

## **Ministerial Declaration about the progress of Mesoamerican Energy Integration and Trade in Low Carbon Electricity**

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**The Governments of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama (members of SIEPAC), together with the Governments of Belize, Colombia, Dominican Republic, and Mexico:**

1. Recognize our shared interest in promoting regional energy trade, foment economic growth, increase the competitiveness of countries, and fight poverty;
2. Reaffirm our commitment to providing all our citizens with access to sustainable, reliable, and affordable electricity;
3. Recognize the benefits of promoting the use of domestic renewable energy sources, cleaner and economically viable energy technologies to reduce greenhouse gas emissions, strengthen energy security, and mitigate climate change;
4. Recall the commitment of our Presidents and Prime Ministers, at the Fifth Summit of the Americas in 2009, to expand cooperation on energy and climate change through the Energy and Climate Partnership of the Americas (ECPA); and at the Sixth Summit of the Americas in 2012, recall their mandate to promote and/or optimize electrical interconnection and foster the development of renewable energy generation in the Americas, through the Connecting the Americas 2022 (Connect 2022) initiative launched by Colombia;
5. Recall the efforts of integration and Mesoamerican development, particularly in the Tuxtla Mechanism for Dialogue and Cooperation, created in 1991 as a principal forum for political dialogue and cooperation in the region, and which for 20 years has led to capacity building and collaboration in distinct topics, including energy;
6. We recall resolution 6.2 of the XIII Summit of the Heads of State and Government of the Tuxtla Mechanism for Dialogue and Cooperation, effective the 5<sup>th</sup> of December 2011, where the Leaders of Mesoamerica instructed the electric sector actors involved to conclude the construction works and efforts

along the SIEPAC line, and to be entered into force the Regional Electricity Market rules (MER) and thus, a fully functioning market;

7. Take into consideration the discussion about the need for greater energy security, sustained between the Heads of State and of Government of the Central American Integration System (SICA) and President of the United States, Barack Obama, which took place in San Jose, Costa Rica in May 2013;
8. Recognize that legal and regulatory frameworks are necessary to give certainty and the conditions to attract the required investment in the Mesoamerican energy sector;
9. Recall the Framework Treaty and two Protocols for the Central American Electricity Market (MER) and the extensive progress made in developing the MER and strengthening Mesoamerican capacity to integrate our power sectors and advance national and regional objectives to promote renewable energy, the diversification of the electricity generation mix, and energy efficiency; and
10. Applaud the efforts undertaken by the member countries of SIEPAC and the regional institutions such as the *Consejo Director del MER* (CDMER), the *Comisión Regional de Interconexión Eléctrica* (CRIE), the *Ente Operador Regional* (EOR), and the *Empresa Propietaria de la Red* (EPR) that permitted the initiation of operations of the Regional Electricity Market under the MER regulations as of June 1st, 2013.

**We reaffirm our commitment to advancing Mesoamerican cooperation in the following areas, and to report progress in relevant forums:**

1. Explore options and mechanisms that make power integration between the members of SIEPAC, Belize, Colombia, and Mexico a reality.
2. Continue the actions for technical, social, environmental, and financial solutions to complete the electric interconnection infrastructure between Panamá and Colombia.
3. Establish a working group, comprised of representatives of all Mesoamerica Project countries, to analyze, with support from the Inter-American Development Bank (IDB), options for commercialization and transportation of natural gas in the region to reduce local electricity

production costs and diversify our energy mix with less carbon emissions. This working group shall present a preliminary report for the first quarter of 2014.

4. Explore options to simplify the process of development and integration of renewable energy sources in the energy mix to achieve the objectives of national energy policies, in accordance with national laws.
5. Promote actions to complete the implementation of a policy and regulatory environment that provides legal certainty for stakeholders in the development of the regional electricity market in the medium and long term.
6. Explore, with support from the Inter-American Development Bank, potential funding sources for the development of renewable energy projects and clean and efficient technologies in the region.
7. We reaffirm our commitment to facilitating a robust and functioning regional electricity market.

**Signed in the city of Washington, DC, June 28, 2013, in two versions, one in Spanish and one in English, both being authentic.**