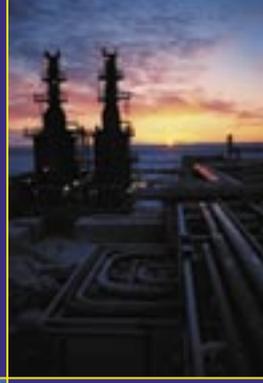


ENERGY CHARTER



ANNUAL REPORT 2004



ENERGY CHARTER SECRETARIAT





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Foreword

**Secretary General,
Dr Ria Kemper**



In 2004 the Energy Charter Treaty celebrated the tenth anniversary of its signature, and this was therefore a very appropriate moment to step back and assess the achievements of the Charter process and its future role. The formal review of the Charter that took place in 2004 - as required by the Treaty itself - was comprehensive and very capably led by Dr Pieter Boot, Deputy Director General in the Dutch Ministry of Economic Affairs.

One essential outcome of the Review is that all participating states have confirmed their commitment to the Charter process, underlining the continuing importance of a broad legal framework covering the key areas of investment, cross-border flows and energy efficiency across Eurasia. Within these areas, both the formal conclusions of the Review, which are available on page 26 of this Annual Report, and the ideas and recommendations that have been debated throughout the year will provide invaluable and practical guidance for the future of the Charter process.

Other encouraging features of 2004 were the endorsement by the Energy Charter Conference of an Industry Advisory Panel as a consultative body to the Charter process, and also the renewed commitment from the member states - and from the European Union and the Russian Federation in particular - to finalise negotiations on the draft Transit Protocol. There is still work to be done to reap the benefits of these decisions, but the potential for strengthening the Charter process in both cases is very significant.

I hope that this Annual Report can help to provide a clear picture of the activities of the Charter process, both for our members, the fifty-one governments that participate in the process, and for a wider audience of readers. In the Secretariat, we are aware of the important challenges that lie ahead, not least in promoting ratification of the Energy Charter Treaty by all its signatory states.

But at the same time, we believe that the Charter process is well placed to support the development of more open and competitive energy markets across Eurasia. We are also confident that the Treaty, as the best available multilateral instrument for investor protection in the energy sector, will continue to generate considerable interest among non-member countries.

Dr Ria Kemper
Secretary General
Energy Charter Secretariat



The Charter Treaty - 10 years on

“The Contracting Parties and other Signatories to the Energy Charter Treaty confirm their continuing commitment to the Energy Charter process, which we consider to be an important and useful tool for enhancing our relations in the energy field, based on complementarities and mutual benefits.

The strength of this process is based upon its unique legal framework and its potential as a policy forum, promoting our common objectives to strengthen international energy cooperation, to enhance the security of energy supply and access to energy markets, to maximise the efficiency of energy production and consumption, and to minimise their environmental impact. Mutual complementarities and increasing inter-dependence in energy matters underscore the value of a broad cooperative framework that can promote energy investments, facilitate cross-border flows of energy and improve energy efficiency.”

From the conclusions of the Review of the Energy Charter process, as adopted by the Energy Charter Conference in December 2004

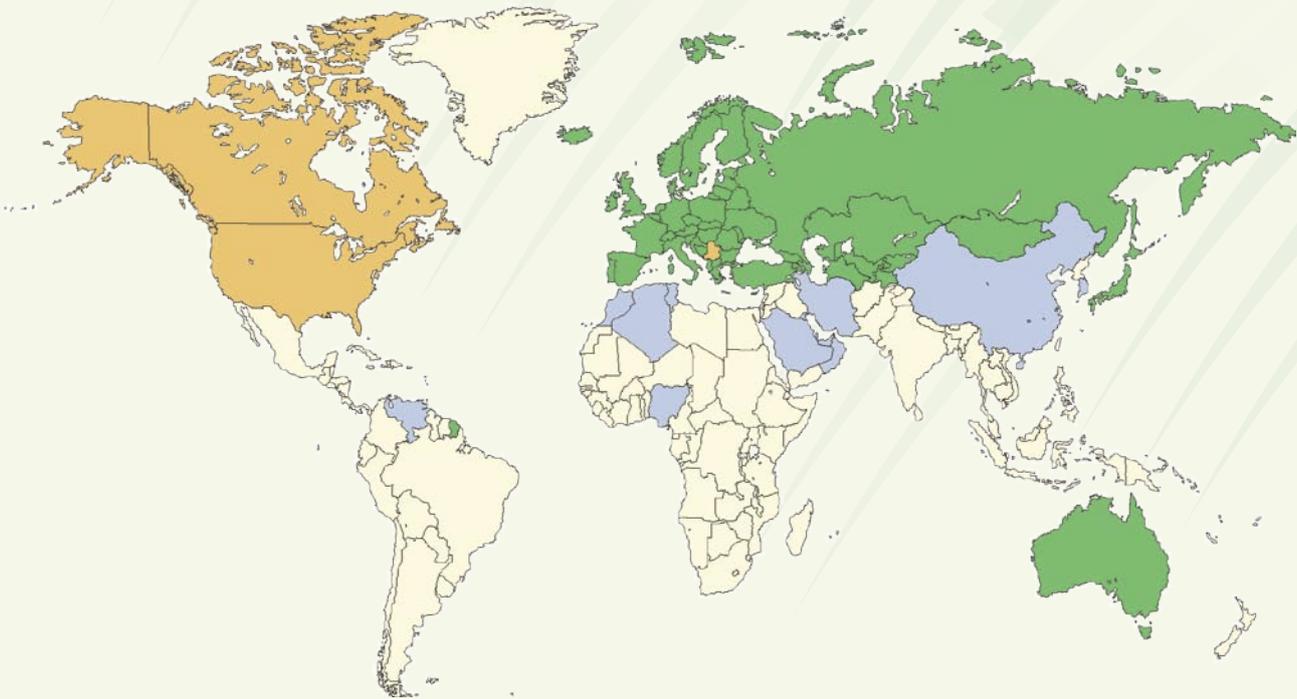
The Energy Charter Treaty and the Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects were signed in December 1994, and entered into force in April 1998. To date the Treaty has been signed or acceded to by fifty-one European and Asian states as well as by the European Communities.

Ten years after it was opened for signature, the Treaty’s main objective remains as relevant as ever: to strengthen the rule of law on energy issues by creating common multilateral rules to be observed by all participating governments. The Treaty’s provisions focus on five broad areas: the protection of foreign investments, based on the extension of national treatment, or most-favoured nation treatment (whichever is more favourable); non-discriminatory conditions for trade in energy materials, products and energy-related equipment, based on WTO rules; freedom of energy transit through pipelines, grids and other means of transportation; dispute resolution; and the promotion of energy efficiency.

The Treaty was developed on the basis of the European Energy Charter of 1991, but while the Charter was a political declaration of intent to strengthen East-West energy ties, the Treaty is a legally binding multilateral agreement, the only one of its kind dealing with inter-governmental cooperation in the energy sector.

The Energy Charter process is the mechanism through which participating governments cooperate in order to promote the Treaty’s rules and objectives. At the centre of this process is the Energy Charter Conference, the governing and decision-making body which brings together representatives of all member states. The present Chairman of the Energy Charter Conference is Mr Henning Christophersen, a former Vice-President of the European Commission. He was assisted by two Vice-Chairmen in 2004, Mr Andrei Denisov from the Russian Federation, and Mr Kazayuki Katayama from Japan.

June 1990	Dutch Prime Minister Ruud Lubbers launches the proposal for a European Energy Community at a European Council meeting in Dublin
December 1991	The European Energy Charter is signed in The Hague
December 1994	The Energy Charter Treaty and the Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA) are signed in Lisbon
April 1998	The Energy Charter Treaty enters into full legal force, following completion of the thirtieth ratification. The Trade Amendment to the Treaty’s trade provisions is adopted, bringing them into line with present WTO rules



Countries marked in **green** are Energy Charter Treaty signatories
 Those marked in **orange** are signatories to the 1991 European Energy Charter (but not the Treaty)
 The countries marked in **blue** are observers.

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Members of the Energy Charter Conference:

Albania, Armenia, Austria, Australia*, Azerbaijan, Belarus*, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Cyprus, Denmark, Estonia, European Union, Finland, France, Georgia, Germany, Greece, Hungary, Iceland*, Ireland, Italy, Japan, Kazakhstan, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Mongolia, Netherlands, Norway*, Poland, Portugal, Romania, Russian Federation*, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tajikistan, The former Yugoslav Republic of Macedonia, Turkey, Turkmenistan, Ukraine, Uzbekistan, United Kingdom.

* denotes state in which ratification of the Energy Charter Treaty is still pending as of January 2005. Belarus and the Russian Federation apply the Treaty provisionally pending ratification.

Observers:

States: Algeria, Bahrain, People's Republic of China, Canada**, Islamic Republic of Iran, Republic of Korea, Kuwait, Morocco, Nigeria, Oman, Qatar, Saudi Arabia, Serbia and Montenegro**, Tunisia, United Arab Emirates, United States of America**, Venezuela.

International Organisations: ASEAN, EBRD, IEA, OECD, UN-ECE, World Bank, WTO, CIS Electric Power Council, BSEC, BASREC

** denotes observer state which has signed the the 1991 European Energy Charter. Serbia and Montenegro is in the process of accession to the Energy Charter Treaty

Review of the Charter process

“This Review comes at a moment when energy investments and cross-border flows are greater than ever before, and when the entry into force of the Kyoto Protocol is rightly highlighting the importance of efficient use of resources.



“These are the areas where the Charter process looks to make a difference, and I hope that by implementing the recommendations of the Review we can do so in a targeted and effective way”

Henning Christophersen, Chairman of the Energy Charter Conference, after the meeting of the Conference in December 2004 that adopted the Review conclusions

The requirement for a regular review of the Energy Charter process is written into the Energy Charter Treaty itself. Article 34(7) of the Treaty states that:

“in 1999 and thereafter at intervals (of not more than five years) to be determined by the Charter Conference, the Charter Conference shall thoroughly review the functions provided for in this Treaty in the light of the extent to which the provisions of the Treaty and Protocols have been implemented. At the conclusion of each review the Charter Conference may amend or abolish the functions (of the Charter Conference itself) and may discharge the Secretariat.”

Given that the Treaty entered into force only in April 1998, the Review that was held in 1999 was not in a position to make a detailed examination of the Treaty’s functioning. The 2004 Review therefore presented the first opportunity for a comprehensive assessment of the Charter process under Article 34(7). The Review was chaired by Dr Pieter Boot, Deputy Director General for Energy in the Dutch Ministry of Economic Affairs.

Dr Boot invited member states to provide contributions to the Review in the form of responses to a questionnaire on all areas of the Charter’s activity, and also by participating in an Ad Hoc Group that met three times during the year. He also sought out the views of relevant international organisations, of the energy industry and of leading analysts of the energy sector.

On this basis, Dr Boot developed a report on the Charter process, which was presented to the Chairman of the Conference in September. This report provided the foundation for the formal conclusions of the Review, which were considered and adopted by the member states at the meeting of the Energy Charter Conference in December, and which are available for reference at Annex I on pages 26-29.



Dr Pieter Boot

A main outcome of the Review was that all participants confirmed their commitment to the Energy Charter process, and recognised the continuing value of a broad cooperative framework for promoting energy investments, facilitating cross-border flows of energy and improving energy efficiency across Eurasia.

The Review looked at ways in which the process should evolve in order to respond to changes in energy markets, such as the liberalisation of European energy markets, and also in view of broader developments such as the accession of member countries to the WTO. As of January 2005, all but nine of the participating states in the Energy Charter are



“It is perhaps not realistic to expect that the operation of the energy business, not only in transition countries but across the world, will ever be dissociated from politics. Indeed, there are strong reasons to suppose that the interrelation between energy policy and foreign and security policy will become even closer in the years ahead.

But what is realistic to imagine is that governments, of both producer, transit and consumer countries, can recognise their complementary interests in the energy sector and come together to agree some common ‘rules of the game’.”

Excerpt from a paper by Ria Kemper, Secretary General, presented to the World Energy Congress, Sydney, September 2004

members of the WTO, and this means that the role of the Charter process in the trade area has changed. Moreover, the Charter’s activities should reflect the fact that the enlarged EU of twenty-five countries makes up almost half of the entire Charter constituency, and that the rules of the EU’s internal energy market already extend to non-EU countries in the European Economic Area (Norway, Iceland and Liechtenstein) and are being extended also into South-East Europe.

Energy Charter Treaty:

“This Treaty establishes a legal framework in order to promote long-term cooperation in the energy field, based on complementarities and mutual benefits... The Contracting Parties shall work to promote access to international markets on commercial terms, and generally to develop an open and competitive market, for Energy Materials and Products”

From ECT Articles 2 and 3

As Dr Boot underlined at the meeting of the Energy Charter Conference in December 2004, a key objective of the Review was therefore to ensure the efficiency of the Charter process by concentrating its activities in areas where the Charter’s legal basis and broad constituency provide it with clear advantages.

In the first instance, this means a focus on implementation of the Treaty’s legal instruments. The Review emphasised the utmost importance of full ratification of the Treaty and its related documents, and also the need to put compliance with these legal instruments at the heart of the Charter process. At the same time, the Review confirmed the value of the Charter as a forum for a targeted policy debate on measures that can promote the development of open and competitive energy markets.

As to the organisational implications of the Review, the member states decided to merge the existing Groups on Trade and on Transit in view of the converging agendas in these areas. They also resolved to hold only one regular meeting of the Energy Charter Conference per year, rather than the current practice of two meetings, and called for continued - and where appropriate, strengthened - cooperation with other relevant international organisations, such as the WTO, the International Energy Agency (IEA), and the United Nations Economic Commission for Europe.

The complete conclusions of the Review of the Energy Charter process, as adopted by the Energy Charter Conference in December 2004, are available at Annex I on pages 26-29.



Activity Report:

Investment Group

The Energy Charter's Investment Group provides a forum for expert-level discussions on all aspects of implementation of the Energy Charter Treaty's investment provisions, and more generally on issues relating to the climate for energy investments in the Charter's member countries.

The Group reviews country reports on the investment climate and market structure in the energy sectors in individual states, and progress towards full implementation of the Treaty's provisions concerning non-discriminatory treatment of foreign investors. It also considers legislative and policy developments within the wider Eurasian area that affect the conditions for foreign investment in energy-sector projects.

Another cornerstone of its activities is to provide general guidelines and recommendations for the ongoing process of restructuring and privatisation in the energy sectors of member countries.

A main element of the Charter's support to the implementation of the Treaty's investment provisions consists of a series of country reviews on investment climate and market structure issues. These reviews are discussed in the Investment Group, and the recommendations arising from the reviews are subsequently forwarded to the Energy Charter Conference for endorsement.

The structure of the Charter's work in this area evolved in 2004 with the introduction of 'in-depth' reviews, which are undertaken by the Energy Charter Secretariat with the close involvement of the countries concerned. The first of the reviews in this new format was that of Armenia in the first half of the year, followed by the review of Azerbaijan. It is anticipated that these in-depth reviews should predominate in the Charter's future investment-related work.

Each review assesses the country's compliance with the requirements of the Treaty, including ensuring non-discriminatory treatment for foreign investors in the energy sector, and also the extent to which it has succeeded in creating domestic energy market structures in line with the Treaty's goal of promoting open and competitive markets.

Another new feature of the Charter's work on investment issues in 2004 was the first 'follow-up' report on a previous review. Bulgaria was the country that volunteered for this new procedure, and the report examined compliance by the Bulgarian authorities with the policy conclusions adopted by the Conference following the original review in 2001. As a rule, the follow-up reports should take place three years after the initial review, and their introduction is part of an effort to make the work of the Investment Group more practice- and result-oriented.

More information: www.encharter.org > Investment > Country Reports



Ria Kemper's keynote address to the 11th Caspian Oil and Gas Conference in Baku in June presented the Charter Treaty's rules on protecting and promoting energy investments. The Charter completed an 'in-depth' review of Azerbaijan's investment climate and market structure in 2004.



Since May 2001 the Investment Group has been chaired by Professor **Argyrios Fatouros**, Emeritus Professor of International Economic Law at the National University of Athens. He brought to this position a wealth of experience in senior positions, including at Ministerial level, within the Greek administration. He was actively involved in negotiations on the Energy Charter Treaty in the early 1990s, and also served as Greece's Permanent Representative to the OECD from 1982-1985.



Professor Argyrios Fatouros, Chairman of the Investment Group (right), with Mr Miroslav Duda, Vice-Chairman.

Professor Fatouros indicated during 2004 that - after three years of service - he would not be standing again for the position of Chairman. In December, the Energy Charter Conference appointed Professor **Michael Caramanis**, also from Greece, as Chairman of the Group for 2005.

The Vice-Chairman of the Investment Group in 2004 was Mr Miroslav Duda from Poland.

Resolution of Investment Disputes:

The investment-related provisions are a cornerstone of the Energy Charter Treaty, and they are backed up by mechanisms providing for both inter-state arbitration and investor-state dispute settlement. These mechanisms are of particular importance in the energy sector, due to the fact that disputes may often be very complex and involve huge amounts of money.

The Treaty grants foreign investors the right to sue the host country in case of an alleged breach of an obligation of the host State relating to investment promotion and protection. The foreign investor can bring the case before the domestic courts of the host country or submit it to international arbitration. The award of an international arbitration tribunal is binding and final, and each Contracting Party is obliged to make provision for the effective enforcement of such awards in its area.

Since the Treaty entered into force in 1998, investors have started several cases under the dispute settlement procedures. The first award was rendered in December 2003 by an arbitration tribunal under the Stockholm Chamber of Commerce Rules, in a case involving Latvia and a Swedish investor.

The material available through the country reviews, along with notifications received by governments, provide input to the so-called 'Blue Book' - the document which registers remaining measures that are not in line with the Treaty 'best endeavours' commitment to provide non-discriminatory treatment for foreign investors in the 'pre-establishment phase', i.e. when making investments. Regular revisions of the 'Blue Book' were issued throughout the year.

In addition, the Investment Group continued its established practice to invite representatives of major private energy interests to address the Group. In May 2004, the Group welcomed a presentation on 'Investment Opportunities in Russia' by Mr Frank Kuijlaars, Global Head of Oil and Gas at ABN AMRO Bank, which provided a financier's perspective on the critical issue of attracting capital for energy investments.

In the second half of the year, the Group's guest was Mr Fuat Celepçi, Deputy CEO of the Turkish energy company BOTAŞ, who gave an overview of existing gas supply contracts and the transmission system, as well as plans for new gas pipeline routes in South-East Europe.

Activity Report:

Group on Trade

The work of the Group on Trade is directed at monitoring member states' compliance with the trade provisions of the Energy Charter Treaty and also at capacity-building for those countries that are not yet members of the WTO, providing advice and guidance as required.

Through this work, the Group on Trade aims to promote the integration of the latter group of countries into the international trading system, by familiarising them with the disciplines and requirements of WTO membership, and helping them to apply WTO rules to energy trade, in line with their obligations under the Treaty. The Group also serves as the main forum for discussion among the Energy Charter's member states on policy issues affecting trade in energy in the Eurasian area, and on how barriers to such trade might be removed.

The Charter's work on trade issues concentrated on three topics in 2004, examining the relationship between trade and the environment, between trade and competition, and also continuing to explore the prospects for greater East-West trade in electricity.

On the relationship between trade and the environment, the Group on Trade discussed the implications of the Treaty rules (see box on opposite page) for emissions trading schemes designed to implement the requirements of the Kyoto Protocol, and for measures designed to promote renewable energy. In both these areas, the debate focused on the example provided by the European Union, since – within the Charter constituency – the EU has the most articulated policies in these areas. Nonetheless, the discussions were of broader relevance since many other Charter member countries are adopting or planning their own legislation on emissions trading and on the promotion of renewable sources of energy.

The debate in the Group on Trade suggested that there could be potential for friction between some energy policies aimed at protecting the environment and the existing framework of rules on trade in energy. However, the debate also showed the possibility for a well-designed interface between these different policy areas.

As part of the effort to stimulate a broad policy discussion, the Group on Trade organised an expert meeting in November for member and observer states on 'trade-friendly promotion of renewable energy', which took place in conjunction with the regular meeting of the Group. Speakers at the meeting included representatives of the Secretariat, the WTO, the OECD, the IEA, the Institute for Environmental Studies at the Vrije Universiteit in Amsterdam, and the Italian Regulatory Authority.

A second element of the Charter's work in 2004 was to examine the ways in which increased competition can promote cross-border trade



Mr Tuvden Ochirkhuu, Minister of Fuel and Energy of Mongolia, at a meeting in Brussels with the Secretary General and Deputy Secretary General



Since May 2001 the Group on Trade has been chaired by Mr **Steivan Defilla**, Senior Scientific Adviser on Technology, Environment and Energy policy in the Federal Economics Ministry of Switzerland.



Mr Steivan Defilla, Chairman of the Group on Trade

An energy specialist by background, with particular expertise on electricity issues, Mr Defilla has also worked in the past as a business accountant and as an economic sanctions investigation officer, and spent a period of service in the early 1990s with the Embassy of Switzerland in Moscow.

The Vice-Chairman of the Group on Trade in 2004 was Mr Peter Stefanov from Bulgaria.

in electricity. To this end, the Group on Trade discussed analytical papers from the Secretariat on the legal concept of relevant markets in the electricity sector, as well as the treatment under international law of monopolies and exclusive service providers.

Finally, the Charter continued to examine the possibilities for enhanced cooperation across its constituency in the electricity sector, following a request in 2003 from the Electric Power Council of the Commonwealth of Independent States (CIS) that negotiations begin on a legally-binding Protocol on Electricity within the Charter framework.

While the proposal for a specific legal instrument in this area was not supported by a consensus amongst member states, there has been a general appreciation of the potential benefits of further trade in electricity and a discussion about the elements that can facilitate increased cross-border flows. These included cooperation on technical standards, environmental protection, cross-border interconnections, liberalisation of energy markets, and stable regimes for trade and investment.

The Energy Charter Treaty and the WTO:

In the early 1990's, approximately half the states that were to become the Energy Charter's constituency were not Contracting Parties to the GATT, and this was the chief reason for making the GATT 1947 (and later the WTO rules) applicable through the Energy Charter Treaty for trade relations involving non-WTO members in the energy sector.

This allowed those signatory states of the Energy Charter Treaty that were not WTO members to benefit from stable, predictable and non-discriminatory trade rules for energy, and has meant that all Charter member states – whether WTO members or not, whether energy suppliers, transit or consumer countries – have benefited from the uniform application of the rules of the multilateral trading system to the energy sector.

The additional value of the GATT/WTO approach embedded in the Energy Charter Treaty is that it provides a useful anchor for trade reforms in those member states that are looking to join the WTO. As such, the Charter process has provided a valuable administrative 'learning tool' for these countries in their efforts to prepare for WTO membership.

Since the Charter Treaty was signed in 1994, seventeen of the Charter's current member states have acceded to the WTO. As of January 2005, a further eight member countries were at various stages of the accession process, and only one - Turkmenistan - remained entirely outside the WTO system.

Activity Report:

Transit Group

The Energy Charter's Transit Group was established in June 2003 by decision of the Energy Charter Conference. It represents a successor body to the previous Transit Working Group (chaired by former IEA Executive Director Dr Helga Steeg), which from 1999 to the end of 2002 was responsible for the preparatory work and negotiation of an Energy Charter Protocol on Transit (see page 16 for details on these negotiations).

The main task of the Transit Group has been to monitor compliance by the Energy Charter's member states with their obligations in this area under the Energy Charter Treaty and to promote dialogue between governments on transit-related issues.

The Treaty's existing transit provisions (ECT Article 7) oblige member states to facilitate energy transit, and stipulate that measures taken in this regard must be without distinction as to the origin, destination or ownership of energy, or discrimination as to pricing, and without imposing any unreasonable delays, restrictions or charges.

The Charter's Transit Group held its first meeting in the autumn of 2003, and continued in 2004 to act as a forum on all policy aspects of energy transit within the Eurasian area.

An important policy discussion took place through a review of the domestic gas transport legislation of key transit member states, including Poland, the Czech Republic, the Slovak Republic, Belarus, Ukraine and Kazakhstan, which were completed in 2003-2004 and discussed in the Transit Group.

In general, the studies confirmed that these countries have a specific regulatory framework in place for natural gas transport within their territory, including provisions on non-discriminatory treatment of all gas pipeline users, regulated or negotiated access to the network, and cost-based transport tariffs regulated by a market regulator or

On the Charter's role in promoting secure supplies of natural gas:

"As gas supply is becoming increasingly dependent on long-distance cross border pipelines, international treaties safeguarding transit will be required. The WTO agreements may not be sufficient to minimise the risk of international transport. Multilateral treaties like the Energy Charter and its (draft) Transit Protocol have been established to fill this void."

From a paper by Mrs Coby van der Linde (Clingendael Institute) and Mr Jonathan Stern (Oxford Institute for Energy Studies) presented to the 9th International Energy Forum, May 2004

"The strategic importance of ensuring secure multilateral arrangements for transit and investment (such as the Energy Charter process) will only increase in future years, as OECD Europe's dependence on gas imports from distant production areas continues to grow."

From the IEA Study on 'Security of Gas Supply in Open Markets', 2004



Andrei Konoplyanik, Deputy Secretary General, meeting with Mr Mohammad Hossein Adeli, Deputy Minister of Foreign Affairs of Iran, Teheran, February 2004.

The Chairman of the Energy Charter's Transit Group in 2004 was Mr **Hakki Akil**, Deputy Director General in the Ministry of Foreign Affairs of Turkey. In January 2005, Mr Akil took up a new position as Ambassador of Turkey to Turkmenistan.



Mr Hakki Akil, Chairman of the Transit Group

Mr Akil's career within the Turkish Foreign Service has also included postings in Damascus, Paris and Geneva, where he was Deputy Head of Turkey's Permanent Mission to the WTO. He has also served as Chairman of the WTO's Budget Administration and Finance Committee and as Chairman of the Energy Charter's Budget Committee.

The Vice-Chairman of the Transit Group in 2004 was Dr Geza Szephalmi from Hungary.

by the government. In three of the countries studied – Poland, the Czech Republic and the Slovak Republic – the legislative process has been driven by the need to take on the EU's common regulatory framework for the internal natural gas market. However, in all cases there was relatively little specific legislation in place governing transit of natural gas, which in most countries is regulated by separate inter-governmental agreements.

The member states also exchanged views on future developments in the Eurasian gas market through a review of projections for supply and demand for natural gas in Eurasia until 2025, assessing the implications under different demand scenarios on the investment need for transport infrastructure and on the security of gas supplies.

Furthermore, with a view to contributing to transparency and better dissemination of information on planned projects and to provide a forum for discussion on how to improve energy security, the Group agreed on the creation of a voluntary framework for exchanging information on new cross-border energy transport facilities.

Alongside the discussions in the Group, the year 2004 was also notable for two transit-related issues that are covered elsewhere in this Annual Report: the resumption of consultations on the Energy Charter's draft Transit Protocol (see page 16), and the Conference on 'Energy Transit in Eurasia' that was organised by the Secretariat in Brussels in October (see page 21).

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Model Agreements on Cross-Border Pipelines:

The Charter's Model Agreements have been available since December 2003, when the Charter Conference took positive note of the first editions. There are two interdependent Agreements that have been prepared under the Charter's auspices: an 'Intergovernmental Model' - for state-to-state agreements - and a 'Host-Government Model', designed for an agreement between an individual state and the project investor(s). They were developed by an Expert Group consisting of government and industry experts, assisted by an ad hoc Legal Advisory Task Force.

The Model Agreements aim to facilitate project-specific talks by providing a neutral and non-prescriptive starting point for negotiations, reflecting the various interests of the parties concerned. In 2004, for example, they helped to provide a basis for negotiations between Kazakhstan and Azerbaijan on the trans-Caspian Aktau-Baku transport system, which would provide an additional export route for Kazakh energy resources through the Baku-Tbilisi-Ceyhan pipeline.

More information: www.encharter.org > Transit > Model Agreements



Activity Report:

Working Group on Energy Efficiency

The Working Group meets twice a year to monitor implementation of the energy efficiency-related provisions of the Energy Charter Treaty and the Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA).

This Group has also provided the main channel for input from member states into the preparation of the Energy Charter Secretariat's contribution on energy efficiency issues to the United Nations Economic Commission for Europe's "Environment for Europe" process.

Increasingly the focus of the Group's policy discussions has been on issues relating to financing energy efficiency projects, with a view to transferring know-how and best-practice advice from those member countries that have already achieved major energy efficiency gains to those with economies in transition.

The Charter's work on promoting energy efficiency is based on the Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA). By way of contrast to the other substantive areas of the Charter process, the emphasis in this area is not on 'hard' legal obligations arising from the Treaty, but rather on practical implementation of a political commitment to improve energy efficiency. This is promoted through policy discussions based on analysis and exchange of experience between the member countries, invited independent experts and other international organisations.

A series of country reviews provides the main opportunity for discussion of specific national energy efficiency policies and programmes. The review process relies on two complementary components: regular monitoring based on a standard reporting format; and in-depth peer reviews based on a mission of representatives of 3-4 other countries and the Secretariat. The in-depth reviews include recommendations to the national governments concerning possible improvements of their national policies and programmes. These recommendations are discussed and endorsed by the PEEREA Group and by the Energy Charter Conference, and after 2 to 3 years the countries concerned should report back on the way that they have implemented the recommendations.

Two in-depth reviews were completed in 2004, of Moldova and of Croatia. Bulgaria and Romania reported back on implementation of the reviews that were completed in 2001. In addition, there were regular reviews and presentations to the Group from other countries: Ireland, Slovenia, Belarus and Uzbekistan. The variety of countries making information available to the Group, including both developed OECD countries and countries with economies in transition, has helped to make the PEEREA Group a valued forum for exchange of experience from across the Charter constituency.

More information: www.encharter.org > Energy Efficiency > Reviews



Secretariat staff at an internal strategy meeting: (from left) Erik Sørensen, Director for Investment and Energy Efficiency; Andrei Konoplyanik, Deputy Secretary General; and Boyko Nitzov, Senior Investment Expert.



The Chairman of the Working Group on Energy Efficiency since 1998 is Mr **Peter Helmer Steen**, Deputy Director General of the Danish Energy Authority. An engineer by training, Mr Steen has spent the major part of his career in senior positions within the Danish Energy Agency and DONG, the National Oil and Gas Company of Denmark.

In 2004, Mr Peter Helmer Steen was assisted by his Vice-Chairman, Professor Tamas Jaszay of Hungary. Following a proposal from the PEEREA Group, the Energy Charter Conference agreed in December 2004 to designate Mr Wolfgang Stinglwagner of Germany as an additional Vice-Chairman.

PEEREA Group meeting in Prague

By invitation of the Czech Government, the June meeting of the PEEREA Group was held in Prague. The meeting coincided with the publication of the Charter's in-depth review of Czech energy efficiency policies, and the review and its recommendations were among the items discussed in a meeting between Ria Kemper, Secretary General, and Mr Martin Pecina, the Czech Deputy Minister of Trade and Industry responsible for energy issues.



At the Prague meeting of the PEEREA Group: (from left) Tudor Constantinescu, Senior Expert at the Secretariat; Ria Kemper, Secretary General; Peter Helmer Steen, Chairman of the Group; and Martin Pecina, Czech Deputy Minister of Trade and Industry.

In addition, the Group hosted a series of panel discussions and presentations on key policy issues related to the promotion of energy efficiency. At the June meeting, which took place in Prague, there was a discussion on best practices for cogeneration and district heating, which highlighted the successful example of the host city and involved district heating companies from the Czech Republic, Lithuania and Italy, as well as Cogen Europe and Euroheat & Power.

The debate at the November meeting in Brussels centred on the benefits of integrating energy efficiency and renewable energy policies in the context of sustainable energy development, and again brought together a broad range of stakeholders including the Polish Agency for Efficient Energy Use, the Norwegian Ministry of Petroleum, REEEP – Renewable Energy and Energy Efficiency Partnerships, and EREC – the European Renewable Energy Council.

In 2004, the PEEREA Group also examined the opportunities for energy efficiency projects related to the flexibility mechanisms of the Kyoto Protocol and the EU's emissions trading system, given that improvements in energy efficiency will be one of the key measures to achieve reductions in greenhouse gas emissions.

Finally, a presentation on energy efficiency indicators and trends in Central Europe showed the results of a major project, led by ADEME - the French Agency for Environment and Energy Efficiency - and financed by the EU's SAVE programme, in which the countries of Central Europe and the Secretariat participated. This was an example of the close cooperation that the PEEREA Group has maintained with other international organisations and institutions that are active in the area of energy efficiency.

Strengthening the Charter process

"I am pleased that we now have a prospect to move towards completion of the Transit Protocol. The support for this Protocol from countries across the Charter's constituency confirms my view that this instrument can make a significant contribution to Eurasia's collective energy security.

It is increasingly the case that energy resources have to cross different countries and national jurisdictions on their way from producers to consumers. This is a challenge that demands extensive cooperation between governments, and one where the multilateral rules being developed in the Energy Charter can play a vital role. However, I would re-iterate that the completion of this task – and the implementation of these rules – will still require a sustained exercise of political will from our member states"

Henning Christophersen,
Chairman of the Energy
Charter Conference,
after the meeting of the
Conference on
15 June 2004

The Charter process is based on two interdependent areas of activity: the development and implementation of its legal instruments; and the promotion of a targeted and informed policy dialogue on the key issues facing the energy sector across the Charter constituency. 2004 witnessed important developments in both these areas. On the first point, the Energy Charter Conference decided in June to resume talks on the Energy Charter's draft Transit Protocol, discussions which had been suspended since December 2003. Secondly, the Charter Conference authorised the creation of an Industry Advisory Panel to the Charter process, which will become operational in early 2005.

Negotiation of the Energy Charter Transit Protocol

Negotiations on a Transit Protocol to the Energy Charter Treaty were launched in 2000, with the aim of building on the existing transit-related provisions of the Treaty by developing an enhanced set of operational rules governing energy transit flows across national borders. Agreement was reached on the bulk of the Protocol's text at the end of 2002, when the multilateral negotiations were provisionally concluded. Three outstanding issues remained to be resolved in bilateral consultations between the European Union and the Russian Federation.

These issues are, firstly, how to address the consequences of a potential mismatch between long term supply contracts and transit contracts of a shorter duration. In such situations, the Russian side has proposed a clause whereby energy exporters with long-term supply contracts, whose transit rights through third countries are covered only by shorter-term transit agreements, should have the opportunity to prolong these latter agreements upon their expiry.

A second issue is the EU's proposal for a clause on regional economic integration organisations, which would treat the EU as a single entity

More information: www.encharter.org > Transit > Transit Protocol



During a break in the meeting of the Charter Conference in December 2004, (from left) Ralf Dickel, Director at the Secretariat, talks to Andrei Konoplyanik, Deputy Secretary General, and Henning Christophersen, Conference Chairman, discusses proceedings with Hakki Akil, Chairman of the Transit Group.

“The Transit Protocol’s aim is to strengthen the obligations on governments to ensure that energy flows passing through their territory in transit are secure, unimpeded and not interrupted; to make transparent the criteria that they use for setting transit tariffs; to allow for negotiations on access to available capacity for transit shipments on a transparent and non-discriminatory basis, without, however, imposing mandatory third party access; to ensure that transit is effected in an environmentally sound manner; and to promote the effective settlement of transit disputes.”

Excerpt from a speech by Dr Ria Kemper, Secretary General, to the 3rd Black Sea Energy Summit, Thessaloniki, October 2004

for the purposes of the Transit Protocol. The third issue relates to the precise formulation for cost-based transit tariffs.

Discussions on the draft Transit Protocol had been suspended in December 2003, as a consequence of the fact that energy issues, including transit, were at that time on the bilateral agenda for the EU and the Russian Federation in the context of Russian negotiations for accession to the WTO.

Following the decision in June 2004 to resume talks, the Russian Federation and the European Union met at expert level in Brussels in October to explore the prospects for renewed progress towards completion of the draft Transit Protocol. This has resulted in clarifications to the wording, and a comprehensive exchange of information on the application of certain provisions. These consultations continue in 2005.



Representatives of the EBRD, the International Finance Corporation, Meinlbank, Kantor, and NERA Energy Practice discuss the lessons learned from past privatisations and restructuring in the energy sector at a workshop organised by the Energy Charter (see page 20)

The Industry Advisory Panel

The aim of the new Industry Advisory Panel is to build on existing contacts with the energy industry and to strengthen the dialogue on the main directions of the Energy Charter process, with a particular focus on risk mitigation and improvement of the business climate. The Panel should act as a consultative board to the Energy Charter Conference and to the Working Groups, and provide advice on relevant issues related to energy investments, cross-border flows and energy efficiency.

Following the agreement in principle to establish the Panel, the Charter Conference approved in December 2004 its initial composition (see Annex VI on page 39). The members of the Panel were selected on the basis of nominations from member countries and invitations from the Secretariat, with the overall aim to ensure that the Panel is broadly representative of the energy industry across the Energy Charter constituency, both in terms of geography and industry sectors. It is anticipated that the first meeting of the Advisory Panel will take place in Brussels in April 2005.

Ratification and Accession

“The Energy Charter Treaty and related documents represent the product of mutual compromises and concessions, reflecting the wishes of the negotiating parties to find a balance of interests.... Russian participation in the creation of an international legal basis for wide-ranging cooperation in the energy sector facilitates the integration of Russia into the world economy and into the international system of collective energy security.”

At the same time, the Energy Charter Treaty supports the strengthening of pan-European stability and security. Implementation of the Energy Charter Treaty would provide Russia with a long-term and reliable perspective on cooperation with many partners in the energy sector.”

Excerpts from an information document on the Charter Treaty prepared by the Department of Economic Cooperation of the Russian Ministry of Foreign Affairs, published in February 2004

A central objective of the Charter process and of the Secretariat’s work is to promote ratification of the Energy Charter Treaty by all its signatory states. Given that 2004 marked the tenth anniversary of the signature of the Treaty, the Secretariat redoubled its efforts during the year to clarify the status of the ratification issue in the five countries where this remains outstanding - Australia, Belarus, Iceland, Norway and the Russian Federation.

The Russian Federation continues to be a primary focus because of its importance on European and Eurasian energy markets. The Secretariat maintained a strong dialogue throughout the year with the Russian Government, parliament and the energy industry on the Treaty’s ratification, and the related issue of the draft Transit Protocol.

For its part, the Russian Federation remains an active participant in the Charter process, a commitment that was underlined by the nomination of Mr Ivan Materov, Deputy Minister of Industry and Energy, as Vice-Chairman of the Energy Charter Conference for 2005. Ratification of the Treaty by the Russian Federation will continue to be a high priority for the future.

In addition, the Secretary General and Deputy Secretary General visited Minsk in November 2004 in order to explore with the Belarusian authorities the prospects for ratification; as a follow-up to this visit, a workshop for government officials, parliamentary deputies and energy industry representatives on the Energy Charter Treaty will take place in the first half of 2005.

A country that is in the process of accession to the Energy Charter Treaty, but which has yet to sign, is Serbia and Montenegro. This process has been delayed for internal reasons relating to changes in the constitutional structures of the country, but it is anticipated that substantial progress can be made in 2005.

Finally, the delegate of Georgia announced at the meeting of the Charter Conference that the Georgian Parliament has ratified the Protocol on Energy Efficiency and Related Environmental Aspects. Georgia was the first country to ratify the Treaty itself.



Ria Kemper speaking with Mr Ivan Materov, Russian Deputy Minister of Industry and Energy, in May at the International Energy Forum in Amsterdam. In December, the Energy Charter Conference approved Mr Materov’s nomination as Vice-Chairman of the Conference for 2005.



1.	12.07.1995	Georgia
2.	16.10.1995	Slovakia
3.	15.01.1996	Latvia
4.	12.03.1996	Uzbekistan
5.	17.06.1996	Czech Republic
6.	22.06.1996	Moldova
7.	06.08.1996	Kazakhstan
8.	19.09.1996	Switzerland
9.	15.11.1996	Bulgaria
10.	25.06.1997	Tajikistan
11.	07.07.1997	Kyrgyzstan
12.	17.07.1997	Turkmenistan
13.	12.08.1997	Romania
14.	04.09.1997	Greece
15.	10.09.1997	Slovenia
16.	27.11.1997	Luxemburg
17.	09.12.1997	Croatia
18.	12.12.1997	Liechtenstein
19.	16.12.1997	Austria
20.	16.12.1997	Denmark
21.	16.12.1997	Finland
22.	16.12.1997	Germany
23.	16.12.1997	Italy
24.	16.12.1997	Netherlands
25.	16.12.1997	Portugal
26.	16.12.1997	Spain
27.	16.12.1997	Sweden
28.	16.12.1997	United Kingdom
29.	16.12.1997	European Communities
30.	23.12.1997	Azerbaijan
31.	16.01.1998	Cyprus
32.	19.01.1998	Armenia
33.	12.02.1998	Albania
34.	27.03.1998	The Former Yugoslav Republic of Macedonia
35.	08.04.1998	Hungary
36.	04.05.1998	Estonia
37.	08.05.1998	Belgium
38.	14.09.1998	Lithuania
39.	29.10.1998	Ukraine
40.	15.04.1999	Ireland
41.	28.09.1999	France
42.	19.11.1999	Mongolia
43.	05.04.2001	Turkey
44.	24.04.2001	Poland
45.	17.05.2001	Bosnia and Herzegovina
46.	10.07.2001	Malta
47.	23.07.2002	Japan
48.		Australia
49.		Belarus (applies the Treaty provisionally)
50.		Iceland
51.		Norway
52.		Russian Federation (applies the Treaty provisionally)

Status of Ratification of the Energy Charter Treaty by Signatories

*as of January 2005
(indicating the date of deposit
of the instruments of ratification)*

External Events and Seminars

“The Energy Charter process is particularly well placed to tackle problems affecting energy flows in transit. Hydrocarbons – and to a lesser extent electricity – are increasingly being transported from their places of production to consumer markets over large distances and across national borders.

This is a strategic challenge, and one that requires a multilateral response since energy transit necessarily involves a chain of countries, and the end result is no stronger than the weakest link in the chain. A reliable transit regime across Eurasia needs some common ‘rules of the game’ to which all countries subscribe.”

Dr Ria Kemper,
Secretary General, in her
welcome address to the
Conference on ‘Energy
Transit in Eurasia’,
Brussels, October 2004

The Secretariat organised three major external events in 2004, open for participation by representatives of business, academic and non-governmental organisations, in addition to the regular cycle of meetings of the Energy Charter Conference and its working groups.

Workshop: ‘Best Practices’ for Energy Sector Restructuring

This workshop, which took place in Brussels in May, highlighted the experience of countries across Europe and Eurasia in moving towards open and competitive energy markets. The themes of the discussion were drawn from the ‘Best Practice Guidelines for Restructuring (including Privatisation) in the Energy Sector’, developed by the Secretariat and endorsed by the Energy Charter Conference in 2003, and the Workshop provided a forum for the exchange of ideas and lessons from the experience gained so far.

Among the issues discussed were supply risks and investment incentives in liberalised markets, public service obligations, the growing importance of environmental policy, and the appropriate balance between regulation and competition. Another question that stimulated debate was the optimum sequencing of reform, and in particular the conditions that should be in place before proceeding with the privatisation of national energy companies.

The speakers included representatives of Energy Charter member states, the Secretariat, the European Commission, international financial institutions, private companies, industry associations and research institutions. Overall, the workshop concluded that there is no single formula for restructuring the energy sector, but there are a number of critical components – competition, market-based pricing, attention to social and environmental issues, sound corporate governance, and a predictable legislative and institutional framework – that must all come together in a successful national policy approach.

Seminar: Natural Gas in South-East Europe

This seminar was held jointly with the IEA in Istanbul in May to discuss investment, transit and trade in South-East Europe. The objective of the seminar was to assess the viability of possible supply routes across Turkey and South East Europe, which would pave the way for direct gas supply from the Caspian and Gulf regions to South East and Western Europe.

The Istanbul seminar assessed the prospects for gas supply against the background of a liberalised EU internal market for natural gas,

More information: www.encharter.org > Events / Seminars

“The St Petersburg summit in 2003 established the development of ‘common spaces’ as a central priority for the relationship between Russia and the EU. It is absolutely clear that the energy sector will play a prominent role, given the mutual interests in this sector and the likelihood of increasing reliance in the EU on imported gas from Russia.

Any common ‘space’ requires common rules. The Energy Charter Treaty represents one of the few sets of common rules that bind the EU and Russia together. In fact, it is the only piece of the EU’s acquis to which not only Russia, but also all the countries of Eastern Europe, the Caspian and Central Asia (also key energy producers), subscribe.”

Dr Andrei Konoplyanik,
Deputy Secretary
General, speaking to
the Friends of Europe
European Policy Summit,
Russia and Europe,
Brussels, May 2004

and the political intention to create a regional energy community in South-East Europe. It also looked at developments in regional infrastructure, in particular the commissioning of the Blue Stream gas pipeline in early 2003, construction of the Turkey-Greece link and the South Caucasus Pipeline from Azerbaijan to Turkey, as well as possible projects such as the ‘Nabucco’ route from Turkey to Austria. The seminar underlined Turkey’s potential and importance as a key country for gas transit.

Conference: Energy Transit in Eurasia

This major Conference was organised by the Secretariat in Brussels in October in order to examine the growing role of transit in promoting energy security across Eurasia. Senior representatives of major producing countries (the Russian Federation, Kazakhstan, Iran, Qatar), and from key existing and potential energy transit countries (Ukraine, Turkey) provided their perspectives on this issue, alongside those of speakers from the energy industry, international financial institutions and the IEA.



The Conference included a perspective on energy transit issues from Qatar, provided by Mr Alkwari (left), a Senior Manager at Qatar Petroleum, and from Turkey, provided by Mr Selahattin Çimen (right), Deputy Undersecretary in the Turkish Ministry of Energy and Natural Resources



Among the key issues addressed by the Conference was the need for a stable and predictable framework governing cross-border energy flows across Eurasia, based on a consensus among the countries and interests concerned. In this light, there was strong support for the completion of the Energy Charter’s draft Transit Protocol, which - in the words of one speaker - would provide the ‘missing link’ in the legal framework necessary to support a more open and integrated Eurasian energy market.

Speaking after the conclusion of the Conference, the Secretary General of the Energy Charter Secretariat, Dr Ria Kemper, noted that huge investments are needed in order to meet the projected energy needs of Eurasia, and emphasised that a reliable framework for energy transit is essential if these investments are to be realised. “The aim of the Energy Charter process is to provide a foundation of common rules, facilitating investment in those projects offering the most advantageous combination of high economic efficiency and low environmental impact. A completed Transit Protocol would provide a strong additional impetus to these investments by clarifying – on a multilateral basis – how energy resources can be brought across different national borders and jurisdictions to consumer markets.”

Relations with Non-Signatories

“Observer status ... provides a mechanism for facilitating association and familiarity with the Charter process and we encourage the observer states to participate actively in the Charter’s work and consider the mutual benefits of full accession to the Energy Charter Treaty.”

From the conclusions to the 2004 Review of the Energy Charter process

“The Energy Charter Treaty aims to help energy-supplying countries to attract foreign investments and advanced technologies. This is what we expect from the Energy Charter Treaty, and this is our attitude towards this organisation.”

Mr Nejad Hosseinian, Deputy Minister of Petroleum of Iran, addressing the seminar in Teheran in February

Seventeen countries and ten international organisations have the status of observers at the Energy Charter Conference, entitling them to attend all meetings of the Conference and its working groups. The Secretariat organises an annual roundtable for the observer states in Brussels, with the intention of exchanging information on the current activities of the Charter process, and to encourage closer ties, including the possibility of accession to the Treaty.

The Secretariat encourages a targeted expansion of the Charter process towards those countries where the prospects for accession appear most promising. The natural focus of this expansion policy is the emerging Eurasian energy market, including North Africa, but the Secretariat is also ready and willing to respond to requests from other countries and regions.

The Islamic Republic of Iran

Iran became an observer in December 2002, and since then has engaged in a dialogue on the potential benefits of its accession to the Treaty. As part of this dialogue, the Secretariat - together with the Iranian Institute for International Energy Studies and the Ministry of Petroleum - organised a seminar in Teheran in February 2004, which examined in detail the implications of the Treaty’s legal framework for Iran. This seminar provided important input to a study that was prepared by the Institute and submitted to the Iranian government, on which basis a decision on closer ties will be taken.

The Deputy Minister of Petroleum of Iran, Mr Nejad Hosseinian, addressed the Conference on ‘Energy Transit in Eurasia’ that was held in Brussels in October, and held discussions with the Secretary General and Deputy Secretary General in the margins of this Conference. Mr Nejad Hosseinian confirmed during this visit that a recommendation for Iran to become a full member of the Energy Charter process would be considered by the Iranian Government.



Members of the Secretariat present the Charter process to senior officials from eight countries of the Association of South-East Asian Nations, Brussels, February 2004



“One of the key policy tasks to be addressed by governments, in the context of building energy security for Northeast Asia, is that of creating a stable climate for investments in the region: not only within individual states, but also in terms of setting a regional framework for energy projects that involve energy flows – whether of oil, gas or electricity – across state boundaries.”

Ria Kemper, addressing the IEA/KEEI Conference on North-East Asia Energy Cooperation, Seoul, March 2004

“Ministers stress the importance of the role of the Energy Charter Treaty in supporting long-term cooperation between the European Union and its neighbours and partners ... The possible extension of the Energy Charter Treaty towards non-Member countries in the Euro-Mediterranean area will aid energy market reforms.”

Ministerial Declaration adopted by the Euro-Mediterranean Energy Forum, Rome, December 2003

The Asian dimension of the Charter process

The Asian dimension of the Charter process has been considerably strengthened in recent years, as the People's Republic of China (in 2001), Korea (in 2002), and then the Association of South-East Asian Nations (ASEAN - in 2003) became observers to the Charter Conference. In recognition of this interest, the Secretary General travelled in March to Shanghai, Beijing and to Seoul in order to raise awareness of the Charter's role in promoting regional energy cooperation, and to hold discussions with the Chinese authorities.

In Shanghai, Dr Kemper gave a keynote address to the Eighth International Conference on the North-East Asian Natural Gas Pipeline, in which she emphasised the importance of multilateral 'rules of the game' in facilitating trade in natural gas. The focus of Dr Kemper's speech in Seoul was to highlight the Energy Charter process as a mechanism for inter-governmental cooperation, and the lessons that its experiences to date may hold for the North-East Asian region.

Over the course of the year the Secretariat also made three presentations on the Charter process to visiting delegations from ASEAN (January), from Korea (June) and from China (July).

North Africa

EU Energy Ministers repeated in December 2003 their encouragement for the transit and supplier countries in the Maghreb to follow the principles of the Energy Charter Treaty, and the Secretariat has maintained its contacts in this regard with the relevant authorities in Algeria, Tunisia and Morocco.

Middle East

Alongside bilateral contacts with the Iranian authorities in 2004, representatives of the Gulf Cooperation Council, Saudi Arabia and Oman attended the Annual Roundtable for observers, held in June, and a senior representative of Qatar Petroleum addressed the October Conference on Energy Transit in Eurasia. In addition, the Secretariat participated in the EUROGULF project on closer cooperation between the EU and the Gulf Cooperation Council.

South America

There was increasing interest in 2004 from South America in the Charter's multilateral framework, in particular from the oil and gas industry. As well as responding to specific requests for information, the Secretariat presented the Charter process to an energy integration symposium in Uruguay in November, which was organised by the Latin American energy industry association, ARPEL.



The Secretariat

The Energy Charter's Budget Committee is responsible for reviewing the Secretariat's annual budget proposal, which is then submitted with the Committee's recommendation to the Energy Charter Conference for approval.

It is also responsible for monitoring member-states' compliance with their obligations to make national budgetary contributions to the Secretariat, reviewing the annual external audit of the Secretariat's accounts, and approving voluntary contributions from member-states and other external sources to the Secretariat's budget.

Since January 2004, the Committee has been chaired by Dr Katrin Forgó from the Austrian Ministry of Economy and Labour. The Vice-Chairman is Mr Helge Westborg from Norway.

The main functions of the Secretariat are:

- to promote implementation of the Energy Charter Treaty and Protocol's obligations;
- to organise and administer meetings of the Conference and its subsidiary bodies (a complete list of the meetings that took place in 2004 is provided in Annex III on page 33);
- to provide analytical support and advice to the Conference and its subsidiary bodies on all aspects of the Energy Charter process;
- to represent the Energy Charter Conference in the development of its relations with non-member states and other relevant international organisations;
- to support negotiations on new instruments mandated by the Conference.

The Secretariat's activities are included in an annual Work Programme, which is subject to approval by the Energy Charter Conference.

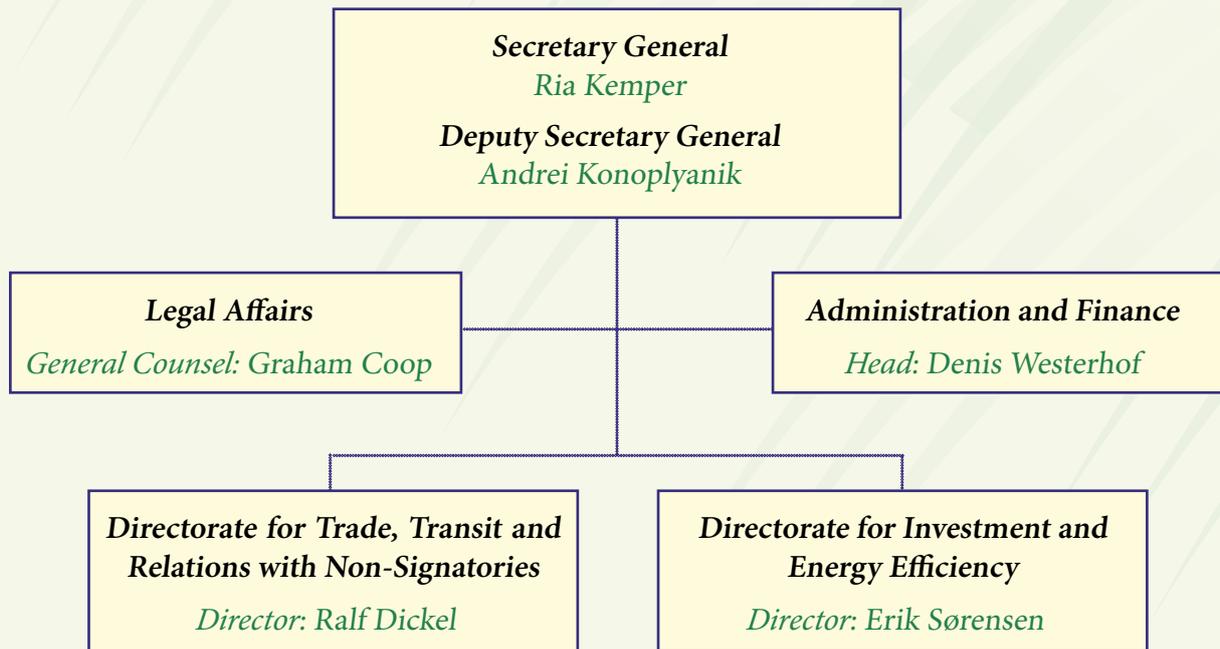
There were twenty-nine staff in the Secretariat in 2004, the same level as in the previous year, comprising nationals of seventeen of the member states. The budget for the organisation in 2004 was 4.75 million Euros, funded through national contributions from the governments of the Treaty's signatory states, calculated on an adjusted scale of contributions based on that used in the United Nations System.

In addition to the staff under contract, the Secretariat also benefits from a work-placement programme, under which young professionals from participating states with economies in transition assist in the Secretariat's work. In 2004, representatives of Azerbaijan, Kyrgyzstan and Uzbekistan participated in this programme.

The Secretariat is composed of two Directorates, one covering investment and energy efficiency, the second dealing with issues of trade, transit and relations with non-signatories. The Private Office, headed by the Secretary General, is responsible for the overall strategic direction and management of the Secretariat's work. Advice on legal matters is provided by the General Counsel, and there is a section dealing with administrative and financial affairs.

Two new members of the Secretariat's senior staff, Ralf Dickel and Graham Coop, took up their positions in 2004, and they are introduced on the facing page.

More information: www.encharter.org > What is the Charter > Secretariat



Introducing new members of the Secretariat's senior staff:

Director Trade, Transit and Relations with Non-Signatories



Ralf Dickel

Ralf Dickel joined the Energy Charter Secretariat as Director for Trade, Transit and Relations with Non-Signatories in October 2004. Prior to this, he had been heading - since October 2001 - the Energy Diversification Division at the International Energy Agency (IEA), the energy arm of the OECD in Paris, being responsible for Policy Analysis of Energy Markets and of Energy Market Reform. Before joining the IEA he worked as Senior Specialist for Oil and Gas Policy for the World Bank, after a long career with Ruhrgas, the largest German gas company, where he held various managing positions both in the gas purchase and the gas sales department. Ralf Dickel is a German national and has an advanced degree in Mathematics from the University of Tuebingen and an advanced degree in economics from the University of Giessen.

General Counsel



Graham Coop

Graham Coop joined the Energy Charter Secretariat as General Counsel in October 2004. Prior to this, he was Head of the Energy and Natural Resources Group at Freshfields Bruckhaus Deringer, Paris, where he was based from 1992 until 2002, followed by two years as a partner with Denton Wilde Sapte's Energy and Infrastructure Department in London. He was a member of the legal team representing Bahrain in its territorial sovereignty and maritime delimitation dispute with Qatar in the International Court of Justice and received the Order of Bahrain as a result of his work on that dispute. In 1998 and 1999 he was seconded to lead the 5-lawyer International Transport and Supply Contracts Division of the Legal Service of Gaz de France, the French gas utility.

Annex I

Conclusions of the ECT Review

*as adopted by the
Energy Charter
Conference in
December 2004*

General conclusion

“In preparing the conclusions of the 2004 Review, the Energy Charter Conference wishes to record its thanks to Dr Pieter Boot, Deputy Director General in the Ministry of Economic Affairs of the Netherlands and Chairman of the Ad Hoc Review Group for his report reviewing the Charter process which he and his collaborators prepared for the Review Group. On the basis of this report and on other inputs and submissions made, the Conference adopts the following conclusions:

1. The Contracting Parties and other Signatories to the Energy Charter Treaty confirm their continuing commitment to the Energy Charter process, which we consider to be an important and useful tool for enhancing our relations in the energy field, based on complementarities and mutual benefits.
2. The strength of this process is based upon its unique legal framework and its potential as a policy forum, promoting our common objectives to strengthen international energy cooperation, to enhance the security of energy supply and access to energy markets, to maximise the efficiency of energy production and consumption, and to minimise their environmental impact. Mutual complementarities and increasing interdependence in energy matters underscore the value of a broad cooperative framework that can promote energy investments, facilitate cross-border flows of energy and improve energy efficiency.
3. At the same time, we consider that the work of the Charter process must evolve to reflect new developments and challenges in international energy markets, and also recognise and respond to the implications of broader changes across its constituency such as the enlargement of the European Union, the liberalisation of European energy markets, and the accession of member countries to the World Trade Organisation.
4. In this context, it is also appropriate to reconsider the relative importance of the work on the subject areas covered by the Treaty and sharpen their focus, and to find a new balance between monitoring implementation and policy discussion so as to increase the efficiency of the process. This also calls for a deepening of linkages with other relevant international organisations.
5. We stress the utmost importance of ratification of the Energy Charter Treaty (as amended by the 1998 Trade Amendment), as well as the Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects (PEEREA), by all Signatory States.
6. We encourage continued work on the implementation of the Energy Charter Treaty and PEEREA, and confirm that compliance with these instruments is of central importance to the Energy Charter process in order to promote stable and sustainable energy supplies on a mutually beneficial basis. A targeted policy debate can contribute in this regard by highlighting and comparing appropriate policy approaches that can facilitate the development of more open, competitive and sustainable energy markets.

Core Priorities



Trade and Transit

7. With reference to the conclusions for the individual subject areas covered by the Treaty, we consider that the Energy Charter process should concentrate its activities on the areas where its constituency and unique legal framework provide it with clear comparative advantages. Activities need to respond in a flexible manner to developments in the energy sector and the energy industry. Formulating Charter activities at the programme level with reference to accountable targets will help to ensure that these activities are focused on achieving clear results.
8. This approach will require continued and, where appropriate, strengthened cooperation with other relevant international organisations, such as the World Trade Organisation (WTO), the International Energy Agency (IEA), and the United Nations Economic Commission for Europe, in order to maximise synergies and avoid duplication.
9. We reaffirm the importance of a transparent, non-discriminatory, and operational legal framework for energy transit, for the benefit of consumers, producers and transit countries, and express our full support for the finalisation of negotiations and adoption of the Energy Charter Protocol on Transit to expand upon the existing provisions in the Treaty. We stress the need to conclude this instrument in a timely manner.
10. In the light of the accession of many countries in the Charter constituency to the WTO, the role of the Charter process in the field of trade has changed. At the same time, we recognise the continued need to address potential barriers to cross-border energy flows, many of which relate to the grid-bound nature of trade in electricity and in hydrocarbons (natural gas in particular), including issues of access to networks and management of transmission systems. We consider that a combined agenda for Charter activities in the areas of trade and transit could make a significant and more focused contribution to the facilitation of energy flows across the Charter constituency, which is central for enhancing energy trade and security.
11. A primary objective of our cooperation through the Energy Charter process is to facilitate the development of open, competitive and sustainable energy markets. In this context, the Charter process can also provide constructive and complementary support to specific initiatives creating regional integrated energy markets in areas such as Eastern and South-Eastern Europe and Central Asia. Recognising the potential further benefits of increased energy trade, we will continue to examine opportunities and approaches for developing converging rules for regional electricity markets, including the need for new instruments, and for facilitating electricity trade.

continued overleaf..

Investment

12. The promotion and protection of investments in the energy sectors of Energy Charter states, based on a predictable, transparent and non-discriminatory legislative environment, remains a priority area of our cooperation. We will continue our efforts to promote a favourable environment for investors in our respective energy sectors, including through the work of the Charter's Investment Group. We welcome the introduction of in-depth reviews of the Investment Climate and Market Structure of Energy Charter member states, with an increased role for the Secretariat in their preparation, and with greater focus on the follow-up of recommendations made by the Energy Charter Conference.
13. We recognise the value of the Charter as a forum for an exchange of experience from across the entire constituency on policy issues related to energy investments. Making use of existing materials and research, where appropriate, will facilitate a balanced exchange of information and avoid duplication of efforts. We also believe that consideration should be given to ways to address issues related to the transfer of technology and access to capital.
14. We will also continue our work on non-discriminatory treatment in the pre-investment phase, i.e. on the 'making of investments.' The Investment Group should continue to monitor exceptions to this principle, with a view to their reduction and removal. We will also periodically review the possibility of making progress on this issue on a legally binding basis, as foreseen by the Energy Charter Treaty.

Energy Efficiency

15. We reaffirm the importance of promoting energy efficiency and related environmental aspects, a priority that has been reinforced by the entry into force of the Kyoto Protocol. We support the contribution that the Energy Charter process continues to make in this area through the Protocol on Energy Efficiency and Related Environmental Aspects, and the role of the PEEREA Working Group as a forum for policy exchanges on energy efficiency actions and programmes, and on incorporating energy efficiency objectives and strategies into national policies.
16. We welcome the efforts of individual countries to reduce their energy intensity and to improve energy efficiency in various sectors. We consider that the in-depth country reviews of energy efficiency policies conducted in the Charter framework, and the follow-up to the recommendations of these reviews, should continue to play an important role in this regard.
17. A focus for future activities in the PEEREA Working Group should be assisting those countries and sectors where there is the most scope for improvement in energy and environmental performance, making available for this purpose the experience of countries which have a successful record of policy implementation in the relevant areas. Horizontal reviews of countries and/or sectors can be a productive way of helping to achieve this objective. Other approaches and policy instruments, such as voluntary 'target setting' by individual countries as part of their overall energy efficiency strategy, should also be explored.



Dispute Settlement

18. The Treaty's dispute settlement mechanisms are an important instrument to ensure compliance with its substantive provisions. The Secretariat should raise awareness about the possibilities for dispute settlement applicable under the Treaty, and should facilitate the provision of information, where appropriate, on the use of these mechanisms.

Organisational Issues

19. Regular meetings of the Energy Charter Conference should normally be held once a year. A continuous political role for the Chairman of the Conference, together with the Vice-Chairmen, would provide additional impetus to the Energy Charter process.

20. With regard to the subsidiary bodies of the Conference, we resolve to merge, with effect from the beginning of 2005, the Groups on Trade and Transit in view of the converging agendas in these areas.

We will examine in 2006 the feasibility of a further merger with the Investment Group.

21. We welcome the establishment of an Industry Advisory Panel to the Energy Charter process, and we consider that an effective dialogue with the energy industry and other stakeholders is a central aspect of the Charter process. To facilitate this dialogue, we shall endeavour to ensure greater transparency and awareness of the Energy Charter's provisions and of our activities.

22. Recognising the necessity to streamline the activities, some economies in the budget for 2005 will be achieved. In line with the future development of the Energy Charter process, we will examine the possibilities for further significant reductions in the budget in the coming years.

Expansion

23. The Energy Charter process has a natural focus on the evolving Eurasian energy market, including the Mediterranean, the Middle East and Asia. We welcome the interest shown in the Charter process by several non-member states, and acknowledge in particular the growing Asian dimension of the Charter process. Observer status at the Energy Charter Conference provides a mechanism for facilitating association and familiarity with the Charter process and we encourage the observer states to participate actively in the Charter's work and to consider the mutual benefits of full accession to the Energy Charter Treaty.

Implementation of the Review Conclusions

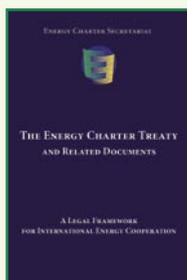
24. We affirm our common ambition to strengthen energy cooperation in the framework of the Energy Charter process in line with the conclusions of this Review and subject to available resources, and invite the Secretariat to report to the regular meetings of the Energy Charter Conference on the implementation of these conclusions, including any appropriate proposals for improvement and for addressing new challenges in energy markets."

Annex II

Publications and Reports

*New in 2004:****The Energy Charter Treaty and Related Documents***

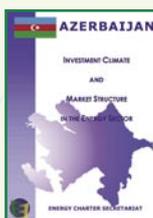
The Secretariat, with the kind financial support of the Ministry of Economic Affairs of the Netherlands, has re-printed the text of the Energy Charter Treaty and related documents. The text includes the full texts of the European Energy Charter of 1991, the Energy Charter Treaty (as amended by the 1998 Trade Amendment) and the Protocol on Energy Efficiency and Related Environmental Aspects from 1994. Copies of this publication, in English and in Russian, are available from the Secretariat.

***Investment (available online)***

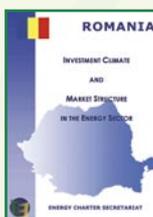
Armenia - In-Depth Review of the Investment Climate and Market Structure in the Energy Sector



Azerbaijan - In-Depth Review of the Investment Climate and Market Structure in the Energy Sector



Romania - Review of the Investment Climate and Market Structure in the Energy Sector



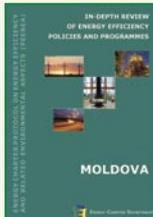
Bulgaria - Follow-Up Report on the Investment Climate and Market Structure in the Energy Sector



Energy Efficiency (available online)*



Czech Republic - In-Depth Review of Energy Efficiency Policies and Programmes
(also available from the Secretariat in hard copy)



Moldova - In-Depth Review of Energy Efficiency Policies and Programmes
(also available from the Secretariat in hard copy)



Belarus - Regular Energy Efficiency Review



Bulgaria - Regular Energy Efficiency Review



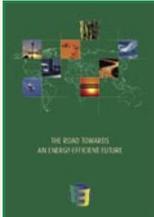
Ireland - Regular Energy Efficiency Review



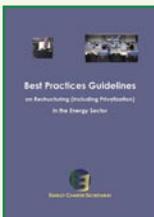
Slovenia - Regular Energy Efficiency Review

* *The in-depth review of energy efficiency policies and programmes in Croatia will be published in early 2005. The Czech review was completed in 2003, and published in spring 2004.*

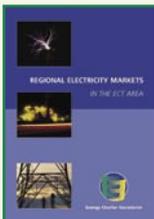
Other recent publications:



The Road Towards an Energy-Efficient Future
(report submitted to the UN-ECE 'Environment for Europe Ministerial')



Best Practice Guidelines on Energy Market Restructuring, including Privatisation



Regional Electricity Markets in the ECT Area



Third Party Financing - Achieving its Potential

On 17 December 2004, to mark the Tenth Anniversary of the Treaty, the online publication Oil, Gas and Energy Law Intelligence (OGEL), in collaboration with the Secretariat, produced a special online feature on the Energy Charter. This is available to OGEL subscribers at www.gasandoil.com/ogel.

Annex III

Meetings and Events in 2004

	Meetings of the Energy Charter Conference and its Subsidiary Bodies
26 March	First Meeting of the Ad Hoc Group on the Article 34(7) Review of the Energy Charter Treaty
26-27 April	Group on Trade
10-11 May	Transit Group
13-14 May	Investment Group
7-8 June	Working Group on Energy Efficiency and Related Environmental Aspects (<i>by invitation of the Czech Government, this meeting of the Working Group took place in Prague</i>)
15 June	Fourteenth Meeting of the Energy Charter Conference
22 July	Second Meeting of the Ad Hoc Group on the Article 34(7) Review
29 September	Budget Committee
29 September	Ad-Hoc Group on the Secretariat's draft Work Programme for 2005
15 October	Bilateral Expert Consultations between the European Union and the Russian Federation on the draft Energy Charter Transit Protocol
21-22 October	Transit Group
3 November	Group on Trade
4-5 November	Investment Group
17-18 November	Working Group on Energy Efficiency and Related Environmental Aspects
19 November	Third Meeting of the Ad Hoc Group on the Article 34(7) Review
2 December	Budget Committee
14 December	Fifteenth Meeting of the Energy Charter Conference



Secretary General Ria Kemper and Conference Chairman Henning Christophersen at the December meeting of the Energy Charter Conference.



The opening session of the Conference on 'Energy Transit in Eurasia' in October 2004 presented a perspective from the energy industry and from financial institutions on the risks associated with energy transit.

External Events

- 27 January Presentation of the Energy Charter to senior officials from eight countries of the Association of South-East Asian Nations (ASEAN), Brussels (*organised as part of an IEA/ASEAN study tour*)
- 23 February Seminar on 'Prospective Benefits for Iran's Full Membership in the Energy Charter Process', Teheran (*organised jointly with the Iranian Institute for Energy Studies*)
- 5-6 May Seminar on 'Natural Gas in South-East Europe: Investment, Trade and Transit', Istanbul (*organised jointly with the IEA*)
- 12 May Workshop on 'Best Practices in the Energy Sector: Restructuring, Privatisation - the Road Ahead', Brussels
- 2 June Annual Round Table Meeting of the Observer States of the Energy Charter, Brussels
- 18 June Presentation of the Energy Charter to a delegation of South Korean industry and business representatives, Brussels (*organised at the request of the Embassy of South Korea*)
- 1 July Presentation of the Energy Charter to a delegation of senior Chinese energy policy officials (*organised as part of a study tour by the EU-China Energy and Environment Programme*)
- 19-20 October Conference on 'Energy Transit in Eurasia: Challenges and Perspectives', Brussels
- 2 November Expert Meeting on 'Trade-Friendly Promotion of Renewable Energy', Brussels

More information: www.encharter.org > Events / Seminars

Annex IV

Speeches and Presentations

By the Secretary General

February

'Russia's Role in Global Gas Markets - Liberalisation of Projects and Policy'. Speech at the 'IP Week 2004', London

March

'Energy Investments and Transit in North-East Asia - The Role of the Energy Charter Process'. Speech to the 8th International Conference on the North-East Asian Natural Gas Pipeline, Shanghai

'Framework-building for Regional Energy Cooperation in North-East Asia'. Speech to the IEA/KEEI Joint Conference on North-East Asia Energy Cooperation, Seoul



The Secretary General, Ria Kemper, provided a perspective on Europe's long-term energy supply to the 'Energy Day in Croatia' in Zagreb in October 2004. The Charter completed an in-depth review of Croatia's energy efficiency policies in 2004, and in her presentation the Secretary General underlined that the promotion of energy efficiency can make an important contribution to security of supply.

June

'The Energy Charter Process: Promoting International Energy Cooperation'. Speech to the 11th International Caspian Oil and Gas Conference, Baku

September

'The Role of the Energy Charter Process in Promoting Secure Cross-Border Energy Supplies'. Speech at the 19th World Energy Congress, Sydney

October

'The Energy Charter Treaty - a Multilateral Framework for Regional Energy Cooperation'. Speech to the 3rd Black Sea Energy Summit

November

'Perspectives on Long-Term Energy Supply - the Role of the Energy Charter'. Speech to the 13th Forum 'Energy Day in Croatia', Zagreb

By the Deputy Secretary General

January

'Responding to Emerging Threats to Energy Security and Stability'. Speech to the NATO Advanced Research Workshop, Windsor

'International Law Instruments in Diminishing Risk and Increasing Opportunities in Caspian & Central Asian Oil & Gas Pipeline Partnerships'. Opening remarks of the session Chairman to the Conference on 'Risks and Opportunities in Caspian & Central Asian Oil & Gas Pipeline Partnerships', London



January ‘Examining the move towards royalty schemes in Russia.’ Presentation to the Conference on ‘How to Manage the Evolving Relationships between NOCs and IOCs Through Effective Production-Sharing Agreements’; London

March ‘Energy Charter Treaty and its Transit Protocol: assessing the legal framework for setting transit rules and the implications for Russia.’ Presentation at the FLAME 10th Anniversary Conference, Amsterdam

‘The nature of future Russian gas exports to Europe.’ Presentation to the Adam Smith Institute International Energy Symposium, London

‘Russia: Recent political developments and oil.’ Presentation at the Centre for Global Energy Studies (CGES) Conference on “Russian oil and OPEC’s policies”, London

May ‘The Place of Energy in Russia’s Relations with Europe.’ Presentation at the Friends of Europe European Policy Summit “Russia and Europe”, Brussels

‘The Relationship between the State and the Energy Business: the Case of Russia.’ – Presentation at the CWC 6th Annual Workshop “NOC-IOC Relationships that Drive Growth”, UK

September ‘Russian gas to Europe: from long-term contracts, on-border trade & destination clauses to ...?’ Presentation to The 3rd EU Energy Law & Regulation Workshop “New Challenges for Regulation: Investment, Environment & Co-ordination”, Florence

October ‘Energy Security and Energy Cooperation within the Energy Charter process – especially: the role of the Russian Federation.’ Lecture at the Institute of Mining and Energy Law, The Ruhr University of Bochum

November ‘Russian Oil Taxation System Development (a continuous debate between supporters of fiscal-oriented and investment-oriented approaches).’ – Presentation at the 15th International Petroleum Tax Conference, Oslo

‘Energy and Security: the Role of the Institutional Structures within the OSCE Region (with particular emphasis on the Energy Charter Process).’ Presentation at the OSCE Economic and Environmental Sub-Committee Meeting, Vienna

‘On the Application of Different Investment Regimes for the Sub-Soil and its Use.’ Presentation to the Parliamentary Hearing of the Russian State Duma on “Topical Issues for the Improvement of the Legislation of the Russian Federation on the Sub-Soil and its Use”, Moscow



By the Director for Energy Efficiency and Investment

April / November

Presentations on the Energy Charter process to two workshops, in Riyadh and Florence, as part of the EUROGULF project: “An EU-Gulf Cooperation Council Dialogue for Energy Stability and Sustainability”

May

‘The Energy Charter and Investments.’ Presentation to the Roundtable Debate co-organised by the IEA and the Kazakh Government on “The Oil and Gas Potential and Macroeconomic Policy of Kazakhstan”, Almaty

June

‘Sustainable Energy Development and the Energy Charter.’ Speech to the Foren 2004 Conference in Romania, an event organised by the Romanian National Committee of the World Energy Council

By the Director for Trade, Transit and Relations with Non-Signatories

November

‘Infrastructure Investments: How to assure a proper framework to Investors - The Energy Charter Treaty.’ Speech to the ARPEL - II Energy Integration Symposium, Punta del Este

‘Securing Energy Supply - The Role of the Energy Charter.’ Presentation to the III Annual International Conference “Gas of Russia: New Challenges and Opportunities”, Amsterdam

December

‘Security of Gas Supply in Open Markets - LNG and Power at a Turning Point.’ Presentation to the Sparks & Flames Conference “Analysis of Europe’s Energy Horizons”, Amsterdam

‘Benefits of the Energy Charter for Iran and the Region.’ Speech to the 9th IIES International Conference “The Iran & Middle East Oil & Gas Forum Addressing New Investment Challenges, Analysing New Project Opportunities”, Teheran



The Secretary General and Deputy Secretary General meet with Dr Nikolai Zaichenko, Minister of Economy of Belarus, Minsk, November 2004

Annex V**Conference Officers for 2005**

*as appointed by
the Energy Charter
Conference in
December 2004*

Energy Charter Conference

Chairman Mr Henning Christophersen (Denmark)
Vice-Chairman Mr Ivan Materov (Russian Federation)

Investment Group

Chairman Professor Michael Caramanis (Greece)
Vice-Chairman Mr Miroslav Duda (Poland)

Trade and Transit Group

The positions of Chairman and Vice-Chairman of this newly constituted Group will be designated in early 2005

Energy Efficiency Working Group

Chairman Mr Peter Helmer Steen (Denmark)
Vice-Chairmen Professor Tamas Jaszay (Hungary)
Mr Wolfgang Stinglwagner (Germany)

Budget Committee

Chairman Ms Katrin Forgó (Austria)
Vice-Chairman Mr Helge Westborg (Norway)

Energy Charter Advisory Board

Chairman Dr Helga Steeg (Germany)

Legal Advisory Committee

Chairman Mr Colin Brown (European Commission)



Ms Katrin Forgó



Annex VI

Industry Advisory Panel

*as approved by
the Energy Charter
Conference in
December 2004*

Mr. Bulteel,	Secretary General, Eurelectric
Mr. Celepci,	Member of the Board and Deputy General Manager, BOTAS
Mr. Chase,	Director, European Government Affairs, BP Europe
Mr. Czernie,	Executive Vice President, E.ON Ruhrgas AG
Ms. Datsko,	Chief of Foreign Relations and Protocol, RAO UESR
Mr. Devos,	Secretary General, Eurogas
Mr. Gegov,	Chief Executive Director, Bulgargaz
Mr. Gogodze,	Member of the Supervisory Board, Georgian Gas International Corporation
Mr. Höhener,	CEO, EG Laufenburg AG
Mr. Isenegger,	Legal Counsel, Shell EP International Ltd.
Mr. Itoh,	General Manager, London Office, JOGMEC
Ms. Kalkavoura,	Head of International Activities Department, Hellenic Petroleum
Mr. Korniusz,	Head of Department for External Economic Relations and Investment, NEC Ukrenerg
Mr. Kranz,	Consultant, Österreichische Elektrizitätswirtschafts AG (Verbund)
Mr. Kuijlaars,	Head, Integrated Energy CEEMEA, ABN AMRO
Mr. Marsh,	Director, Power and Energy Utilities, EBRD
Mr. Mishuk,	Chairman of the Executive Board, CIS Electric Power Council
Mr. Osiadacz,	President of the Board, PGNiG
Mr. Paz Goday,	Director, Secretaria General de Regulación, Union Fenosa
Mr. Raggett,	Director, EU Affairs, OGP
Ms. Rakhmetova,	Director of Department, Kazmunaigaz
Mr. Shtilkind,	Deputy General Director, NIIgasekonomika, Gazprom
Mr. Therkildsen,	Special Advisor, Natural Gas Strategy, Statoil
Mr. Veliyev,	Head of Science and Technical Department, SOCAR



http://www

Further Information

The Energy Charter's web site - at www.encharter.org - gives access to public documents concerning the Charter process, including all publications, and details of past and forthcoming events organised by the Energy Charter Secretariat.

The Secretariat also publishes a regular newsletter, 'Charter News', which is available online and in printed form. If you are interested to receive this newsletter, or have any other queries related to the Charter process, please contact the Secretariat at the address below, or send an email to info@encharter.org.

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**ENERGY CHARTER SECRETARIAT
2005**

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