

**ENERGY CHARTER
SECRETARIAT**

CCDEC 2015

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Brussels, 3 December 2015

Related documents: CC 541

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Industry Advisory Panel: Communication, Revised Terms of Reference and membership list

The Energy Charter Conference at its 26th Meeting held on 3 December 2015:

Took note of the Communication from the Industry Advisory Panel as contained in document CC 541 (Annex I),

Requested the Secretariat to follow up the findings and recommendations of the Communication and assist the IAP with its further work;

Renewed the existing mandate of the IAP for a further period of four years from 2015 to 2019, on the basis of the revised Terms of Reference (Annex II); and

Approved nomination of IAP members in accordance with the attached membership list (Annex III).

Keywords: Communication, Chairman, Industry Advisory Panel, IAP, Terms of Reference, Membership List, Mandate, Renewal

**COMMUNICATION FROM THE INDUSTRY ADVISORY PANEL
TO THE ENERGY CHARTER CONFERENCE**

Introduction

Mandate Membership Activity and Structure

1. During 2015 the IAP extensively discussed the modernisation of its mission and of its activity. In the course of the year, IAP members answered a questionnaire on the mandate, membership, activity and structure of the Panel. The answers collected and the discussion amongst the members, indicated that nearly all the consulted IAP members support that the main purpose of the IAP– should be broadened beyond promotion of the implementation of the Energy Charter Treaty, to include strengthening of the interaction with outreach and observer countries. The questionnaire also demonstrated that the members continue to take the view that the IAP should report mainly on matters related to energy investment, security of energy transit and investment dispute settlement.
2. Currently the IAP has members from 45 energy companies, international associations and institutions from 23 countries, and covers the full scope of energy supply, distribution and financing activities.
3. In 2015 the IAP accepted as new members representatives from NIS a.d. Novi Sad and from HELPE. The IAP also received a request for membership from the Iranian Research Institute of Petroleum Industry. The expanded membership of the IAP represents a comprehensive source of knowledge and expertise on energy matters that continues to serve the entire Energy Charter constituency.

New Members

4. The IAP has currently 62 members from 23 countries and from 9 international institutions and associations.
5. NIS a.d. Novi Sad is a major Serbian company engaged in exploration, production and sales of crude oil and oil products as well as production of natural gas. NIS is a member of the Gazprom Neft company group and has its headquarters in Novi Sad, the Republic of Serbia. NIS operates over 300 petrol stations, Pancevo Oil Refinery and Novi Sad Oil Refinery. NIS is present in the whole SEE region, with subsidiaries in Bulgaria and Romania, and representation in Hungary, Croatia, Bosnia and Herzegovina, as well as Brussels. NIS maintains significant presence overseas rendering various oilfield services to companies engaged in exploration and production of hydrocarbons.

Meetings

6. The IAP held three meetings in 2015. In general, meetings were composed of case studies provided by IAP members; review of expert work presented by the Secretariat or other invited authorities; and invited guest speakers addressing a specific topic of interest for the IAP and the Energy Charter.
7. The first meeting was held on 10 February in Brussels to support and discuss global energy prospects, improving ISDS, energy security in Ukraine, and expansion of IAP membership to outreach countries.
8. IAP members and the IAP supported and actively contributed to the High-Level Business Event “investing in energy” held along with the Ministerial Conference on the International Energy Charter held in The Hague on 21 May 2015, and subsequently released a public statement (Annex IV).
9. The second meeting was organised in partnership with CNPC on 21 July in Beijing to discuss energy investments and energy transit in the ‘One Belt One Road’. Again a public statement was released after the meeting (Annex V).
10. The third meeting was held in Brussels on 8 October to discuss the modernisation of the IAP, developments in investment dispute settlement, prospects for US LNG in Europe, and energy investments in Niger and in four South American countries.

Other Activities

11. In 2015, IAP members contributed to the training sessions of the Energy Charter Knowledge Centre in Brussels on 5-8 May and on 3-6 November.
12. One of the IAP members contributed with comments to the Energy Charter country review of the energy sector in Cyprus.
13. The Chair and IAP members regularly speak about and promote the Energy Charter at high profile external events. In particular, the Chair participated in the B20 Energy Working Group in Istanbul on October 2015 and presented the merits of the Energy Charter as an existing and proven reference point for global energy governance.
14. Communication with members was increased with the publication of news on the meetings on the website and the dissemination of meeting invitations to a larger number of interested parties.

Main Issues Considered and Observations for 2015

International Energy Charter

15. The IAP fully welcomes the adoption of the International Energy Charter on 21 May 2015 in The Hague. The International Energy Charter objective of facilitating the expansion of the geographical scope of the Energy Charter Treaty and Process, and promotion of the principles of the Charter on the global scale, is strongly supported by the members of the IAP.
16. Like policymakers, industry wishes to see improved energy security, maximum efficiency along the energy value chain, and sustainable energy development, conducted in an economically viable, environmentally sound and socially acceptable manner.
17. The IAP looks for a climate favourable to the operation of enterprises and to the flow of investments and technologies to achieve the Charter's objectives.
18. The energy industry is interested that more countries join the Energy Charter Process by signing the International Energy Charter. The panel believes that the enlargement of the constituency of the Energy Charter Treaty and of the International Energy Charter, will play an important role in generating the investments needed to build a resilient and sustainable global energy system.
19. The IAP appreciates the commitment in the International Energy Charter to implement joint or coordinated action by fostering private initiative, making full use of the potential of enterprises in meeting the challenges of the energy sector
20. Finally, the IAP welcomes the current efforts of the Energy Charter Secretariat in relation to outreach countries signing the International Energy Charter.
21. The IAP recalls and restates the public declaration delivered to the International Energy Charter Conference in The Hague, on 21st May 2015 (Annex IV).

IAP Modernisation and Review of the Terms of Reference

22. The main purpose of the IAP will be modernised and broadened beyond promotion of the implementation of the Energy Charter Treaty, to include strengthening of the interaction with observer and outreach countries, towards adoption of the International Energy Charter and accession to the Energy Charter Treaty. The IAP will continue to report mainly on matters related to energy investment, security of energy transit and investment dispute settlement and to the effective implementation of the Energy Charter Treaty. To this end, the IAP may establish thematic issue managers as a regular contact point on specific topics.
23. The IAP membership – until now limited to the energy industry from Contracting Parties, Signatories and observer states – will be open to include industry from outreach countries, as part of a wider IAP constituency will reflect globalised and interconnected energy markets and will contribute to the international promotion of the Energy Charter.

24. IAP members share with governments and with the Energy Charter Secretariat, the responsibility of promoting IAP membership. Depending on the specific market structure and business conditions, the IAP recommends a joint approach which includes recommendations by the relevant government, support by IAP members, and outreach towards energy companies in the Secretariat activities.
25. The procedure for IAP membership will be simplified so as to facilitate engagement by any company that shares the values of the Energy Charter. The general agreement related to the procedure for approving IAP membership shall be streamlined as follows: (i) applications are addressed either directly to the IAP Chair or through the Energy Charter Secretariat; (ii) applications are approved by the following IAP meeting; (iii) the list of the IAP members is approved annually by the Energy Charter Conference
26. In order to engage on a wider geographic basis (including Asia, Africa and the Americas) and to be able to focus on specific topics, the IAP will aim to establish regional and thematic IAP chairs as appropriate.
27. In order to achieve its main purposes, the IAP members will propose, host and organise regular meetings. IAP members may contribute to the activities, events (training programs; seminars) and publications (country reviews; reports, occasional papers) of the Energy Charter Secretariat. In addition, IAP members may sponsor additional activities, events and publications and assign energy industry experts to assist the Energy Charter Secretariat.
28. Through its annual communication, the IAP may suggest to the Energy Charter Conference to take up issues covered by its mandate. The annual communication should be annexed or mentioned in the final Energy Charter Conference declaration and the Secretary General shall ensure consideration of such suggestions at a high political level. The Secretariat supports that the Annual Communication is annexed or mentioned in the final declaration of the Energy Charter Conference; that it is proposed for implementation in the Energy Charter Program of Work and that it is referred to in Energy Charter meetings and activities
29. IAP members propose that the Energy Charter Conference shall more actively consider requesting advice from the IAP.
30. The IAP recommends improving communication with the Secretariat as well as external communications on IAP activities. Regular communications among members and the website should cover IAP sponsored activities and Energy Charter activities, as well as IAP contributions to Energy Charter activities .
31. The IAP confirms its role as a platform to provide business views and advice to the Conference, to the Contracting Parties, to observer and outreach countries on investment, transit, dispute settlement and energy efficiency, and recommends the Conference to renew the existing mandate for a further period of four years from 2015 to 2019 on the basis of the revised Terms of Reference (Annex II).

Global Energy Prospects and Oil Prices

32. The IAP believes that the global energy system is adapting to a changing world with lower energy prices. Among fossil fuels, gas is growing fastest, and is increasingly

being used as a cleaner alternative to coal for power generation, as well as in other sectors. Recent large natural gas discoveries and the increase in LNG exports, demonstrate how the world's demand for energy can be met through competitive industries and smart government policies.

33. The IAP is aware that volatility of oil prices had been always present from 1970s until the present time. It should be noted that new volumes of oil and gas are still coming to the market. Current relatively low oil prices affect investment planning for renewables and multinational energy companies alike.
34. The IAP calls on the Conference, Contracting Parties, observer and outreach countries to cooperate and seek for stable and competitive energy markets in members and outreach countries. This will provide the necessary competitive and policy conditions to support large scale investment and technological progress in all forms of energy resource development and in infrastructure.

Implementing and Improving Investor-State Dispute Settlement (ISDS)

35. The IAP reaffirms the importance of ISDS under the Energy Charter Treaty and within the TTIP consultation process, in which it took an active part. The IAP restates the importance of full access to accessible and effective international investment dispute settlement mechanisms, as an essential complement to the promotion of cross-border energy investments.
36. The IAP welcomes the ongoing discussion in the Investment Group on how the Energy Charter could contribute to improving the system of investment dispute resolution in the energy sector. The IAP welcomes and encourages the initiatives supported by Kazakhstan to establish an 'Energy Charter Investment Ombudsman' in the energy sector. The IAP also welcomes the drafting of investor state mediation guidelines to facilitate/promote mediation procedures with the objective of settling investment disputes at an early stage.
37. The IAP welcomes the discussions on potential improvements to ISDS in relation to transparency and interpretation of certain aspects of the Energy Charter provisions, and believes this should be further advanced in relation to the modernization of the Energy Charter Treaty.
38. In the light of increasing actions and interventions by the European Commission regarding the settlement of intra-EU investment disputes, apparently seeking the termination of intra-EU BITs, the IAP believes that the Conference should alert its membership and seek to broaden and deepen the consensus in favour of accessible and effective international investment dispute mechanisms.
39. The IAP acknowledges the role of the Energy Charter Secretariat in raising awareness and disseminating information on Investor State Dispute Settlement, and recommends the Energy Charter Conference, Contracting Parties, observer and outreach countries to continue their work on promoting alternative settlement of investment disputes and the modernisation of Articles 10 and 26 of the Energy Charter Treaty.

Energy Transit

40. The IAP welcomes the possibility to prevent energy transit disputes by means of mediation and of the Energy Charter Early Warning Mechanism. The IAP welcomes the initiatives of the Secretariat and the active engagement of its good offices to address gas supply and transportation disputes and emergency situations.
41. The IAP believes that the transit provisions of the Energy Charter Treaty, the negotiations of the Transit Protocol, the model agreements for cross-border gas pipeline and for electricity projects, the mechanisms for the conciliation of energy transit disputes, and the examples of regional energy cooperation (Central and Southern Asia; South Caucasus) are excellent tools for facilitating cross-border transit, including between China and Central Asian countries.
42. In addition, the IAP believes that the legal regime of the Energy Charter Treaty would be beneficial for stable energy transit between Tanzania and East Africa, as well as to Zambia, guaranteeing oil, gas and electricity transit within the Southern African Power Pool.
43. The IAP recognises the importance of international transit agreements to secure safe and uninterrupted energy supply and to facilitate energy investments, and recommends the Energy Charter Conference, its Contracting Parties, observer and outreach countries to consider opening negotiations on a multilateral transit protocol or, as an alternative, regional transit protocols in East Africa, Central Asia–South Asia, China–Central Asia, the South Caucasus and neighbouring countries, and North-East Asia.

Challenges of Energy Security in Ukraine

44. The IAP appreciates that Ukraine has increased transparency of the gas flows on its territory by joining the Aggregate Gas Storage Inventory (AGSI+) transparency platform of Gas Storage Europe.
45. The IAP welcomes that the Secretariat provided its good offices in favour of the authorities of Ukraine and of interested investors, so as to mediate and seek to prevent the escalation of disputes. In particular, the IAP values the Energy Charter Early Warning Mechanism, as an effective means of seeking to prevent the disruption of cross border energy supply.
46. The IAP welcomes the initiatives of the Secretariat and its active engagement to address investment disputes and emergency situations through its good offices and the Early Warning Mechanism. The IAP recommends the Energy Charter Conference, its Contracting Parties, observer and outreach countries, to continue to work to prevent escalation of energy-related disputes and to make recourse to the Secretariat's good offices and to mediation procedures, as well as to the Early Warning Mechanism.

Prospects for Energy Investments in Africa and in Latin America

47. The IAP welcomes the activities of the Secretariat on outreach countries in Latin America and in Africa, and the presentation by the Secretariat to the IAP of energy challenges and opportunities in Brazil, Chile, Colombia, Peru and Niger. The IAP greatly appreciates the Secretariat's activity and considers that legal and policy analysis of the energy sector can be a practical and effective tool for increasing awareness about the Energy Charter Treaty in observer and outreach countries.
48. The IAP welcomes the Secretariat's focus on energy investments in Africa and Latin America and stands ready to contribute towards raising awareness of the Energy Charter in observer and outreach countries.

Work Programme for 2016

1. The IAP proposes to meet on four occasions in 2016, with two meetings in Brussels hosted by the Energy Charter Secretariat and two meetings hosted by IAP members.
2. IAP members are invited to liaise with the Secretariat in order to identify ad hoc activities (events and/or publications) to be sponsored in 2016.
3. IAP members and the Secretariat will circulate a list of relevant external events in 2016 to which IAP members are invited to participate.

ANNEX II

Terms of Reference of the Energy Charter Industry Advisory Panel (2015-2019)

1. An Industry Advisory Panel (IAP) is established by decision of the Energy Charter Conference at its 14th Meeting on 15 June 2004 and renewed by subsequent decisions in 2008 and 2012.
2. The IAP shall be a consultative body to the Energy Charter Conference and its Subsidiary Bodies, with the goal of channelling the views and advice of business on matters related to energy investment, investment dispute settlement, energy trade, securing energy transit, and energy efficiency. The main purpose of the IAP is to strengthen the interaction between the ECT constituency and industry, with a particular focus on the effective implementation of the Energy Charter Treaty, and on promoting the adoption of the International Energy Charter and accession to the Energy Charter Treaty by outreach and observer countries. The IAP is invited to promote the key principles of the Energy Charter at relevant international conferences and events. In order to achieve the goal of providing advice and views from the industry, IAP members (i) may regularly contribute to the activities, events (training programs; seminars) and publications (country reviews; reports, occasional papers) of the Energy Charter Secretariat; and (ii) sponsor additional Energy Charter activities, events, publications and assign energy industry experts to assist the Secretariat.
3. The composition of the IAP shall be broadly representative of the energy industry of the Contracting Parties, Signatories, observer and outreach states to the ECT, both in regard to geography and sectors. Members shall be drawn from energy companies, business associations and other organizations with substantial business interests in energy, having their headquarters in the territories of the Contracting Parties, Signatories, observer and outreach states. Interested representatives from the financial sector may be nominated. Members shall be at a senior level close to the decision-making process in their companies/organisations.
4. Interested candidates may submit their request for IAP membership, and Contracting Parties and Signatories may propose candidates for IAP membership, to the IAP Chair either directly or through the Secretary General. After validating these requests in the light of Paragraph 3 above, the IAP will submit a list of members with the annual communication to the Conference. If the Conference cannot reach a consensus, the decision shall require a simple majority of the Contracting Parties. Membership is renewed every year by submission of the list of members to the Conference.
5. The Conference or its Subsidiary Bodies may ask the IAP for advice. Advice from the IAP will be presented to the Conference and/or its Subsidiary Bodies and annual Policy Conferences as appropriate. In line with the established practice of the Energy Charter process such advice shall, as general rule, be considered in the relevant Subsidiary Body before being submitted to the Conference.
6. The IAP may suggest to the Conference or its Subsidiary Bodies to take up issues covered by its mandate with an Annual Communication. The Secretary General shall recommend that the Energy Charter Conference consider such suggestions at a high political level. The Secretariat supports that the Annual Communication is annexed or mentioned in the final declaration of the Energy Charter Conference; that it is proposed for implementation in the Energy Charter Program of Work and that it is referred to in Energy Charter meetings and activities.
7. The IAP may elect a Chair and other officers and organise its activities, in accordance with these Terms of Reference, as it considers appropriate. The IAP may establish regional Chairs. The Secretariat shall assist the IAP in the organization of its work. The Energy Charter Secretariat should prepare IAP meetings and summary records of meetings and conference calls; draft IAP Annual Communications; IAP Insights; IAP statements; promote IAP membership and correspond with candidate IAP members; and invite IAP members to contribute to its activities.
8. The members of the IAP shall cover their own costs.
9. The Conference shall periodically review the working methods of the IAP and its Terms of Reference in the light of the experience gained.

ANNEX III

COMPOSITION OF THE ENERGY CHARTER INDUSTRY ADVISORY PANEL (IAP)

MEMBERS AS OF 7 OCTOBER 2015:

AZERBAIJAN

State Oil Company of Azerbaijan Republic (SOCAR)	VELIYEV Nazim	Head of Science and Technical Department
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BULGARIA

Bulgarian Energy Holding EAD

PEOPLE'S REPUBLIC OF CHINA

China National Petroleum Corporation (CNPC)	WANG Haiyan	Deputy Director International Department
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CZECH REPUBLIC

ČEZ a.s.	KREJČÍŘIKOVÁ Zuzana	Public Affairs Director
	VOHLÍDKOVÁ Veronica	European Affairs Specialist

GEORGIA

Georgian Oil and Gas Corporation	TVALABEISHVILI David	General Director
	GOCHITASHVILI Teimuraz	Advisor to General Director

GERMANY

E.ON SE	BRENZEL Vera	Head Brussels Office
	DONATH Heyko	Political Affairs Brussels Office
EWE AG	MELLER Eberhard	Senior Counsellor Brussels Office

GREECE

Hellenic Petroleum SA	GOUTA Liana	Director for International Government Affair Division
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ITALY

Edison S.p.A.	MARGHERI Marco	Head of EU Liaison Office
	BARASSI SABELLI Mariacristina	EU Liaison Office

Enel S.p.A.	ZANGRANDI Roberto	Head of Institutional European Affairs
	D'AUSILIO Michel	International and European Regulation
Eni S.p.A.	MARCHETTI Fabio	Head of European Government Affairs
	MANNO Giorgia	European Government Affairs

ERG S.p.A.

JAPAN

Japan Oil, Gas and Metals National Corporation (JOGMEC)	MATSUMOTO Shiro	Deputy General Manager London Office
Mitsubishi Corporation International (Europe) Plc.	KAWAMATA Michio	Senior Vice-President Energy Business
	TAMURA Yoshiko	Gas Analyst Energy Business
	PATAKI Katalin	Energy Business

JORDAN

Jordan Petroleum Refinery Company LTD	AL-REFAI Ahmed	CEO
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KAZAKHSTAN

Kazakhstan Electricity Grid Operating Company (KEGOC)	KATYSHEV Sergei	Managing Director
KAZENERGY Association	RAKHMETOVA Klara	Energy Charter Project Manager

MOLDOVA

Moldovagaz	Aculov Andrei	Special Advisor
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NORWAY

Statoil	BULIGINA Laila	European Regulation Advisor
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POLAND

Gas Transmission Operator GAZ-SYSTEM S.A.	KUŚ Piotr	Director Brussels Office
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PORTUGAL

EDP Energias de Portugal SA	PITA DE ABREU Antonio	Executive Member of the Board
	VITORIO Pedro	Director Institutional Relations, Representative Brussels Office

RUSSIAN FEDERATION

Gazprom	POTAPOV Maxim	Head of Division International Business Department
Lukoil	BUNIN Maxim	Director Corporate Affairs

THE NETHERLANDS

Gasunie	VAN AARTSEN Pieter	EU Affairs Manager
Shell International B.V.	VAN DOESBURG Ruben	Senior Legal Counsel

SERBIA

NIS a.d. Novi Sad	KOKOTOVIC Nadezda	Chief of Staff to CEO
	RADOVANOVIC Nikola	Chief Legal Officer for EU Legislation

SPAIN

ACS Servicios, Comunicaciones y Energía, S.L.	NEBRERA Jose A.	General Manager Grupo Cobra
	ASENSIO Emilio	Director
Abengoa S.A.	BEJARANO GARCIA Germán	Advisor to the Chairman, Director for Institutional Affairs
	ZICKFELD Florian	Manager International Business Development

Gas Natural Fenosa

SWITZERLAND

Axpo Group	HESELBARTH Thomas	Axpo Power AG Gas Asset/Infrastructure Management
	ROEHM-MALCOTTI Eberhard	Axpo Services AG Head of EU Energy Policy

Dow Europe GmbH

CHASE Howard

Director of Government Affairs

IAP Chair

TURKEY

BOTAŞ Petroleum Pipeline Corporation

AKTAN Hülya

Foreign Relations and EU Coordination Manager International Projects Department

UKRAINE

Naftogaz of Ukraine

KRUPKO Vladimir Petrovich

Director Department International Cooperation and External Projects

NEC "Ukrenergo"

KORNIUSH Sergii

Head of Department for External Relations and Investment

BONDARIEVA Mariia

Chief Specialist

UNITED KINGDOM

BHP Billiton

KILKENNY Carmel

Commercial Manager

BP

HATON Emmanuel

Director European Government Affairs

EFREMOVA Ira

Advisor European Government Affairs

INTERNATIONAL INSTITUTIONS AND ASSOCIATIONS

CIS Electric Power Council

MISHUK Evgeny

Chair Executive Committee

European Committee of Domestic Equipment Manufacturers (CECED)

FALCIONI Paolo

Director General

European Bank for Reconstruction and Development (EBRD)

RASMUSSEN Eric

Director Natural Resources

Eurelectric

TEN BERGE Hans

Secretary General

NOYENS Koen

Eurogas

RAABE Beate

Secretary General

GIALOGLOU Kyriakos

EU Affairs Director

EU Turbines

BARON Sonia

Manager European Affairs

Gas Infrastructure Europe (GIE)

DESCHUYTENEER Thierry

Executive Secretary

GO15. Reliable and Sustainable
Power Grids

DOBBENI Daniel

President

STEVEN Alain

Secretary General

International Association of Oil &
Gas Producers (IOGP)

FESTOR Roland

Director EU Affairs

SCHWARCK Christian

Deputy Director, EU Affairs

INDEPENDENT EXPERT (Deputy IAP Chair)

KALKAVOURA Anastasia



**PUBLIC STATEMENT
BY THE ENERGY CHARTER INDUSTRY ADVISORY PANEL
TO THE INTERNATIONAL ENERGY CHARTER MINISTERIAL CONFERENCE
HELD IN THE HAGUE ON 20 AND 21 MAY 2015**

The Hague, 21 May 2015

The Energy Charter Industry Advisory Panel (IAP) is the expert consultative body to the Energy Charter Conference, providing policy advice from energy companies, international business associations and financial institutions on energy investment and the functioning of energy markets.

The Panel includes members from all sectors of the energy industry and from a wide range of signatory countries to the Energy Charter Treaty. The panel and its members are greatly encouraged by the attendance of up to 100 countries at the International Energy Charter Ministerial Conference, held in The Hague on 20 and 21 May 2015, to adopt and sign the International Energy Charter.

We see this as an important step towards the modernisation and the expansion of the Energy Charter Treaty on a global scale, and would like to express particular appreciation to the Kingdom of the Netherlands for hosting this important occasion.

Along with policymakers, the energy industry places high value on the efficient flow of investment and technology in the energy sector, to support delivery of the shared goals of competitive, affordable, secure, sustainable and efficient energy supply and use, in accordance with the principles of the International Energy Charter.

The Industry Advisory Panel consequently warmly welcomes the commitment of participants at the International Energy Charter Ministerial Conference to promote investment in the energy sector through a sound legal framework, regulatory stability, market confidence and availability of investment risk guarantees.

To this end, the Industry Advisory Panel encourages accession to the Energy Charter Treaty, as a unique international legal framework for the promotion and protection of energy investments, assuring energy investors of a high level of legal security and appropriate access to dispute settlement mechanisms.

In the view of the Industry Advisory Panel, the enlargement of the Energy Charter Treaty constituency can play an important role in supporting resilient and sustainable investments to meet growing global energy needs. For its part, the Industry Advisory Panel will seek to support the expansion of the Energy Charter community by actively encouraging the involvement of companies from interested countries and restructuring its activities on a more regional basis to support this development.

The Industry Advisory Panel values the efforts of participants at the International Energy Charter Ministerial Conference to work towards greater international cooperation and implementation of the principles enshrined in the International Energy Charter, and will continue to welcome the involvement of interested energy sector companies in its ongoing work of providing industry advice and support to the Energy Charter Conference.



**PUBLIC STATEMENT
BY THE ENERGY CHARTER INDUSTRY ADVISORY PANEL (IAP)
At the meeting hosted by China National Petroleum Corporation (CNPC)**

Beijing, 21 July 2015

The members and the invited guests of the Energy Charter Industry Advisory Panel (IAP) thank CNPC for hosting its meeting in Beijing on 21 July 2015.

In May 2015, the IAP welcomed the expansion of the geographic scope of the Energy Charter as confirmed by the 72 countries signing the International Energy Charter (IEC). In addition to China, another 24 other countries from Africa, Middle East, Latin America and South and East Asia have joined the IEC commitment to efficient, stable and transparent energy markets to meet growing global energy needs.

The IAP seeks to support the further expansion of the Energy Charter community by actively encouraging the involvement of companies from interested countries. The meetings held in observer countries including Washington (2014), Rabat (2012) and Amman (2009), have contributed to raising private sector awareness of the Energy Charter and interest in accession to the Energy Charter Treaty.

The IAP welcomes the signature by China of the IEC as the result of long standing cooperation between China and the Energy Charter Secretariat.

The IAP members restate the high value they place on efficient energy markets and on freedom of transit in order to deliver competitive, affordable and sustainable energy. A favourable and transparent investment climate and uninterrupted transit, in accordance with the principles of the IEC and of the Energy Charter Treaty, are indispensable to supporting energy transition and to meeting the energy needs of emerging economies and developing countries.

At a time of economic and energy transition in China, the expansion of outward and inward foreign investments in China's energy sector underlines the relevance of the IEC and the Energy Charter Treaty as instruments for building confidence and regulatory stability in energy markets, for securing energy transit in the region, and for the provision of mechanisms for addressing and settlement of disputes.

The IAP notes that the Energy Charter Treaty can play a valuable role in promoting energy investments contributing to China's "One Belt One Road" initiative, as well as in securing energy transit at a regional scale between China and Central Asia, and more generally to contribute to global energy governance.

The Industry Advisory Panel consequently warmly welcomes the participation of Chinese and all interested companies in its work, and looks forward to closer collaboration between China and the Energy Charter in implementing the principles of the International Energy Charter and the Energy Charter Treaty.