

**Briefing Note** 

To the G20 Energy Sustainability Working Group Meeting Munich, Germany 14-15 December 2016

# The IEF Energy Efficiency Knowledge Sharing Framework for the G20 Energy Efficiency Leading Programme

# Introduction

Energy Ministers gathered at the 6<sup>th</sup> Asian Energy Ministerial (Doha, Qatar November 2015) and the 2<sup>nd</sup> G20 Energy Ministers Meeting (Beijing, China, June 2016) requested the International Energy Forum to establish an Energy Efficiency Knowledge Sharing Framework in recognition of the rising importance of energy efficiency to serve four key objectives:

- 1. Increase productivity in an era of waning global growth,
- 2. Strengthen competitiveness in a more open global economy,
- 3. Advance innovation and new energy technologies,
- 4. Reduce Green House Gas (GHG) emissions and other harmful impacts.

IEF Energy Ministers gathered at the 15th session of the International Energy Forum Ministerial Meeting (Algiers, Algeria September 2016) embraced these initiatives giving a new impetus to the IEF dialogue.

Ministers identified Knowledge Sharing on Energy Efficiency as a key area in which producerconsumer dialogue can make a significant positive contribution. Sharing experiences and advancing energy technology solutions stands to broaden trade and investment opportunities and accelerate energy efficiency gains across regions to serve the above listed four key objectives. The Kingdom of Saudi Arabia and Japan are among the key supporters of a more structured dialogue among energy importing and exporting countries and across the wide range of institutions to help amplify and focus efforts.

This discussion note, focusses on the set up of the IEF Energy Efficiency Knowledge Sharing Framework in the context of the G20 Energy Efficiency leading Programme in 2017 including a first preparatory roundtable and subsequent meetings that may take place in 2017 and beyond, possibly in conjunction with the planned meetings of the Energy Sustainability Working Group Meetings held under the G20 Presidency of Germany and Argentina in 2017 and 2018. Where ever expedient, the IEF Energy Efficiency Knowledge Sharing Framework will work alongside existing structures and major events on the international energy agenda to optimise dialogue outcomes and an efficient use resources.

## The IEF Energy Efficiency Knowledge Sharing Framework

### For the G20 Energy Efficiency Leading Programme

The timeliness and scope of the IEF Energy Efficiency Knowledge Sharing Framework will also depend on the support of G20 IEF member countries and the cooperation with which other international organisations and agencies will support the launch of this new IEF initiative. The support of the German G20 Presidency in 2016, is vital alongside that of Saudi Arabia, Japan and other key G20 and IEF member countries including that of Argentina when it takes over the G20 Presidency in 2018, to help implement the IEF Energy Efficiency Knowledge Sharing Framework as part of the G20 Energy Efficiency Leading Programme agreed under the G20 Presidency of China in 2016.

# Enhancing dialogue on an inclusive platform to accelerate momentum

Energy efficiency matters to both energy producers and consumers. To manage the cost of energy import dependency and respond to market incentives to improve productivity, energy efficiency has been most vigorously pursued in energy importing market economies, where gains thus far have been the highest.

Energy efficiency has gained prominence in producing countries too, in response to rising energy demand stemming from population growth, and to help enable economic transformations that foster growth and employment by increasing the competitiveness of resource economies internationally. Major undertakings are being launched to improve energy efficiency in energy exporting countries consequently, the comparative advantages and social economic expectations associated with holding large energy resources notwithstanding (e.g. Mexico, Saudi Arabia).

Available experiences and technologies build up over the past years stand to be more readily deployed in major growth economies too as their energy demand increases and the incentive to invest in more energy efficient development pathways increases accordingly.<sup>1</sup>

Finally, energy efficiency gains in energy supply chains and transformative process will become more critical as global energy demand shall continue to rely on fossil fuels. Sharing experiences in moving from subcritical to ultra-super critical coal and gas fired power generation and increased fuel efficiency standards in the transport sector are areas where energy efficiency gains can be made with available technologies.

The IEF Energy Efficiency Knowledge Sharing Framework seizes on the opportunity these developments create for improving secure and healthy energy market functioning and helps bring sustainable development and climate goals within closer reach for all energy sector stakeholders.

<sup>&</sup>lt;sup>1</sup> See for instance: Background paper IEF Symposium on Energy Efficiency in Developing Countries hosted by the IEF in cooperation with the Ministry of Energy and Mines of Indonesia in Jakarta June 2011

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### **Next Steps**

- The IEF has included work on the establishment of the IEF Energy Efficiency Knowledge Sharing Framework in its Programme of Work for 2017-2018 under the item G20 related work. This will be discussed at the next IEF Executive Board Meeting taking place in Riyadh on 14 December 2016 coinciding with the first meeting of the Energy Sustainability Working Group held under the German G20 Presidency in Munich 13-15 December 2016.
- 2. The IEF is currently conducting consultations with Saudi Arabia, Japan other IEF and G20 member countries as well as relevant international organisations to consider next steps that will ensure a successful launch of the IEF Energy Efficiency Knowledge Sharing Framework for the purposes of the G20 Energy Efficiency Leading Programme to strengthen ongoing initiatives and amplify synergies globally.
- 3. Next steps will be taken, depending on the outcomes of the scoping exercise that is currently ongoing and the further guidance received from the IEF Executive Board and German G20 Presidency alongside other government and industry stakeholders.
- 4. A first brainstorming session with relevant member country representatives, key organisations, and industry representatives may be planned, in 2017, if possible, in the margins of the Second G20 Energy and Sustainability Working Group taking place under the German G20 Presidency or other suitable timing and venue (e.g. Asia or Middle East).
- 5. In the meantime, IEF will continue to mainstream energy efficiency in the energy dialogue and shall establish a dedicated web portal to further ensure that the IEF Energy Efficiency Knowledge Sharing Framework is visible and accessible to all. The experience and practices build up in the Joint Organisations Data Initiative and other knowledge sharing platforms will serve as a model.

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