	
	declarations, as set out in the Annex. This approval also covers minor changes to these texts.	

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AFRICA-EU

XX XXX 2016, MARRAKESH

JOINT DECLARATION ON RENEWABLE ENERGIES IN AFRICA

- 1. *Guided* by the shared principles of equal partnership and joint ownership between Africa and Europe, following the longstanding partnership between our two Unions,
- 2. *Recognising* the importance of energy for economic growth for sustainable and inclusive development, including to address migration challenges,
- 3. *Considering* that the enhancement of Africa's urban and rural electrification will ameliorate access and quality of basic social needs for the most vulnerable groups of the society, in health and education,
- 4. *Taking into consideration* that the increased electrification rate in Africa will stimulate African economies encouraging job creation, especially for young people, and in the same time offers potential for European companies to develop markets and exchange technologies,
- 5. *Recognising* the importance of institutional support for strengthening the regulatory environment of sustainable energy policies in order to allow the development of a vibrant and competitive international and local private sector,
- 6. Confirming our adhesion to the implementation of the African Union Agenda 2063 and the UN Agenda 2030, in particular Sustainable Development Goal (SDG) 7 on ensuring access to affordable, reliable, sustainable and modern energy for all by 2030 and SDG 13 on climate action,
- 7. Recalling the sustainable development paradigm of the Addis Ababa Action Agenda, with good governance at the core and an emphasis on shared responsibilities, the primacy of domestic action, the importance of evidence based policies, the role of the private sector and a commitment to policy coherence,
- 8. *Noting* the Joint Declarations on reinforced cooperation in the field of sustainable energy, signed at political level by thirteen African countries, the EU and other donors,

- 9. *Recognising* the role of public finance and international financial institutions in leveraging more investments to build new renewable energy capacities,
- 10. *Welcoming* the creation by the African Union of the Africa Renewable Energy Initiative AREI, to accelerating access to renewable energies in Africa with a view to reducing energy poverty and climate-resilient development,
- 11. Recognising the African Union Assembly decision Assembly/AU/DEC.609 (XXVII) at Kigali, Rwanda, the African Heads of States approved a governance structure for AREI and mandated that the African Union Commission and the African Development Bank, as coleaders of the Initiative and H.E. Alpha Condé, President of the Republic of Guinea, and Coordinator of Renewable Energies in Africa to ensure the operationalisation of AREI within the framework of the development and industrialisation of Africa and report to the Ordinary Session of the Assembly in January 2017,
- 12. Recalling the joint statement done by the EU and other partners announced in COP 21 to support the objective of the AREI initiative to achieve at least 10 GW of additional renewable energy generation investments by 2020, while the final scope will be to mobilise the African potential and generate at least 300 GW by 2030,
- 13. Acknowledging the importance of the political discussions and commitments on the AREI held in New York at the UN General Assembly on the occasion of the presentation of the President of COP 21's report on the AREI on 20 September and the African Union-European Union meeting on renewable energy on 21 September,
- 14. Acknowledging the success of the existing EU initiatives to support implementation of Renewable Energy projects in Africa, inter alia the Africa Infrastructure Initiative (AFIF) supporting large infrastructures projects, and the Electrification Financing Initiative (ElectriFI) launched at COP 21 to mobilise partners from the industry and financiers,

We declare that:

- 15. Africa and EU commit to continue working together and find synergies with the aim to adopting concrete actions and initiatives to meet AREI ambitious objectives and reaffirm our desire to hold regular political dialogues at government level, notably in the margins of international events and in the framework of our joint Africa-EU strategic cooperation.
- 16. The EU supports the establishment of effective working arrangements by the AREI Independent Delivery Unit, between all parties and relevant stakeholders, to ensure coherence and synergies in achieving the AREI goals..
- 17. By 2020, the EU will mobilise support to facilitate investments that will increase the generation capacity of at least 5 GW, through appropriate instruments and mechanisms like AFIF, ElectriFI, other EU Member States' initiatives and new opportunities as the proposed EU External Investment Plan which will be designed to encourage the development of national capacities for the implementation of bankable projects in the context of sustainable energy and climate change resilience.
- 18. The EU will continue to support African countries in the preparation of national and regional climate-resilient and low-emission development strategies and plans to reinforce the resilience of their economies to climate change, in particular in sectors such as agriculture and access to sustainable and renewable energy.
- 19. We are both committed to addressing awareness and involvement of both African and European private sector on investment opportunities, industrial cooperation, local manufacturing and transfer of technologies in Africa.
- 20. We encourage the active participation of civil society organisations, academia and other stakeholders all over the continent in the energy access agenda, thus enhancing awareness and the involvement of the final beneficiaries, addressing particular attention to women and vulnerable population.

Joint Statement on InsuResilience - The Initiative on Climate Risk Insurance

To be communicated to the public on November XX, 2016 at the InsuResilience Event at UNFCCC COP 22, XX:00 to XX:00 p.m., EU Pavilion

We reaffirm and support the commitment made by the G7 in Elmau (Germany) in June 2015:

We will intensify our support particularly for vulnerable countries' own efforts to manage climate change related disaster risk and to build resilience. We will aim to increase by up to 400 million the number of people in the most vulnerable developing countries who have access to direct or indirect insurance coverage against the negative impact of climate change related hazards by 2020 and support the development of early warning systems in the most vulnerable countries. To do so we will learn from and build on already existing risk insurance facilities such as the African Risk Capacity, the Caribbean Catastrophe Risk Insurance Facility and other efforts to develop insurance solutions and markets in vulnerable regions, including in small islands developing states, Africa, Asia and Pacific, Latin America and the Caribbean.

We reconfirm to provide funding for climate risk insurance for strengthening resilience to climate change in vulnerable countries: At the COP 21 in 2015, G7 members launched the "rapid action package" of 420 million USD providing insurance for 180 million people against climate hazards. This year, we provide additional XY USD through bilateral and multilateral co-operation aiming at insuring XY additional million vulnerable people against climate risks. We further work on mobilizing additional funding from private sources. We welcome the contributions from other countries interested in supporting people in the most vulnerable developing countries to gain access to climate risk insurance.

We intend to expand our activities to additional regions and countries to develop new and more diverse climate insurance products and risk pooling mechanisms and to cooperate with new actors.

This joint statement is supported by:

- Canada
- France
- Germany
- Italy
- Japan
- United Kingdom
- United States of America
- EU

Associated partners of the InsuResilience Initiative are:

- The World Bank
- Asian Development Bank
- World Food Programme
- International Fund for Agricultural Development
- Insurance Development Forum
- The Vulnerable Twenty Group

Open to more signatories after COP 22 in Marrakesh.

This Declaration does not, nor is it intended to, create any binding, legal or financial obligations on either side under domestic or international law.

Appendix to the Joint Statement on InsuResilience:

We are actively working on insurance solutions with partners to contribute to

- close the humanitarian finance gap with humanitarian aid actors,
- insure the urban poor with cities around the world,
- expand the services of micro finance institutions towards insuring poor and vulnerable people.

At COP 21 the InsuResilience launched the Rapid Action Package including support for the implementation and exploration of several climate risk insurance facilities and other insurance related initiatives. This Package has been extended with new initiatives proposed at COP 22.

Rapid Action Package facilities and initiatives:

- African Risk Capacity (ARC) and ARC Replica
- Caribbean and Central American Catastrophe Risk Insurance Facility (CCRIF)
- Pacific Catastrophe Risk Assessment and Financing Initiative (PCRAFI)
- Climate Insurance Fund (CIF)
- Climate Risk and Early Warning Systems Initiative (CREWS)
- Global Index Insurance Facility (GIIF)
- InsuResilience Programme with the World Bank
- Rural Resilience Initiative (R4)
- Natural Disaster Fund (NDF)
- As well as other bilaterally agreed schemes

Joint Declaration

Between the European Union (EU), the Federal Republic of Germany, the Government of the Republic of Austria, the Kingdom of Belgium, the Kingdom of Denmark, the Kingdom of Spain, the Republic of Finland, the French Republic, the Republic of Ireland, the Italian Republic, the Kingdom of the Netherlands, the Portuguese Republic, the United Kingdom of Great Britain and Northern Ireland, the Kingdom of Sweden, the Kingdom of Norway and the Republic of Mozambique

On reinforced cooperation in the field of renewable energy

- Acknowledging that access to energy has been identified by the Republic of Mozambique as a
 fundamental instrument for improving living conditions of the Mozambique People by
 increasing employment, economic productivity and competitiveness, generating wealth and
 inclusive development, in a framework of peace, safety, harmony solidarity, justice and
 cohesion among Mozambican;
- 2. Welcoming the development by the Republic of Mozambique of an ambitious target on energy access by 2020 in the framework of the Five Years Government Programme 2015 2019 which aims to double the access to energy to attaint 50% of the population;
- 3. Considering the Republic of Mozambique's efforts to elaborate a Renewable Energy Development Policy (2009), a Biofuels National Strategy Policy (2009), a National Energy's Strategy (2009), a National Strategy for Development of Renewable Energies for the period 2011-2025, a National Strategy for fighting Climate Change covering 2013-2030 and the fact that renewable energy plays a key role for the achievement of Government's objectives;
- 4. Noting that the Republic of Mozambique's strategy is in line with the objectives of the "Sustainable Energy for All" initiative, already subscribed by the Government of Mozambique in 2013, of i) ensuring universal access to modern energy services, ii) doubling the global rate of improvement in energy efficiency and iii) doubling the share of renewable energy in the global energy mix, but taking into account that the roll-out of this ambitious strategy will require important efforts in terms of means and capacity;

- 5. Further considering the adoption in December 2015 (COP 21) of the Paris Agreement, which aims to hold the increase in the global average temperature to well below 2°C above preindustrial levels and pursuing efforts to limit the temperature increase to 1.5°C above preindustrial levels and make climate flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development
- 6. Further considering the Africa Renewable Energy Initiative launched at the COP 21 in Paris and as decided at the Johannesburg African Union Summit in June 2015 (Assembly/AU/16 (XXV)) that aims to increase access to renewable energy and reducing energy poverty in Africa, with an initial goal of 10 GW of additional renewable energy capacity by 2020 and an aspirational goal of 300 GW of additional renewable energy capacity by 2030;
- 7. Considering that the Agenda for Change encourages the EU to assist partner countries in the fight against energy poverty and to accompany them on a path to sustainable growth. Key issues addressed in the Agenda for Change include good governance, inclusive and sustainable growth, agriculture, food security, clean energy, and improving resilience to natural disasters and to the consequences of climate change;
- 8. Building on the support already provided by the European Union, the European Member States with representation in Mozambique, Norway and other partners in the energy field such as the European Investment Bank, the World Bank, the African Development Bank, the United Nations and the Japanese Cooperation;
- 9. Considering specifically past and ongoing support programmes to the energy sector funded by the EU institutions and the EU Member States, including for the promotion of renewable energies, through either grants or concessional loans;
- 10. Underlining the contribution that the Southern African Centre for Renewable Energy and Energy Efficiency (SACREE), established by the Southern African Development Community in 2015, can provide for fostering regional integration and cooperation in the field of renewable energy and energy efficiency;

- 11. Taking into account the complementarity of the actions of the EU and its Member States and Norway in using limited public sector funds to leverage more significant amounts of financing partnerships, and to put the right sustainable technologies to the benefit of as many citizens as possible;
- 12. Recognising that a reinforced cooperation of the EU, the Federal Republic of Germany, the Government of the Republic of Austria, the Kingdom of Belgium, the Kingdom of Denmark, the Kingdom of Spain, the Republic of Finland, the French Republic, the Republic of Ireland, the Italian Republic, the Kingdom of the Netherlands, the Portuguese Republic, the United Kingdom of Great Britain and Northern Ireland, the Kingdom of Sweden and the Kingdom of Norway with the Republic of Mozambique will contribute to create the necessary framework conditions to increase investment, avoid duplication and dispersion of funding and stimulate individual efforts;
- 13. Confident that this reinforced cooperation can accelerate national energy objectives, substantially increase sustainable energy access, achieve reliable and cost effective electricity generation and can help to supply affordable, renewable and modern energy services to the population while improving the efficiency of energy infrastructure and use. This effort will contribute to promoting peace and security by avoiding the marginalization and exclusion of the majority of the population, it will revitalize the economy by maximizing economic, financial, social and environmental benefits, help promote sustainable industrial development and contribute to increased resilience to crises and disasters;
- 14. Recognizing and building upon previous and existing cooperation within the national and regional context;
- 15. All signatories will take steps towards the improved organization of a sector dialogue on energy, together with the other donors in the energy sector.

- 16. The EU, the Federal Republic of Germany, the Government of the Republic of Austria, the Kingdom of Belgium, the Kingdom of Denmark, the Kingdom of Spain, the Republic of Finland, the French Republic, the Republic of Ireland, the Italian Republic, the Kingdom of the Netherlands, the Portuguese Republic, the United Kingdom of Great Britain and Northern Ireland, the Kingdom of Sweden and the Kingdom of Norway will coordinate and endeavour to:
 - a. Provide technical assistance to the Republic of Mozambique to elaborate and review its policies.
 - b. Promote and prepare relevant projects and provide the technical knowledge transfer to the Republic of Mozambique.
 - c. Help to identify and bring forward potential energy projects that could be financed with the assistance of the donor community in order to increase the access of the population to modern efficient sustainable and reliable energy services.
 - d. Assist in the development of a comprehensive Master Plan for energy supply in rural areas that can help to identify projects to increase off-grid access and the development of mini-grids.
 - e. Promote the mobilization of the private sector and civil society in the field of energy inter alia through the organisation of business fora to inform and attract the private sector and financing institutions towards sustainable energy investments in Mozambique.
- 17. The Government of the Republic of Mozambique will endeavour to:
 - a. Actively participate in the energy sector dialogue ensuring access of information related to funding and project preparation in the sector of renewable energy.
 - b. Overcome sector related difficulties by implementation of legislative and regulatory reforms including off-grid tariff regulation, regular tariff-increases to cost reflective levels and establishing an appropriate environment enabling private sector investment in the energy sector while encouraging phasing out of subsidies and supporting economically viable business models.

- c. Promote the use of renewable energy technologies and solutions with a view to limiting the negative climate and environment related impacts of energy generation and use.
- d. Foster regional cooperation regarding the provision of efficient, reliable and competitive energy sources to all SADC Member States through the common exploitation of traditional and alternative energy sources, thereby serving as a model for the creation of networks of regional renewable energy and energy efficiency centres.
- 18. An indicative Roadmap could outline possible actions with a view to increase the provision of modern, secure, competitive and sustainable energy services to the Republic of Mozambique population and enterprises, with a provisional timeline for implementation. This Roadmap could as well aim at mutually strengthening the individual efforts of the different partners.

This Declaration does not, nor is it intended to, create any binding, legal or financial obligations on either side under domestic or international law.

Signed on XXX 2016

in XXXXXXXXX

The European Commission,

For the Republic of Mozambique

on behalf of the European Union

For the Federal Republic of Germany	For the Republic of Ireland		
For the Kingdom of Belgium	For the Italian Republic		
For the Kingdom of Denmark	For the Kingdom of the Netherlands,		
For the Government of the Republic of Austria	For the Portuguese Republic		
For the Kingdom of Spain	For the United Kingdom of Great Britain and Northern Ireland		
For the Republic of Finland	For the Kingdom of Sweden		
For the French Republic	For the Kingdom of Norway		
Done in sixteen original copies — Each signatory retains one copy			