

IEA Ministerial Statement on Energy and Climate Change

Energy production and use account for around two-thirds of global greenhouse gas (GHG) emissions, meaning that actions in the energy sector are crucial to addressing our shared climate change challenge. Moreover, access to energy is a precondition for economic and social development, highlighting the need to eliminate energy poverty. We, the ministers with responsibility for energy attending the International Energy Agency (IEA) 2015 Ministerial meeting, recognise that a transformation of the world's energy system is essential and must be a unifying vision if our common climate change, development, economic, and energy security goals are to be achieved.

We note that the transformation to a safe and sustainable low-carbon energy system is underway, with the IEA reporting that:

- Renewables accounted for nearly half of the growth in global electricity generation capacity in 2014, as supportive policies and rapidly declining costs, such as for solar photovoltaics, helped to deliver a record-high 130 gigawatts of new capacity around the world.
- Energy efficiency regulations now cover 27% of the world's energy consumption (up from 12% in 2005).
- The rise of distributed generation, smart grids and storage technologies are rapidly changing the way energy is supplied and consumed.

Energy ministers have a central role in facilitating and accelerating these developments. This includes policies that enable economically feasible solutions at scale, substantially accelerating technological innovation, employing a wide diversity of clean, safe and sustainable energy solutions, and fully leveraging the financial assets and deployment capabilities of the private sector.

We recognise that, according to science, deep cuts in global GHG emissions are required to hold the increase in global average temperature below two degrees Celsius (2 °C) above pre-industrial levels. Safe and sustainable low-carbon technologies and energy efficiency play a critical role in promoting energy security. We take special note of the important opportunity that the 21st Conference of the Parties of the United Nations Framework Convention on Climate Change (COP21), in December 2015, offers all countries to set in motion an ambitious cycle of increasing climate and clean energy action over time, supported by mutual confidence and co-operation, and a robust international framework. We emphasise the need to explicitly recognise and signal for COP21 that an energy transformation is necessary if our climate goals are to be achieved and that the transformation is underway. We will continue to support our respective negotiators to successfully conclude an ambitious agreement.

We highlight that many countries, including all IEA member countries, have submitted intended nationally determined contributions (INDCs) ahead of COP21 and are committed to ensuring their full implementation. We welcome the positive influence that these INDCs will have on future energy sector trends, and we endorse the conclusion of IEA analysis that they should be seen as a first step upon which to take regular further steps that build ever-increasing ambition.

We commend the IEA for its work supporting the energy transformation to a safe and sustainable low-carbon energy system. We acknowledge that global energy markets continue to change and that

the IEA has a leadership role in encouraging major energy consumers and producers to participate in the transformation of the world's energy system in a flexible and inclusive manner. We welcome, in particular, the five key opportunities* recommended to reduce GHG emissions from the energy sector, while maintaining the economic and sustainable development prospects of all regions. These are:

1. Increasing energy efficiency in the industry, buildings and transport sectors.
2. Phasing-out the use of the least-efficient coal-fired power plants.
3. Increasing investment in renewable energy technologies (including hydropower) over time, reaching at least \$400 billion in 2030.
4. Gradual phasing out of inefficient fossil-fuel subsidies to end-users.
5. Reducing methane emissions from oil and gas production.

* *World Energy Outlook 2015 Special Report on Energy and Climate Change*

By acting on these opportunities, we could reduce the inefficient use of energy and bring forward the necessary decline in global energy-related emissions. We agree to consider these recommendations when setting our own energy and climate strategies, and we encourage other countries to do so as well.

We also recognise that there is an imperative to accelerate widespread innovation in a full range of safe and sustainable clean and more efficient energy technologies, as central to transforming the world's energy system. Accelerating innovation is vital to meet our shared, long-term climate goals; for affordable and reliable energy for everyone; and to further promote energy security. We acknowledge the contribution of technological innovation to fostering economic growth and the need to incentivise investments in safe and sustainable low-carbon energy technologies, using a range of available policy options such as policies to support research, development, and demonstration (RD&D) and carbon pricing.

Our countries have a vital role in helping to develop new, breakthrough technologies and helping to enable emerging energy technologies to become technically and commercially viable. We recognise the important role of the private and public sectors in making the investments and developing the technologies and good practices needed to reduce costs and further progress towards a more clean, efficient and sustainable energy system. To this end, we believe the IEA Implementing Agreements' energy technology network can play a stronger role in bringing together experts from governments and industry to carry out mutually beneficial programmes and projects on energy technology RD&D.

We also call upon the IEA to continue to provide recommendations for enhancing the economic and environmental sustainability of the energy sector, including recommendations to reduce local pollution. To support this, we encourage the IEA to expand its efforts in tracking energy-sector transformation (e.g. through holistic, long-term energy planning analysis) and to increase international collaboration in this area. This must all be supported by high-quality energy statistics.

By urgently and fully taking advantage of all of these opportunities, we can build momentum towards a transformed global energy system that achieves our common climate change, development, economic, and energy security goals.