

## TERMS OF REFERENCE FOR THE METHANE TO MARKETS PARTNERSHIP

The undersigned national government entities (collectively referred to as “the Partners”) set forth the following Terms of Reference for the Methane to Markets Partnership (referred to as “the Partnership”). Methane to Markets serves as a framework to ~~promote cost-effective, near-term methane recovery internationally~~ *achieve global reductions of anthropogenic methane* through partnerships among developed countries, developing countries, and countries with economies in transition in coordination with the private sector, researchers, development banks, and other relevant governmental and non-governmental organizations.

### 1. Purpose

To create a voluntary, non-binding framework for international cooperation to *reduce methane emissions and* advance the recovery and use of methane as a valuable clean energy source. *In doing so, the Methane to Markets Partners seek* to increase energy security, enhance economic growth, improve air quality, improve industrial safety, and reduce greenhouse gas emissions throughout the world. The Partnership will focus on the development of strategies and markets for the recovery and use of methane through technology development, demonstration, deployment and diffusion, implementation of effective policy frameworks, identification of ways and means to support investment, and removal of barriers to collaborative project development and implementation. *The Partnership will serve to complement and support Partner’s efforts implemented under the United Nations’ Framework Convention on Climate Change.*

### 2. Functions

The Partners will seek to:

- 2.1 Identify and promote areas of bilateral, multilateral, and private sector collaboration on methane recovery and use initially in the areas of coal mining, oil and natural gas systems, ~~and~~ landfills, *agriculture (manure management agro-industrial waste)*, and subsequently in other areas as agreed to by the Partners.
- 2.2 Develop improved emissions estimates and identify the largest relevant emission sources to facilitate project development.
- 2.3 Identify cost-effective opportunities to recover methane emissions for energy production and potential financing mechanisms to encourage investment.
- 2.4 Identify and address barriers to project development and improve the legal, regulatory, financial, institutional, technological and other conditions necessary to attract investment in methane recovery and utilization projects.
- 2.5 Identify and implement collaborative projects aimed at addressing specific challenges to methane recovery, such as raising awareness in key industries, removing barriers to project development and implementation, identifying project

- 2.6 Foster cooperation with the private sector, research organizations, development banks, and other relevant governmental and non-governmental organizations.
- 2.7 Integrate and coordinate Partnership activities with related activities and initiatives.
- 2.8 Support the identification and deployment of best management practices in the recovery and use of methane.
- ~~2.9 — Work to improve scientific understanding and certainty in relation to the recovery and use of methane.~~
- 2.10 Develop *and implement* collaborative *country* action plans that outline a series of concrete activities and actions that directly support the core goals and functions of the Partnership.
- ~~2.11 — Develop and implement a process for evaluating progress and reporting results. Evaluate activities and report progress of the Partnership’s efforts to the international community~~

### 3. Organization

- 3.1 A Steering Committee, Administrative Support Group, and ~~three~~ *four* Subcommittees ~~will~~ *are to* be formed. The Subcommittees will focus on the following focal areas: Coal Mines, Landfills, *Agriculture (manure management and agro-industrial waste)*, and Oil and Gas Systems. The Steering Committee may establish additional Subcommittees in other focal areas as agreed, ~~for example, in the agriculture and livestock sector~~. Each Subcommittee will create and support a Project Network.
- 3.1 The Steering Committee will govern the overall framework, policies and procedures of the Partnership; annually review progress of the initiative; and provide guidance to the Administrative Support Group and Subcommittees. The Steering Committee should meet at least once per year, at times and locations to be determined by its appointed representatives. The Steering Committee will make decisions by consensus.
- 3.2 Appendix A lists those Partners that may appoint up to two representatives to the Steering Committee.<sup>1</sup> Appendix A may be amended by consensus of the Steering Committee.

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<sup>1</sup> Options for revising the organization of the Steering Committee are outlined in the white paper entitled “Steering and Technical Subcommittee Membership Procedures” (M2M7/Doc.4).

- 3.3 The Subcommittees will be responsible for guidance and assessment of area-specific activities and engaging representatives of the private sector, development banks, researchers and other relevant governmental and non-governmental organizations. Each Subcommittee will ~~develop a work to implement its~~ collaborative action plan, *support all Partners in the development and implementation of their country-specific action plans*, provide guidance on project identification, identify and address key barriers and issues for project development, address market assessment and reform issues, facilitate investment and financing opportunities, and report on progress. Subcommittees will report to the Steering Committee. Subcommittees will meet as often as necessary to fulfill their responsibilities, making use of electronic media (including email, teleconference and videoconference) as appropriate in order to minimize travel. Each Subcommittee will make decisions by consensus.
- 3.4 The Subcommittees will be comprised of representatives from interested Partners.<sup>2</sup> Each Partner may appoint up to three members to each Subcommittee. Each Subcommittee will elect two co-chairs, one from a developed and the other from a developing country or country with an economy in transition, *and one vice chair*.
- 3.5 A Project Network will be created under each Subcommittee to serve as an informal mechanism to facilitate communication, project development and implementation, and private sector involvement. The Project Network will be key to reaching out to and organizing the efforts of the private sector, governmental and non-governmental organizations. The Project Network will be comprised of representatives from local governments, the private sector, the research community, development banks, and other governmental and non-governmental organizations. Those interested in becoming partners in the Project Network will sign and submit a Project Network Membership Agreement.
- 3.6 The Administrative Support Group will serve as the principal coordinator of the Partnership's communications and activities. The focus of the Group will be administrative. The Group will not act on matters of substance except as specifically instructed by the Steering Committee. Specifically, the Group will:
- 3.6.1 Organize the meetings of the Partnership,
  - 3.6.2 Arrange special activities such as teleconferences and workshops,
  - 3.6.3 Receive and forward new membership requests to the Steering Committee,
  - 3.6.4 Coordinate communications of Partnership activities and their status,
  - 3.6.5 Act as a clearinghouse for information for the Partnership,
  - 3.6.6 Provide support for activities related to the Project Network, and
  - 3.6.7 Perform such other tasks as the Steering Committee directs.

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<sup>2</sup> Options for revising the organization of the Technical Subcommittees are also outlined in the white paper entitled "Steering and Technical Subcommittee Membership Procedures" (M2M7/Doc.4).

- 3.7 The Administrative Support Group will be supported and hosted ~~initially~~ by the United States, at the Environmental Protection Agency in Washington D.C., ~~for a period of two years~~. ~~Thereafter~~, The Group can be moved to another host by the consensus of the Steering Committee. Each Partner will designate an administrative liaison to serve as its principal point of contact to the Group.
- 3.8 The Administrative Support Group may, if appropriate, involve personnel employed by the Partners to assist in specific activities undertaken by the Group. Such personnel will be remunerated by their respective employers and will remain subject to their employers' conditions of employment.

#### **4. *Action Plans and Reporting***

- 4.1 All Partners should complete national methane action plans for the sectors in which they have nominated Subcommittee delegates by November 2012 or for countries joining after that date, within two (2) years of signing the Terms of Reference. The action plans will be iterative in nature and serve to advance project development, as well as facilitate investment and financing opportunities. Action plans should provide overviews of the relevant sectors and emission sources, identify existing institutions, policies and measures, identify key barriers and recommended steps for addressing those barriers, and address other issues relevant to project development as appropriate. Partners should support each other in the development and implementation of these Action Plans by providing technical, financial or other support when necessary.*
- 4.2 Partners should detail their activities in support of their action plans and their accomplishments to the Administrative Support Group on an annual basis. The report should include an updated slate of Steering and Subcommittee delegates.*

#### **5. Membership**

- 4.1 These Terms of Reference establish a framework for voluntary cooperation and do not create any legally binding obligations between or among the Partners. Each Partner is expected to conduct the activities contemplated by these Terms of Reference in accordance with the laws under which it operates and the international instruments to which it is a party.
- 4.2 The Steering Committee may invite other national governmental entities to join the Partnership through endorsement of the Terms of Reference.

#### **6. Funding**

- 5.1 Participation in the Partnership is on a voluntary basis. Each Partner may, at its discretion, contribute funds, personnel and other resources to the Partnership subject to the laws, regulations and policies of the Partner. Any costs arising from the

activities contemplated in these Terms of Reference are to be borne by the Partner that incurs them, unless other arrangements have been made.

5.2 These Terms of Reference do not create any right or benefit, substantive or procedural, enforceable by law or equity against the Partner, their officers or employees, or any other person. No Partner should submit a claim for compensation to another Partner for activities it carries out under these Terms of Reference. These Terms of Reference do not direct or apply to any person outside of the governments of the Partners.

## **7. Commencement, Modification, Termination, Extension, and Withdrawal**

### 6.1 Commencement, Modification and Termination

6.1.1 These Terms of Reference will commence on November 16, 2004 and will continue in effect for 5 years unless extended or terminated by the Steering Committee.

6.1.2 These Terms of Reference may be modified at any time by consensus of the Steering Committee.

### 6.2 Extension and Withdrawal

6.2.1 By consensus, the Steering Committee may extend these Terms of Reference for additional periods.

6.2.2 A Partner may withdraw from the Partnership by giving written notice to the other Partners and the Administrative Support Group 90 days prior to its anticipated withdrawal.

## Appendix A

Argentina  
Australia  
Brazil  
Canada  
China  
Colombia  
*Ecuador*  
*European Commission*  
*Finland*  
India  
Italy  
Japan  
Mexico  
Nigeria  
Poland  
*Republic of Korea*  
Russia  
Ukraine  
United Kingdom  
United States