

**ENERGY CHARTER
SECRETARIAT**

CCDEC 2008

8 WPR

Brussels, 28 November 2008

Related documents: CC 359, CC 368

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Secretariat's Work Programme for 2009

[The Energy Charter Conference at its 19th Meeting held on 28 November 2008 approved the Secretariat's Programme of Work as proposed in document CC 359 (Annex).]

Keywords: Secretariat's Work Programme

Energy Charter Secretariat's Work Programme for 2009

as approved by the Energy Charter Conference
at its 19th Meeting held on 28 November 2008

In order to ensure that its activities live up to current requirements, the Secretariat draws upon the policy guidance of the Conference and its subsidiary bodies. In this context, the conclusions of the Review under Article 34 (7) ECT in 2004 remains the most comprehensive strategic document, providing for a view on priorities and objectives to be pursued through the Energy Charter process, based on an assessment of the Charter's instruments, its role in relation to other international organisations and recent developments in the energy sector. At that time, the Conference concluded that the strength of the Charter process is based upon its unique legal framework and its potential as a policy forum promoting common objectives. At the same time, it stated 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.

The Charter process continues to operate within the general framework of the 2004 Review conclusions. However, the member states have made use of the flexibility of the Charter's instruments, adjusting the activities of the working groups and the Secretariat to new developments. In support of this work, the Secretariat has developed new activities. The next Review under Article 34 (7) ECT to be conducted in 2009 will provide an opportunity to assess how the current balance in the Energy Charter's work and the respective outputs correspond to what member states expect from it.

Ahead of this important process, the discussions in the Ad Hoc Strategy Group have provided a preliminary understanding of the challenges affecting the energy sector and current priorities of the member states. In June 2008, the Ad Hoc Energy Charter Strategy Group identified major challenges facing the Energy Charter constituency in view of climate change, changes in the global market balance, price developments, global energy security, the need for huge investments into the energy sector, trade and transit issues and the need for energy efficiency along the energy value chain. At the second meeting of the Ad Hoc Strategy Group in October, the member states reiterated their support for the Energy Charter's core activities and suggested ways how the Conference could respond to a number of new challenges.

The Secretariat's Programme of Work is a flexible instrument to plan the Energy Charter's agenda according to current needs and developments. However, the member states have resolved not to foresee additional activities in the core budget before the Review under Article 34(7) ECT provides a general assessment of the effectiveness of the Charter's instruments. Therefore, for the Programme of Work for 2009 the Secretariat is making an effort to address the main policy areas resulting from the overall framework described above within available resources. These policy areas are:

- A. Promotion of the Energy Charter and the Energy Charter Treaty (including activities related to the Review under Article 34(7) ECT, ratification and expansion)
- B. Global energy security and changes in global market balance
- C. Investment

- D. Transit/cross border trade, including the finalisation of the Transit Protocol
- E. Energy efficiency and the environment (including climate change)
- F. Coordination of the Secretariat's work, administration and finance.

All activities to be funded from the core budget are presented in *Part C: Core budget*. A number of useful activities to address new challenges and to promote the principles of the Charter cannot be covered by and are therefore listed in *Part V – Voluntary Contributions*. This approach provides the flexibility to undertake new activities.

It is understood that in a broad constituency and policy framework such as the Energy Charter, member states continue to have individual priorities with regard to the Charter's work. Therefore, the Programme of Work also needs to find the right balance between these interests. It should also leave some flexibility to allow for short-term adjustments in view of unexpected developments.

Main policy areas in 2009

A. Promotion of the Energy Charter and the Energy Charter Treaty

The Secretariat will continue to foster the unique legal framework and policy forum the Energy Charter represents. In this respect, it supports the Charter Conference in carrying out the functions mentioned in Article 34 (3) ECT. A considerable part of the Secretariat's work in 2009 will be devoted to core activities such as implementation, ratification and promotion of the Energy Charter Treaty and the PEEREA. This work will be addressed to the working groups, governments of member states, observers and non-signatories as well as policymakers, industries and the public.

The *Secretary General*, supported by the *Private Office* and the substantive departments of the Secretariat, will continue to facilitate co-operation among the member states and implementation of the principles of the Charter, the Treaty and PEEREA, by maintaining high level contacts, advising the Conference Chairman and supporting the meeting of the Charter Conference (*activity 1*). A special emphasis will be put on activities to facilitate outstanding ratification processes. A number of activities in the Programme of Work aim to support these processes by raising awareness of the impact of the Treaty and the Trade Amendment (*e.g. activity C5.3*). *Legal Affairs* will continue to provide legal advice and facilitate access to relevant documents as appropriate, including, the *travaux préparatoires*, which are generating growing interest (*activities C7.1 and C7.2*).

In 2009, the Secretariat will provide support for the implementation of Article 34 (7) ECT. The Review to be conducted in accordance with this provision under the authority of the Conference will involve capacity from all parts of the Secretariat (*activity C2.1*).

The Secretariat will further promote the profile of the Energy Charter process within the given constituency and beyond.

It will continue to raise awareness of the Treaty and the Charter process among the public and the expert community of its constituency as an essential condition for effectiveness. The *Private Office* will remain actively engaged in public relations activities and will further

pursue an active external information policy (*activity 1*). In addition, *Legal Affairs* will continue to allocate resources to raising awareness of the Treaty and, more specifically, its dispute settlement mechanisms, as requested in the 2004 Review conclusions and reiterated in the Charter's working groups (*activity C7.2*). As in previous years, the role of the Energy Charter in a broader context and its public visibility will be the purpose of the annual Policy Conference organised by the Secretariat, to deal with investment and financing (*activity C3.1*).

More could be done with regard to the public profile of the Energy Charter through activities targeting young professionals beyond the existing secondment programme, e.g. by organising a summer school on Energy Charter related issues. This activity is suggested for voluntary contributions (*activity V3.4*).

Beyond the current constituency, the Secretary General, supported by the Senior Expert, will further promote contacts with non-signatories in view of their possible accession to the Energy Charter Treaty, as well as co-operation with other relevant international organisations, regional groupings and agencies. Recent statements by delegations in the Ad Hoc Strategy Group have confirmed that this policy remains a priority, in particular with regard to major producing and consuming countries. However, based on resources currently available in this regard, the Secretariat's approach will remain opportunity-driven, responding to interest from non-member countries. A more strategic, priority-driven approach, focusing actively on countries which have a direct impact upon the energy security of existing member states, would require significant additional human and other resources. It is suggested that a consistent expansion strategy be developed during the Review under Article 34 (7) ECT in 2009. This could involve sponsorship by member states for individual candidates for accession.

With the aim of increasing the impact of the Charter's work, the Secretariat will also continue cross-cutting activities, drawing on its joint capacity and aiming at knowledge-sharing and dissemination of information to its constituency and to a broader professional public. Modules for knowledge sharing were designed to respond to concrete requests from within the constituency to present the Charter's work with regard to a number of topical issues, namely underground gas storage, international pricing mechanisms for energy, practical steps for energy efficiency as well as model agreements for cross-border pipeline and electricity projects (*activity C3.2*). Furthermore, the Secretariat will continue to support to the Industry Advisory Panel (IAP) in accordance with the Terms of Reference of that body (*activity C3.3*).

B. Global energy security and changes in global market balance

The debate within the Ad Hoc Strategy Group in 2008 on new challenges in the energy sector revealed concerns of member states with regard to issues such as global energy security, the balance of security of supply and security of demand, changes in the global market balance and price developments. In 2009, the Secretariat will continue activities started earlier to address these issues.

This applies first and foremost to expert advice in support of the discussions in the strategy group, should the Conference decide to extend its mandate. (*activity 2.1*).

The Secretariat will continue analytical work on risk reduction and on international pricing mechanisms for energy (*activities C4.2, C5.5*). A new edition of the publication on international pricing mechanisms expanded to all types of energy and the impact of taxes is envisaged, as well as follow-up activities on recent price developments and the Risk Reduction Dialogue on improving conditions for mutual investment along the energy value chain. The role of underground gas storage in relation to security of supply and transit will be addressed within the activities on energy transport facilities (*activity C5.2*).

The Secretariat stands ready to follow up on other proposals relevant for energy security and the global market balance. For example, the Energy Charter could further promote long-term co-operation in the energy field by providing analysis of available projections on the development of energy markets and exchange of information on factors influencing security of supply and demand, issues that have been mentioned as relevant in the context of the work of the Ad Hoc Strategy Group. Given current budgetary restrictions this proposal has been added to Part V of the Programme of Work as an activity open for voluntary contributions for the time being (*activity V3.5*).

Member states have confirmed their interest in an exchange of experience and a transparent policy dialogue on market designs and structures and their impact on international co-operation in the energy sector. More could be done in this area. At this stage, the Energy Charter will continue to foster regional electricity cooperation by supporting the Task Force on Regional Electricity Cooperation in Central and Southern Asia, an activity that continues to be highly valued by the countries involved (*activity C5.6*). In particular, the Secretariat will finalise an analytical paper on the relationship between regional electricity cooperation and sector reform and investment climate in Central Asia. As a possible additional activity for voluntary contributions, the Secretariat proposes to prepare a compilation of different electricity market designs within the Energy Charter constituency.

C. Investment

In view of the huge investments needed to meet the challenges of growing demand in energy and of climate change, the members of the Energy Charter have reiterated their strong interest in international mechanisms to promote investments into the energy sector. The provisions of the Energy Charter Treaty on investment remain unique and highly valued by member states. This policy area will therefore remain a priority in the Secretariat's work.

Having in mind the reassurance given by delegations that country reports on Investment Climate and Market Structure (ICMS) continue to make a difference also in comparison to reviews prepared by other organisations, the Secretariat proposes to conduct further in-depth and follow-up reports, dealing with the issues of investment conditions in the energy sector, as well as restructuring of energy markets, privatisation and access to capital. With the Secretariat's detailed analysis, the ICMS reports are the basis for the 'peer review' of policy developments in the examined countries (*activity C4.1*).

Overall, the Secretariat will seek a greater balance in this activity between information on OECD countries and other Energy Charter member countries. Work will continue on the improvement of entry conditions for foreign investors in the energy sector through a reduction in the number of remaining country-specific exceptions to the principle of non-discrimination (*activity C4.3*). Furthermore, the Secretariat will prepare occasional papers to facilitate the exchange of information and assessment by the Investment Group related to

measures adopted by member countries and other developments in the legal and financial environment that have an impact upon energy related foreign investment (*activity C4.4*).

The conditions for cross border investment along the energy value chain remain in the focus of the strategic debate among the member states on their cooperation in the energy field and global energy security. As the G8 St Petersburg conclusions noted, it is ‘especially important that companies from energy producing and consuming countries can invest in and acquire upstream and downstream assets internationally in a mutually beneficial way’.

In 2008, the Secretariat produced a paper on reciprocity which was taken up by the Investment Group in October 2008. It may be beneficial to continue this work in order to attain greater clarity of the practical implications for investment policies, of cross border investment along the energy value chain (*activity C4.2*).

As mentioned above, the Annual Policy Conference in 2009 is proposed to deal with investment and financing, which has become particularly topical in view of the current global financial crisis.

In light of the success of the previous events (Stockholm Conference in June 2005, Washington Conference in May 2007 and London Conference in September 2008) as well as increased awareness in member states on the importance of international arbitration mechanisms envisaged under the ECT and in order to continue the ongoing task of improving a better understanding of the Treaty provisions in this area, the Secretariat plans to organise a conference on “Investment protection and promotion – the role of the Energy Charter Treaty”. This conference will be organised in cooperation with leading international arbitral fora and will be an opportunity for member states to take stock of and review the latest development in investment arbitration with leading experts in the area (*activity C7.2*).

Possible additional work might address the consistency of arbitration decisions regarding the provisions of the Energy Charter Treaty (*activity V7.4*).

D. Transit/cross border trade

Member states continue to consider the Treaty’s provisions on trade and transit a priority. In December 2007, the Energy Charter Conference reaffirmed its support for the finalisation of negotiations and adoption of the Energy Charter Protocol on Transit. Following multilateral consultations in the Trade and Transit Group in 2008, the Secretariat stands ready to provide support to fix the areas of consensus reached, as mandated by the Conference (*activity C5.1*). The Secretariat proposes to continue other core activities linked to the trade-and transit-related provisions of the Treaty. In view of the calls from member states for more transparency with regard to cross-border oil and gas pipeline projects, the Secretariat will encourage member states to continue to present, on a voluntary basis, the technical, legal and regulatory frameworks of selected projects. The Secretariat also proposes to continue its work related to the requirements for reliable gas transit inclusive of the role of storage, also with a view to improve transparency on operational modalities within the Energy Charter constituency (*activity C5.2*). As a particularly relevant issue in the context of electricity and gas trade across borders, the Secretariat further proposes to conduct a review of current mechanisms to manage capacity congestion in energy infrastructures with a focus on electricity (*included in activity C5.2 and C5.7*). A report will be drafted on multilateral trade

rules as applied to energy trade under the WTO and ECT trade regime (*activity C5.3*), also as a means to facilitate ongoing ratification processes (see above, policy area A).

Following the development in 2008 of Electricity Model Agreements (EMAs) in support of the work of the Task Force on Regional Electricity Cooperation in Central and Southern Asia and in view of the increased interest in regional electricity trade, the Secretariat proposes to continue this work by developing an additional Model Agreement relating to the inter-operability of electricity systems and markets (Market and System Inter-Operability Agreement or IMA) (*activity C7.3*).

In the discussions on the role of the Energy Charter Treaty under changed conditions, member states have stressed the potential of its provisions on technology transfer. In 2009, the Secretariat will continue to prepare case studies (*included in activity C5.4*). Moreover, to complement the work done in 2008 on the examination of trade conditions for clean/energy efficient technologies, the Secretariat, relying on the support from member countries, will examine particular trade conditions of such technologies in selected ECT member countries (*activity C5.4*).

Potential additional work might address the issue of physical security of energy infrastructure.

E. Energy efficiency and the environment (including climate change)

The provisions of the ECT and the PEEREA have gained additional relevance in the context of the international discussions over the long-term framework for global action on climate change, which the Ad Hoc Strategy Group, in accordance with the PEEREA working group, identified as one of the major challenges facing the energy sector. Energy efficiency is considered as the most cost-effective and short-term approach to this issue, and member states have reaffirmed their support for the contribution of the Energy Charter process to improving it.

The Energy Charter provides a proven model in this regard. Key priorities of the Secretariat's work programme are to continue high quality energy efficiency reviews and support for effective implementation of energy efficiency policies in member countries, with an overall balance between OECD and non-OECD countries. Two in-depth and four regular reviews are foreseen in 2009 (*activity C6.1*). The Secretariat will further support the PEEREA working group in developing a comprehensive analysis of effective mechanisms for energy efficiency policy formulation and implementation (*activity C6.3*).

In their discussion on new challenges in the energy sector, the member states have confirmed that the Energy Charter process and PEEREA have a role to play in view of the ongoing international discussions on longer term solutions to climate change. The Secretariat proposes reinforced efforts to ensure that the Charter's experience with the PEEREA review process is appropriately included in developing future international climate change regimes (*activity C6.2*). As requested, it will develop co-operation with IPEEC while continuing to work closely with other relevant international organisations. The Secretariat will further support the working group in analysing the experience with trading schemes to address climate change, energy efficiency and renewable energy (*activity C6.4*).

Depending on the availability of voluntary contributions, the Secretariat could develop further activities to support this important policy area. The Secretariat could assist the PEEREA working group in developing a programme aimed at the introduction of effective Standards and Labelling Schemes (*activity V6.5*), as well as in developing a report on the role of energy service companies in facilitating investments in energy efficiency projects (*activity V6.6*).

F. Coordination of the Secretariat's work, administration and finance

The Secretariat will continue to need adequate resources for internal coordination, administration and finance. This includes the role of the *Private Office* in ensuring overall direction and operational coordination of the Secretariat's work in line with the conclusions of the 2004 Review (*activity C1*) as well as the responsibilities of *Administration and Finance* (*activity C8*) with regard to the budget, personnel, financial administration, information technology and administration and support services. *Legal Affairs* will continue to provide legal advice in this regard (*activity C7.1*).

DETAILED ACTIVITY SCHEDULE

As mentioned above, the detailed activity schedule of the 2009 draft Programme of Work consists of two parts. All activities to be funded from the core budget are presented in *Part C: Core budget*. Possible additional activities that could be funded by voluntary contributions are listed in *Part V – Voluntary Contributions*.

Each activity foreseen under *Part C* of the draft Programme of Work is allocated a number of staff months, with the allocation of resources corresponding to the Establishment Table of the Secretariat. *Part V* provides indicative information on minimal staff months allocation necessary to launch the respective activity, while the actual allocation of resources would depend on an agreement between the country interested in supporting the respective activity and the Secretariat.

Contact persons for each activity are included, with the relevant Director / Head of Unit underlined in each case.

PART C: CORE BUDGET

1. PRIVATE OFFICE

(80 staff months)

The Private Office, led by the Secretary General, will continue to take responsibility for the overall direction and operational coordination of the Secretariat's work, taking the lead in particular with regard to contacts with member and observer governments, for ratification and relations with non-signatories, and with activities aimed at raising public awareness about the Treaty. It is also responsible for the translation of Energy Charter documents from and into Russian.

The Private Office, led by the Secretary General, will be responsible for:

- The overall direction and operational coordination of the Secretariat's work in line with the conclusions of the 2004 Review of the Energy Charter;
- Guidance of the support to the 2009 Review under art. 34(7) of the Energy Charter Treaty (*covered by activity 2.1*);
- Contacts with member and observer governments and with relevant international organisations and institutions in order to promote the implementation of the Energy Charter Treaty and its related instruments;
- Contacts with member countries that have yet to complete the ratification of Charter's legal instruments with the aim of facilitating the ratification process, as well as consultations at the political level with non-member countries wishing to become more closely involved in the Energy Charter process (*see also activities 2.2, 2.3 and 2.4*);
- Raising public awareness about the Treaty through public relations activities and through an active external information policy, including the maintenance of the Energy Charter website, dissemination of the Energy Charter newsletter, and the dissemination of printed and electronic materials produced by the Secretariat;
- Preparation of the 20th meeting of the Energy Charter Conference;
- Advice and organisational support for the Conference Chairman and Vice-Chairmen.

In addition to the above, the Private office is responsible for the coordination, monitoring and quality control of all work relating to the translation of Energy Charter documents from and into Russian and to releasing documents in the public domain.

2. STRATEGIC DEVELOPMENT

(31 staff months)

C2.1 Review under Article 34(7) ECT and support to the (Ad Hoc) Energy Charter Strategy Group

<i>Outputs:</i>	<i>Timing:</i>
(i) Assisting the leader of the Review process, all subsidiary bodies and the Conference in	During 2009 until the meeting of the Conference

(ii) conducting the Review under Article 34(7) ECT Support to the work of the [Strategy Group] and its chairperson through analytical work, co-ordination activities and policy advice	Ongoing
<i>Contact person:</i> <u>Ralf Dickel</u>	<i>Estimated staff-months:</i> 12 months 6 months consultancy

One of the most demanding tasks in 2009 will be the preparation of the Review under Article 34(7) ECT. A concrete procedure for the preparation of the Review will be agreed in separate Terms of Reference for the Review. While this is an exercise that needs to be conducted under the authority of the Conference and under the guidance of a senior representative from a member state, this task will require significant support from all sections of the Secretariat. An effective mechanism to support the preparation of the Review will be elaborated and will involve resources from the Private Office and other parts of the Secretariat. Notably, this will include assistance during the consultations to be held by those taking responsibility for the preparation of the Review with member states, observers, non-signatories, other international organisations and associations. In addition, the generation of necessary information and advice from the subsidiary bodies of the Conference and other related working bodies will require the support of the Private Office, DEI, DTT, LA and AF. As this is an additional task in 2009, other ongoing activities might have to be reduced correspondingly during this period.

The strategy group is expected to play a prominent role during the discussions related to the Review. In addition, it will serve as a forum for the discussion of horizontal and strategic policy issues. The Secretariat will provide organisational and substantive support to the work of the group, however on a limited resource base. This might include: analytical work on instruments to ensure security of energy supply and demand, follow-up and analysis of existing forecasts of supply and demand as well as work on the role of energy prices for governance in the energy sector.

C2.2 | Ratification of the Treaty / Trade Amendment / PEEREA

(i) (ii)	<i>Outputs:</i> Support to Signatory States in their ratification process of the Treaty and related documents Entry into force of the Trade Amendment	<i>Timing:</i> Ongoing Ongoing
	<i>Contact persons:</i> <u>Ralf Dickel</u> , Graham Coop, Yulia Selivanova	<i>Estimated staff-months</i> 4 months

The Secretariat will continue to provide technical advice and support to those Signatories that have not yet completed their national ratification procedures for the Treaty, the Trade Amendment and/or the PEEREA, and to inform the debate within the countries concerned on the benefits and implications of ratification and the application of the Treaty and related documents.

C2.3 Accession to the Treaty / Trade Amendment / PEEREA by new members	
<i>Output:</i> Support to the preparatory stage for accession of new member countries to the Treaty and related documents	<i>Timing:</i> Ongoing
<i>Contact person:</i> <u>Pascal Laffont</u>	<i>Estimated staff-months</i> 5 staff-months

Signatories to the 1991 Energy Charter Declaration that wish to accede to the Treaty must prepare reports on the compliance of their national legislation with the provisions of the Treaty, a report on the investment climate and exceptions to national treatment and a report on energy efficiency. The Secretariat will continue to assist countries in this process; The Secretariat's efforts in 2009 will focus on assisting Jordan and other countries that signed the Energy Charter Declaration wishing to accede in order to participate fully in the Energy Charter process.

This process will be assisted where possible by nationals of the acceding country working with the Secretariat in the framework of its secondment programme.

C2.4 Response to interest and requests from non-signatory countries	
<i>Outputs:</i> Response to interest and request for information from non-signatory countries	<i>Timing:</i> Ongoing
<i>Contact persons:</i> <u>Pascal Laffont</u>	<i>Estimated staff-months:</i> 10 staff-months

The 2004 Review concluded that the Energy Charter has a natural focus on the evolving Eurasian energy market, including the Mediterranean, the Middle East and Asia, and welcomed the increasing interest from non-signatories in the Charter framework. A strategy in relation to expansion of the Charter was discussed with member states in 2007, with the conclusion that priority should be given to those countries which have a direct impact upon the energy security of existing member countries. Wherever possible, the Secretariat should also be guided by the need to facilitate major new energy transportation routes to international markets.

In 2009, the Secretariat proposes three directions of work in Asia in reply to respective requests: The first is to further develop contacts with ASEAN and its member countries, following the increased interest by ASEAN members. A second aspect of information exchange and knowledge-sharing in Asia is the intention to continue cooperating with the Energy Working Group of the Asia-Pacific Economic Cooperation (APEC). The third is to participate in the work of UNESCAP which is looking at legal instruments to enhance energy security in the Asia Pacific region. The Secretariat will also continue to maintain contacts at political level with China and India.

In the Mediterranean, the Secretariat intends to work hand-in-hand with stakeholders of the newly created Union for the Mediterranean and to assist in any way deemed appropriate by member states.

Based on available resources, the Secretariat's approach towards expansion will remain opportunity-driven, responding to initiatives of member and non-member countries. Currently one staff member is dedicated to accession and to non-signatory countries. A more

strategic, priority-driven approach - focusing on closer relation with major energy producing and consuming countries having a direct impact on the energy security of existing member states - would require significant additional human and other resources and long term political support by member countries. In view of the outcomes of the discussions in the Ad Hoc Strategy Group in 2008, the Secretariat urges the member states to develop an expansion strategy, combined with appropriate resource planning, as part of the 2009 Review. Until then, member states are encouraged to support the accession of individual countries to the ECT through voluntary contributions.

3. CROSS-CUTTING ACTIVITIES

(16 staff months)

C3.1	Annual Policy Conference	
	<i>Output:</i> High-level policy conference	<i>Timing:</i> Spring 2009
	<i>Contact person:</i> <u>Dario Chello</u>	<i>Estimated staff-months</i> 4 months

The intention for the Annual Policy Conference in 2009 is to address the issue of facilitating investment in the energy sector, namely in energy efficiency, hydrocarbons etc...which has been raised by delegations as a matter of growing concern in view of the global financial crisis. It is foreseen to address the subject from different perspectives, addressing the changing structure of industry, markets, technology, and financial instruments, in an environment of rapid legal and regulatory evolution and of emerging new risks. It is envisaged to look at the contribution that international organisations like the Energy Charter can make to facilitating investment in the energy sector, namely in energy efficiency, hydrocarbons etc... as well as mitigating the impact of risk factors, and therefore to focus on particular issues such as financing of energy infrastructure, the development and transfer of technology and the special needs of financing for energy efficiency projects. As in 2008, this conference will be held in late spring to ensure a better balance of activities across the year. The conference will include participation by other international organisations and the private sector, as well as member and key non-member countries.

C3.2 Knowledge-Sharing and Dissemination of Information

	<i>Outputs:</i> Four seminar/training ‘modules’ on specific areas of Energy Charter expertise, available for presentation and discussion with member and observer countries upon request	<i>Timing:</i> As requested
	<i>Contact persons:</i> Ralf Dickel, Dario Chello, Graham Coop	<i>Estimated staff-months:</i> 8 months

In 2007-8, the Secretariat organised a variety of seminars and workshops, agreed with member countries (or groups of countries) on an ad hoc basis, in order to present the results of different activities. These proved to be a useful way of disseminating information on specific areas of Energy Charter work, of raising awareness about Charter activities, and also of getting a broader range of feedback from governments and industry. Examples were nine

seminars in different member countries on Pricing and Transit Tariffs organised in 2007 and 2008. Another event, focusing on the development and transportation of hydrocarbons across borders, was organised in Damascus, and may be followed in 2009 by a similar event, should a relevant request be received and resources permitting. Such workshops provide a method to enhance links among the different activities of the Secretariat and to engage with member and non-member countries.

In 2008, this process was made available as part of the work programme to all member and observer countries, subject to requests from the countries concerned and available resources on the Secretariat side. It is intended that this process be continued in 2009 with new topics. The ‘modules’ described below can be tailored to specific requirements of the requesting side and can be implemented by the Secretariat at relative short notice. The benefit for member countries can be in terms of general training and awareness of international energy issues, but can also be used to facilitate the design and implementation of particular energy projects.

Where possible, the Secretariat will seek to implement such workshops on a regional basis, and information about any workshop will be made available to all member states in advance through an announcement on the Energy Charter web site. The workshops are ‘cross-cutting’ in terms of having multiple purposes and inputs from across the Secretariat and the Energy Charter constituency. Although the lead responsibility for each workshop will be taken by a specific Directorate or Unit of the Secretariat, other Directorates and Units will participate as appropriate.

Module 1: Underground Gas Storage: Investment, Trade and Transit Aspects
Contact: *Ralf Dickel and Dario Chello*

This workshop covers issues related to underground gas storage and its role in enhancing security of supply and facilitation of transit, providing opportunities for investment, and providing new gas trading instruments. The intention is to inform on the results of work on underground gas storage undertaken in 2008-2009 by the trade and transit and investment working groups based on the papers for discussions in the meetings of the working groups in the fall of 2008 and the spring of 2009.

In designing a programme for the workshop, it is possible to take up specific aspects of the underground gas storage business in its cross-border dimensions, particularly foreign direct investment in underground gas storage, the role of storage in transit, and the role of storage for establishing and operating gas trade hubs, focusing on different regional issues: the use of storage in the Ukraine to serve transit of gas from Russia to Europe, the gas storage regulations applicable in Europe, Russia, the Balkans, and Central Asia, and the relation between underground gas storage and security of supply, improving gas supply system efficiency, gas markets liquidity, competition and its impact on price levels. The provisions of such a perspective can be of value to ministries, regulatory authorities and transmission and storage system operators.

Module 2: Practical steps for Energy Efficiency
Contact: *Dario Chello*

These workshops will also be convened for interested countries to promote practical actions to implement energy efficiency. They will be related to ongoing work of the PEEREA

Working Group, especially in relation to Measurable, Reportable and Verifiable measures in long-term international climate change arrangements (see 6.2), Institutional mechanisms (see 6.3) and Implementation of energy efficiency standards and labelling (see 6.4). Furthermore, these workshops will offer opportunities to discuss implementation of energy efficiency cooperation with non-signatories.

These workshops will be based on analytic input from the Secretariat and partner international organisations (e. g. World Bank, IEA, UNECE). Participation of the private sector will be included where this is appropriate and productive.

Module 3: International Pricing Mechanisms for Oil and Gas; transit tariffication

Contact: *Ralf Dickel*

Following several successful workshops on pricing mechanisms and on transit tariffs of oil and gas in ECT member countries, and due to forthcoming requests for new seminars of this type, the Secretariat proposes, subject to time and budget availability, to organise similar workshops in countries that have not yet benefited from this activity or want to have an update or deepening of the subject. The seminars in 2009 will take into account results of the studies on impact of taxation on energy pricing.

Module 4: Model Agreements for Cross-Border Energy Projects

Contact: *Graham Coop/Dario Chello*

The intention of this workshop (or series of workshops, depending on the request) is to explain and present the Pipeline Model Agreements (PMAs) and/or the Electricity Model Agreements (EMAs) and discuss how they relate to the particular circumstances of specific pipeline or electricity projects. The Conference welcomed the PMAs at its meeting in Istanbul in December 2007 and mandated the adaptation of the PMAs to develop a set of EMAs, which are to be presented to the Conference at its meeting in Athens in November 2008.

Organisational issues

There are two options for organising workshops, depending on demand and on offers to host meetings in member and observer countries:

- i) Multi-country workshops held at the Secretariat in Brussels, with registration on a ‘first-come-first-served’ basis, and travel and accommodation expenses covered by participants.
- ii) Workshops hosted in a member or observer state, with premises (and – where possible – contributions towards other costs) provided by the hosting entity, and participants responsible for their own travel and accommodation.

Delegations will be invited (by end-January 2009) to indicate interest in hosting / attending workshops on the above themes in 2009. Together with events already envisaged, the Secretariat will then draw up indicative timetable for the year. The number of events, and the ability to accommodate additional requests made during the year, will be subject to available resources.

C3.3	Support to the Industry Advisory Panel <i>[ECT Articles 9(3), 6(2), PEEREA Article 3(6)]</i>	
(i)	<i>Outputs:</i> Assistance to the meetings of the IAP in 2009	<i>Timing:</i> Two meetings foreseen of the full Panel, in Q1, Q3
(ii)	Ensuring the interaction with the Conference and its subsidiary bodies	As needed
(iii)	Development of best practices	Ongoing
(iv)	IAP expansion	Ongoing
	<i>Contact person:</i> Dario Chello, Boyko Nitzov, Sedat Çal	<i>Estimated staff-months</i> 4 months

The Industry Advisory Panel (IAP) has had ten meetings since its establishment in 2005, making views and advice from the energy business available to the Energy Charter process, with a specific focus on risk mitigation and improvement of the business climate. The IAP has been an instrument to strengthen the communication between the Energy Charter constituency and the energy industry.

The Secretariat will support the meetings and activities of the Panel in accordance with the Terms of Reference of the IAP adopted by the Conference, and elaborate where appropriate on issues such as access to resources, transportation capacity and markets as well as pre-arbitration investment dispute settlement (alternative dispute settlement, mediation).

In 2009, one of the meetings of the IAP will be devoted to the issue of promoting energy efficiency throughout the energy value chain. This will build on participation of industry in the 2008 Policy Conference and will look at options for companies, and their relationship to provisions of the Energy Charter Treaty and the PEEREA, especially the adequacy of existing mechanisms to maximise the benefits of energy efficiency.

To encourage greater coverage in IAP activities of all key areas of the ECT along the entire energy value chain, including demand-side issues and energy efficiency, the Secretariat will strive to assist the IAP in its possible expansion, to include key energy equipment manufacturers and other new members. The Secretariat will seek to hold specialised consultations with IAP members on different energy sub-sector levels (oil and gas, electricity, energy efficiency, etc.), with the results of any such consultations reported back to the Panel and the Energy Charter constituency.

4. INVESTMENT

(35 staff months)

C4.1	Reports on Investment Climate and Market Structure <i>[ECT Article 10, Article 9]</i>	
(i)	<i>Outputs:</i> In-depth ICMS Reports	<i>Timing:</i> Spring 2009, Autumn 2009
(ii)	Follow-up Reports	One to two in both Spring and in autumn
	<i>Contact persons:</i> Dario Chello, Boyko Nitzov, Sedat Çal	<i>Estimated staff-months</i> 20 months

The in-depth country reports on Investment Climate and Market Structure have proven to be a useful instrument for assessment of the implementation of the Energy Charter Treaty. The reports deal with complex issues of the investment conditions in the energy sector, as well as restructuring of energy markets, privatisation and access to capital. As agreed in 2007, the country reports will also address issues of supply-side efficiency, and removing of obstacles to investment that could improve the efficiency (or reduce losses) in the generation, production, transmission and distribution of energy. These efforts are complementary to the continued examination of demand-side issues in the PEEREA Working Group and options to do parallel investment and energy efficiency reviews will be examined (see section 6).

With the Secretariat’s detailed evaluation, the ICMS reports are the basis for the ‘peer review’ of policy developments in the examined countries. Overall, the Secretariat will continue to seek a greater balance in this activity between information on OECD countries and on other Energy Charter member countries (see also activity 4.3).

The review process will include monitoring, through follow-up reports, of compliance by member countries with the policy recommendations adopted by the Charter Conference in respect of earlier ICMS reports. This procedure will give member countries an opportunity to share their experience in implementing the policy recommendations and to discuss recent developments.

C4.2 | Risk Reduction Dialogue – Conditions for Mutual Investment along the Energy Value Chain
[ECT Article 2]

	<i>Outputs:</i> Discussion on barriers to investment and the idea of ‘reciprocity’ in investment conditions across the Energy Charter constituency	<i>Timing:</i> Autumn 2009
	<i>Contact persons:</i> Dario Chello, Boyko Nitzov, Sedat Çal,	<i>Estimated staff-months</i> 6 months

In the 1990s, the prevailing assumption about investment flows in the Eurasian energy sector was that these would be primarily from capital-rich OECD countries towards resource-rich but (at the time) capital-poor economies in transition. There is still a considerable volume of such investments, but many of the (former) ‘transition’ economies are now capable of mobilising investment capital and – particularly in the case of energy producers – are increasingly interested in investment downstream. So, as the G8 St Petersburg conclusions noted, it is ‘especially important that companies from energy producing and consuming countries can invest in and acquire upstream and downstream assets internationally in a mutually beneficial way’.

However, the terms governing these interlocking investments along the energy value chain remain a subject for discussion; barriers to cross-border investment remain in place, and limitations on foreign investment, whether legal or political, are evident both in some upstream and in some downstream countries. The notion of ‘reciprocity’ has gained some purchase in the political debate, and the Secretariat has produced a paper on reciprocity which was taken up for discussion by the Investment Group in October 2008. It may be beneficial to continue work on reciprocity in order to attain greater clarity what this means in practice for investment policies, and whether it can serve as a guiding principle for inter-governmental relations or rather for commercial relations among energy companies.

The Energy Charter Treaty applies along the energy chain; all companies from participating states receive the same protection, whether investing in production, generation, transmission, distribution or any other economic activity in the energy sector. However, there is a potential tension between the idea of ‘reciprocity’ and the principle of non-discriminatory treatment and a ‘level playing field’ that is enshrined in the Treaty.

This activity proposes to provide an overview of barriers to investment across the Energy Charter constituency, as a foundation for a discussion on policies and approaches promoting ‘mutually beneficial’ flows of investment. It will also draw upon input from the IAP.

C4.3 | Improving Entry Conditions for Foreign Investors

[ECT Articles 10(3), (5), (9)]

<i>Output:</i> Reduction in the number of remaining exceptions to national treatment	<i>Timing:</i> Ongoing
<i>Contact persons:</i> <u>Dario Chello</u> , Boyko Nitzov, Sedat Çal	<i>Estimated staff-months</i> 5 months

The Secretariat will continue to work on the improvement of entry conditions for foreign investors in the energy sector through a reduction in the number of remaining country-specific exceptions to the principle of non-discrimination in the “Blue Book” (i.e. non-conforming measures of Contracting Parties/Signatories in the pre-establishment phase of an investment).

This activity also aims to give more prominence to commitments of the Contracting Parties/Signatories not to introduce new non-conforming measures (“standstill clause”), and to provide for full transparency concerning existing country-specific exceptions of various types. Furthermore, the Secretariat will pursue the existing monitoring mechanism with respect to individual non-conforming measures notified by Contracting Parties/Signatories.

C4.4 | Review of ECT Implementation in Selected Areas

[ECT Article 2]

<i>Output:</i> Occasional papers and presentations to the Investment Group	<i>Timing:</i> Spring / Autumn Meetings of the Investment Group
<i>Contact persons:</i> <u>Dario Chello</u> , Boyko Nitzov, Sedat Çal	<i>Estimated staff-months</i> 4 months

The Investment Group will continue its exchange of information and assessment related to measures adopted by member countries and other developments in the legal and financial environment that have an impact upon energy related foreign investment. This activity has been recognised by the Group as being an important element in monitoring implementation of the ECT’s investment provisions. It supplements the country reports on investment climate and market structure.

In this context, the Secretariat will prepare occasional papers on selected investment-related issues (also, as in the past, on relevant topics that have been requested by member countries), and will continue to invite representatives of relevant bodies (energy companies, financial

institutions, academia and international organisations) to make presentations on their investment-related activities in member countries.

5. CROSS-BORDER ENERGY FLOWS; TRADE AND TRANSIT

(66 staff-months)

C5.1 Activities related to the Transit Protocol		
	<i>Output:</i> Support to the multilateral process [negotiations / consultations / another form] on the draft Transit Protocol	<i>Timing:</i> Ongoing
	<i>Contact persons:</i> <u>Ralf Dickel</u> , Gürbüz Gönül	<i>Estimated staff-months:</i> Provisional allocation - 10 months

The finalisation of the Transit Protocol has been described by delegations as a matter of priority. The Secretariat will continue to attach great importance to its task to provide support to the parties in reaching an agreement. The scope of this activity depends on the decision by the Energy Charter Conference based on the multilateral consultations held in 2008 how to continue the multilateral discussions on the draft Protocol in the Trade and Transit Group to fix the areas of consensus reached.

The Secretariat will help clarify outstanding issues, inter alia by facilitating a joint understanding of the wording of open issues and an exchange of information among the parties by organising expert seminars as required by the parties.

C5.2 Transparency on Energy Transport Facilities incl. Storage, and Conditions for Reliable Transit		
	<i>Outputs:</i>	<i>Timing:</i>
(i)	Voluntary presentations at meetings of the Trade and Transit Group, made available to the public	Q1 / Q2 / Q3 2009
(ii)	Updating of the reports on transit tariffs	Q3 2009
(iii)	Report and workshop on the role of storage for reliable transit of natural gas	Q1 / Q2 2009
(iv)	Report and workshop on operational issues for reliable gas transit	Q1 / Q2 2009
(v)	Review of existing congestion management mechanisms for cross border trade of natural gas and electricity.	Q2 / Q3 2009
	<i>Contact persons:</i> <u>Ralf Dickel</u> , Gürbüz Gönül	<i>Estimated staff-months:</i> 12 months

In view of the calls from member states, improving transparency of the legal, regulatory and operational frameworks for existing and new cross border energy infrastructure will continue to be one of the core activities. In this regard, the Secretariat will continue to encourage member states to give presentations, on a voluntary basis, on selected cross-border oil and gas pipeline projects and to make the information public.

Given the rapid development on transit tariffs for gas, the Secretariat will prepare an updated edition of the report on gas transit tariffs.

The project on the role of storage for reliable gas transit has been developed in response to requests from member states. It focuses on specific aspects of storage linked to the reliability of transit / cross-border gas flows. Following the discussions of the Secretariat's first draft report (TTG 57) in the Trade and Transit Group, the Secretariat will analyse selected cases of gas storage contributing to the flexibility and reliability of transit operations. The final report will be issued in the second half of 2009.

Further to the Secretariat's paper taking stock of major operational practices for gas transit flows within Western Europe (TTG 51) and based on the outcomes of preceding discussions, the Secretariat will focus on operational issues at interconnection points at the eastern borders of the EU, with the intention of fostering the application of harmonised operational modalities at interconnection points within the Energy Charter constituency. It is envisaged to hold expert workshops in cooperation with representatives of member countries and industry focusing on technical and operational issues affecting cross border gas flows, including issues related to gas storage.

The Secretariat will conduct a review of existing congestion management mechanisms with particular focus on the capacity at the interconnection points of infrastructures for cross-border trade of electricity and natural gas. The study will also address the specific issue linked to auctions (one of the various options for congestion management) and will review the best practices for electricity and natural gas transport.

C5.3 | Report on Multilateral Trade Rules as Applied under the WTO and ECT Trade Regime
[ECT Article 29, Trade Amendment]

<p><i>Outputs:</i> Study examining different aspects of the ECT trade regime and the application of the WTO rules as incorporated into the ECT for trade in energy</p>	<p><i>Timing:</i> Autumn 2009</p>
<p><i>Contact persons:</i> <u>Ralf Dickel</u>, Yulia Selivanova</p>	<p><i>Estimated staff-months:</i> 6 months</p>

The aim of this work is to address the energy-specific aspects of those WTO rules that are incorporated by reference into the ECT. This activity is particularly relevant in the context of ongoing ratification processes (see activity 2.2).

The study prepared in 2001 generally explained aspects of the ECT trade regime through reference to the WTO rules. That study was focused on trade in energy materials and products. The present paper will address in more detail WTO rules applicable to the energy sector, including not only energy materials and products but also energy equipment. The Energy Charter's trade regime will incorporate energy equipment once the Trade Amendment enters into force after two more contracting parties ratify the Amendment (to date 33 countries have ratified).

The jurisprudence of the WTO evolved significantly over the past 8 years since the preparation of the previous report. In analysing the application of multilateral rules to the

energy sector the reference will be made, where appropriate, to the WTO jurisprudence contained in the Panel and Appellate Body reports. The approach will be different from the one used in the 2001 report, by addressing the application of the WTO rules by the subject area within energy sector rather than going agreement by agreement. The following aspects can be encompassed: energy taxation, export measures in the energy field, energy transit, access to energy transportation networks, practices of energy companies in the context of disciplines on state trading, energy and environmental policies, climate change policies affecting the energy sector, subsidies disciplines as they relate to practices in the energy field. This approach would facilitate understanding of existing regulation of energy trade through WTO rules.

C5.4	Transfer of Technologies and Trade in Clean/Environmentally Friendly Energy Technologies and Equipment <i>[ECT Articles 8, 19(1)(d), 19(1)(g), 29]</i>	
	<i>Outputs:</i>	<i>Timing:</i>
(i)	Continuation of case studies on transfer of technology in the energy sector	Spring/Autumn 2009
(ii)	Follow-up to report on trade conditions for the clean/environmentally friendly energy technologies and equipment Workshop on technology transfer/cooperation	Spring 2009
(iii)		Autumn 2009
	<i>Contact persons:</i> Ralf Dickel, Yulia Selivanova	<i>Estimated staff-months:</i> 8 months

In continuation of the work on technology transfer, the Secretariat will prepare a case study that examines the particular example of transfer of technology in the course of an oil/gas project. Moreover, to complement the work done in 2008 on the examination of trade conditions for clean/energy efficient technologies, the Secretariat, relying on the support from Member countries, will examine particular trade conditions of such technologies in selected ECT member countries.

As a follow-up to technology transfer case studies and the report on trade in clean energy technologies/equipment, it is proposed to organise a seminar on technology transfer in order to test the potential of creating a respective framework for cooperation. Among areas of co-operation mentioned in title III of the Energy Charter 1991 are development of renewable energy sources and transfers of technology and encouragement of innovation. Current global climate challenge makes ever more acute the enhanced action on technology development and transfer, including effective mechanisms for the removal of obstacles to such development and transfer, as recognised in the Bali Action Plan.¹The experts participating in the taskforce will identify priority areas/projects/ technologies where cooperation among interested member countries is possible. One of the possible areas is the bioenergy field, as there are projects in the ECT constituency aimed exclusively at exporting their output.

¹ See Bali Action Plan at http://unfccc.int/files/meetings/cop_13/application/pdf/cp_bali_action.pdf.

C5.5	Update of studies on LNG and International Pricing Mechanisms; expansion of the pricing study to other energies <i>[ECT Article 3, 19(1) (b), 21, PEEREA Article 3(2)(a)]</i>	
(i)	<i>Output:</i> Update of the study on Pricing Mechanisms and expanding it to other energies	<i>Timing:</i> Autumn 2009
(ii)	Update of the LNG study to the new price environment	Autumn 2009
	<i>Contact persons:</i> <u>Ralf Dickel</u> , Yulia Selivanova, Miharuru Kanai	<i>Estimated staff-months</i> 12months 3 months consultancy

In view of recent drastic developments of oil and gas prices and the strong demand from member countries to discuss these developments, the Secretariat will update its study on issues surrounding the oil and gas pricing mechanisms. This updated report will take into account developments that took place over the past 2 years, including the steep increase and subsequent fall in energy prices, transition to market-based pricing for natural gas in the eastern part of its constituency.

This updated version will also include also on the results of the Secretariat's work in 2008 on the impact of taxation on the pricing of oil and gas.

Upon the request of member countries the updated version will be expanded to other forms of energy, like coal and electricity.

In addition the Secretariat will examine the recent developments in LNG trading patterns and instruments under the recent highly volatile -price environment. With Qatar's new liquefaction plants and the US's receiving terminals on the Gulf of Mexico starting up, LNG trade patterns are about to change drastically. At the same time both high volatile prices and cost inflations are profoundly affecting the current market and future outlook. Following the LNG study a year ago, the Secretariat will look further into the global LNG trade and trading mechanism.

The Secretariat will seek the cooperation of member governments and of industry through the IAP.

C5.6	Regional Electricity Cooperation in Central and Southern Asia <i>[ECT Articles 3, 4, 7, 10]</i>	
(i)	<i>Outputs:</i> Analytical paper by the Secretariat on the relation between regional electricity cooperation and sector reform and investment climate.	<i>Timing:</i> Q3 2008
(ii)	Task force of experts across the Caspian region and Central Asia for knowledge-sharing on best practice for reform of electricity markets and promotion of regional trade	<i>Ongoing</i>
(iii)	The two regional workshops in Central Asia on cross-border cooperation might include the development of the Model Agreements for electricity interconnections (→ 7.3)	<i>Q1 / 3 2008</i>

Contact persons:
Ralf Dickel, Thea Khitarishvili

Estimated staff-months
 12 months

The Energy Charter’s work with regard to Regional Electricity Cooperation in Central and Southern Asia continues to be highly valued by countries involved. At a meeting in Bishkek in April 2007, representatives of Central Asian states, Afghanistan and Pakistan agreed to use the Energy Charter framework as a means to intensify and develop cross-border electricity trade. As follow-up to this ‘Bishkek Declaration’, a meeting took place in November 2007 in Kabul, organised with financial support from the Government of Norway, in order to discuss in more detail the role of the Energy Charter and its instruments (notably the Model Agreements) in supporting new regional electricity infrastructure (in particular the CASA-1000 project²) and to exchange experience with hydro-based electricity cooperation.

These meetings established the basis for a network of experts, aiming at knowledge-sharing related to the best practices for electricity markets reform and for promotion of regional electricity trade which will be supported by the Secretariat. Given the status of the development of the electricity sector in these regions, it is important to highlight policies that can promote investment and reliable supply of electricity on a national basis and remove obstacles to cross-border trade.

Depending on the decision on expanding the work on model agreements on electricity also to the operational phase, these model agreements will be discussed in the task force.

These activities will be open to participation from all member and observer states and conducted in close cooperation with the World Bank, the Asian Development Bank, CIS Electric Power Council and other stakeholders.

The Secretariat will produce an analytical paper to highlight the experience of sequencing of possible reform steps to commercialise the sector, the need and the instruments to achieve an economically sustainable electricity sector and its relation with electricity trade and electricity cooperation between neighbouring countries with a view to create a shared electricity market. This will be done in cooperation with experts from the countries concerned, and will be discussed at further regional events in cooperation with interested member or observer Governments.

C5.7	Regional electricity markets in countries in transition	
	<i>Outputs:</i> Paper and expert meeting	<i>Timing: 2 Quarter 2009</i>
	<i>Contact persons:</i> <u>Ralf Dickel</u> , Thea Khitarishvili	<i>Estimated staff-months</i> 6 months

² This project is for the construction of a transmission line to export about 1000 MW of electricity from Tajikistan and Kyrgyz Republic to Pakistan via Afghanistan (with a possibility to off-load some electricity in Afghanistan).

Several countries in transition are adopting their electricity markets to the design of countries / regions with open electricity markets, also with a view of a later regional integration.

In addition to the activities under C 5.6 the Secretariat will upon special request by member countries compile the experience of electricity market reform and market design in countries in transition in a paper which will serve as a basis for an meeting of experts from such countries to discuss the lessons which can be learned from that experience.

6. ENERGY EFFICIENCY AND RELATED ENVIRONMENTAL ASPECTS

(35 staff-months)

C6.1 Review Process	
	<i>Outputs:</i>
(i)	Two In-depth Reviews of National Energy Efficiency Policies
(ii)	Four Regular Energy Efficiency Reviews
(iii)	Two PEEREA WG meetings
	<i>Contact person:</i> <u>Dario Chello</u>
	<i>Timing:</i> Spring / Autumn
	2 Spring / 2 Autumn
	Spring/Autumn
	<i>Estimated staff-months:</i> 17 months 2 consultancy-month

The country review process will continue to be a core activity in monitoring and facilitating the implementation of the PEEREA. The reviews as well as the Round Table presentations about latest national developments and events in the area of energy efficiency provide the basis for policy discussions and exchanges of experiences in policy formulation and implementation between the member countries.

The in-depth reviews are the main tool for offering peer guidance to governments in developing and implementing energy efficiency policies. Countries that have completed reviews have indicated that they have been central in development of national policies. These reviews will continue to be conducted in partnership with selected countries. The Secretariat will also examine options to integrate the Investment and Energy Efficiency Reviews where this is appropriate (see Section 4)

The regular reviews, which monitor the progress made by participating countries in implementing the PEEREA obligations, should be updated at regular intervals. The Secretariat will assist countries in preparing and presenting their reports. The Secretariat will continue its efforts to ensure an overall balance in the review process between reviews of OECD and non-OECD countries.

The information and insights gained from the review process will be part of the Secretariat's input as partner in the next phase of the EU-supported ODYSSEE – MURE project. This initiative is intended to provide a monitoring tool for energy efficiency trend, evaluation of energy efficiency policies and quantitative assessment of improvements³.

³ <http://www.odyssee-indicators.org/>

This work item also includes the resources necessary for the technical support to the PEEREA WG and its members.

C6.2 Measurable, verifiable and reportable measures (links to UNFCCC)	
(i)	<i>Outputs:</i> Side-event(s) at Subsidiary Body meetings of the UNFCCC and Conference of Parties-15
(ii)	Draft reports on approaches to key barriers
	<i>Timing:</i> June and December 2009 March and September 2009
	<i>Contact person:</i> <u>Dario Chello</u> , Gene McGlynn, Valya Peeva
	<i>Estimated staff-months:</i> 4 months 1 consultancy-month

The PEEREA review process has provided a functional example of a transparent process for developed, developing and transition economies to implement and discuss measurable, verifiable and reportable energy efficiency measures. Side-events at the meetings of the UN Framework Convention on Climate Change (UNFCCC) will ensure that this experience is appropriately included in developing future international climate change regimes. The Annual Policy Conference in May 2008 on energy efficiency indicated the interest of member countries, non-member countries, other international organisations and the private sector in using the experience and expertise in the Energy Charter to develop solutions in this area. This activity also includes input to the 2009 Policy Conference on investment needs, including in relation to energy efficiency.

In conjunction with the UNECE, the IEA and industry and other stakeholders, approaches to address key barriers to energy efficiency will be developed and discussed. This will focus on those barriers where international cooperation is especially needed and build on the outcomes of the Conference held in Geneva in May 2008. A key concern will be ways to encourage greater investment in developed and transition economies in energy efficiency.

C6.3 Institutional Capacity for Energy Efficiency Policy Formulation and Implementation	
(i)	<i>Outputs:</i> Final Draft on Organisations and overall structure of report
(ii)	Final Draft on Legal Frameworks
(iii)	Final Draft on Monitoring/Review
(iv)	Final Draft of Comprehensive report
	<i>Timing:</i> May 2009 October 2009 May 2010 October 2010
	<i>Contact person:</i> <u>Dario Chello</u> , Gene McGlynn, Valya Peeva
	<i>Estimated staff-months in 2009:</i> 9 months 2 consultancy-months

Based on key elements of institutional approaches discussed in the October 2008 PEEREA WG meeting, the Working Group will develop a comprehensive analysis of effective institutions with key lessons for countries to introduce and/or improve their institutional frameworks. Institutional analysis will include the overall strategic framework for policies, the organisations delivering policies (including how they interact with other agencies and the private sector), the legal framework for action, and methods to review and adjust strategies and policies.

It is expected that this work will continue for two years. In 2009, a report on effective organisational structures to deliver energy efficiency, and the factors important to

organisational design, will be completed. There will also be analysis and discussions of the issues of effective legal frameworks and monitoring/review of policies and strategies. The work on organisational structures will be undertaken in cooperation with the World Bank to ensure it is linked to international discussions in this area and partners on other elements of the project will be sought.

All of this information, together with updated work on producing energy strategies, will be collected into a comprehensive report on institutional mechanisms for energy efficiency. Workshops on intermediate stages are also planned, including a focus on practical partnerships between developed and transition/developing countries in implementing institutional mechanisms (see Section 2).

C6.4 Economic Instruments and Trading for Energy Efficiency	
<i>Outputs:</i> Final draft of the report	<i>Timing:</i> May 2009
<i>Contact person:</i> <u>Dario Chello</u> , , Gene McGlynn, Valya Peeva	<i>Estimated staff-months:</i> 5 months 2 consultancy-months

There is increasing use of economic instruments (especially trading schemes) to address climate change (emission trading schemes), energy efficiency (white certificates) and renewable energy (green certificates). While the EU Energy Trading Scheme is international, the application of other certificate schemes has been only at national level. This study will look at experience with these schemes and the lessons they offer for use of certificates trading to deliver greater energy efficiency. This issue will be discussed at a panel discussion in a 2009 PEEREA Working Group meeting.

The Working Group will develop a report that considers existing schemes and the lessons they offer for design in different environments, the ways that different types of trading schemes may interact, and the possibilities for international application of certificate schemes. A specific consideration will be how these instruments can assist sustainable models of finance for energy efficiency investments.

7. LEGAL AFFAIRS

(25 staff-months)

C7.1 Standing responsibilities of Legal Affairs	
(i) <i>Outputs:</i> Provision of legal advice to the Conference and the Secretariat: - on the interpretation and application of the Energy Charter Treaty - on internal and administrative matters	<i>Timing:</i> As required
(ii) Relations with the Depository	As required
(iii) Custody and organisation of the ECT <i>travaux préparatoires</i> , including archiving system	As required
<i>Contact person:</i> <u>Graham Coop</u>	<i>Estimated staff-months:</i> 15 months

Legal Affairs' essential responsibility is to provide legal advice as requested by the Charter Conference and its subsidiary bodies as well as to all departments of the Secretariat, on issues related to the interpretation and application of the Energy Charter Treaty and related instruments (including the Rules of Procedure of the Charter Conference). These include both substantive issues and procedural issues. It is likely that many of these issues will require significant input from Legal Affairs in the course of 2009.

Legal Affairs also provides legal advice to the Secretariat regarding its daily operations, in particular regarding relations with the host government and in the area of human resources.

The Government of the Netherlands is the Depository of the 1991 European Energy Charter and the Government of Portugal is the Depository of the 1994 ECT and PEEREA. The Secretariat will continue to have regular communications with both Depositories regarding the documents in their custody. Moreover, the Secretariat regularly receives enquiries from member states, law firms and members of the public regarding documents normally in the custody of the Depository of the ECT and PEEREA; from time to time the Depositories receive similar enquiries regarding documents normally in the custody of the Secretariat. The Secretariat will continue to co-ordinate and apply a joint policy with the Depositories regarding access to such documents.

As member states will recall, Legal Affairs keeps the archives of the Energy Charter process since its inception, and keeps original documents relating to meetings of the negotiating groups as well as internal working documents (documentary *travaux préparatoires*). Legal Affairs also keeps audio recordings of these meetings (audio *travaux préparatoires*) and copies of documents which are kept by the respective Depositories of the original legal instruments (the governments of The Netherlands for the Charter and of Portugal for the Treaty, PEEREA and the Trade Amendment).

In 2008, a budget was allocated to the digitisation of the audio *travaux préparatoires* and other records of the Charter, thus ensuring the conservation of and facilitating access to these important archives. Legal Affairs intends to maintain and improve the archiving system now in place for these *travaux* and other documents, including the development of a summary of the history of negotiation of the various provisions of the ECT.

Owing to the increased awareness of and interest in the Energy Charter process generally and ECT dispute settlement mechanisms in particular, the frequency of requests for access to the ECT *travaux préparatoires* is growing rapidly (over twice as many requests were received in 2007 alone as in the entire three-year period from 2004 to 2006).

Given the rapidly growing level of demand for this service and the limited resources available to grant response to such requests, the Secretariat suggests reviewing the policy on granting access to the *travaux préparatoires* as part of the Review under Article 34(7) ECT in 2009.

C7.2 Raising Awareness in relation to the ECT Dispute Settlement Mechanisms		
	<i>Outputs:</i>	<i>Timing:</i>
(i)	Responding to enquiries concerning the application and implementation of the ECT	As required
(ii)	Updating table of disputes brought under Article 26 ECT	As required
(iii)	Conference on Investment Arbitration and the ECT	Second semester 2009
	<i>Contact person:</i> <u>Graham Coop</u>	<i>Estimated staff-months:</i> 6 months

In line with the PoW of the previous years and the conclusions of the 2004 Review, Legal Affairs will continue to raise awareness in relation to ECT dispute settlement mechanisms and, more generally, in relation to the Energy Charter process and its legal instruments, the ECT and PEEREA.

Given the growing number of arbitrations brought under Article 26 ECT (the mechanism for settlement of disputes between an Investor and a member state) and the interest raised by such cases, Legal Affairs will continue to update the information available on the website and to inform member states of developments in these cases, as requested.

In light of the success of the previous events (Stockholm Conference in June 2005, Washington Conference in May 2007 and London Conference in September 2008) and in order to continue the ongoing task of improving a better understanding of the Treaty provisions in this area, the Secretariat plans to organise a conference on Investment protection and promotion – the role of the Energy Charter Treaty. This conference will be organised in cooperation with one or more organisations selected from among the leading international arbitral *fora*, including the Arbitration Institute of the Stockholm Chamber of Commerce and the International Centre for Settlement of Investment Disputes (ICSID). This high-level event will take place in the second semester of 2009 and will be an opportunity for member states to take stock of and review the latest developments in investment arbitration with leading experts in the area.

C7.3 Model Agreements		
	<i>Outputs:</i>	<i>Timing:</i>
(i)	Development of model Market and System Inter-Operability Agreement (IMA)	Throughout 2009
(ii)	Review and update of Electricity Model Agreements (EMAs) and Pipeline Model Agreements (PMAs)	Throughout 2009
(iii)	Continue to raise awareness of Model Agreements (MAs) with international law firms and energy industry	Throughout 2009
	<i>Contact person:</i> <u>Graham Coop</u>	<i>Estimated staff-months:</i> 4 months 2 months consultancy

During 2008, Legal Affairs has led the adaptation of the Second Edition of the PMAs, which was welcomed by the Charter Conference in December 2007, for use with cross-border electricity projects. This work was carried out with the assistance of an external consultant

and of the pro bono Legal Advisory Task Force (LATF). The development of a set of EMAs was intended to support the work of the Task Force on Regional Electricity Cooperation in Central and Southern Asia, and is in line with the 'Kabul Declaration' adopted at the inaugural meeting of this Task Force which took place in Afghanistan in November 2007. The EMAs will be presented at the Charter Conference in Athens in November 2008.

At the outset of the development of the EMAs, the consultant identified a need, specific to the electricity sector, for an additional MA relating to the inter-operability of electricity systems and markets (IMA). The importance of the further development of this instrument was recognised by the second meeting of the Task Force which took place in Dushanbe in April 2008. In light of these conclusions, it is proposed to develop the IMA, which will form a significant addition to the EMAs, in 2009 with the assistance of an external consultant and the LATF.

LA will continue to review and update the EMAs and the PMAs in light of market developments and, as in previous years, will continue to raise awareness of the MAs with relevant energy industry participants and international law firms.

8. ADMINISTRATION AND FINANCE

(66 staff-months)

The main areas of work of Administration and Finance are Budget, Personnel, Financial Administration, Information Technology and Support Services; specific activities are as follows:

- ⇒ Budget: preparation of draft Budgets, financial control of expenditure, collection of outstanding contributions and preparation of documents for the Budget Committee;
- ⇒ Personnel: recruitment and appointment procedures and all other issues related to the implementation of the Secretariat's Staff policies and rules;
- ⇒ Financial Administration: administration and control of all commitments, payroll and expenditure; preparation of annual Financial Statements and assistance in the Audit procedure;
- ⇒ Information Technology: maintenance and upgrading of all communication and other technical facilities of the Secretariat, ensuring the functioning of all IT systems, developing and maintaining the public and restricted areas of the organisation's web site;
- ⇒ Administration and Support Services: various activities, notably office management, document dissemination procedures and support for all Energy Charter meetings.

PART V: VOLUNTARY CONTRIBUTIONS

3. CROSS-CUTTING ACTIVITIES

V3.4	Summer school <i>[Energy Charter Declaration, Title II, Section 8]</i>	
	<i>Outputs:</i>	<i>Timing:</i>
(i)	Raising awareness in energy issues related to the Energy Charter Treaty, the PEEREA and the Charter process by a summer school	1-2 weeks in July 2009
(ii)	Contribute to professional education related to the energy sector of young professionals nominated by the Governments of the member countries as secondees or interns	Ongoing
(iii)	Develop a professional network of contacts to promote the principles of the Energy Charter	
	<i>Contact person:</i> Ralf Dickel, Dario Chello, Graham Coop	<i>Estimated staff-months</i> 6 months

In the Energy Charter Declaration of 1991, education and training are mentioned among the envisaged fields for joint or co-coordinated action. Recognising industry's role in promoting vocational education and training in the energy field, the signatories undertook to co-operate in such activities as professional education, occupational training and public information in the energy efficiency field.

In this regard, the Secretariat will continue its secondment programme to involve secondees from member states and observer states in its daily work and will continue its traineeship programme.

The challenge facing humanity in view of the need to ensure secure supplies of energy and sustainable development and to take effective measures against climate change at the same time is so serious and so important for the coming generations that the Energy Charter constituency must look at ways how to contribute to the development of long-term policies to address it. A forward-looking and sustainable approach should aim at educating younger professionals in order to raise awareness of the problem and to develop capacity to find long-lasting responses.

As a first step, the Secretariat suggests organising a Summer School for post-graduates or young professionals in 2009. The purpose would be to raise awareness of the Charter process and to develop the participants' knowledge base on issues covered by or related to the Energy Charter Treaty. A group of students would be offered a 1-2 week training course organised by the Secretariat, with assistance from member states and/or industry and other international institutions as appropriate.

This activity could serve as a first experience of the Energy Charter's role with regard to education and training, which could be followed by the commitment of the member states to cooperate more actively in this area; e.g. in the development of a common educational concept, minimum standards, best practices or even joint educational institutions. Discussions on this subject could be held in the Ad Hoc Strategy Group.

V3.5 | Analysis of available projections on the development of energy markets

<i>Output:</i> Paper with a compilation and analysis of existing projections from governments and industry	<i>Timing :End 2009</i>
<i>Contact person:</i> <u>Ralf Dickel</u> , Miharu Kanai	<i>Estimated staff-months</i> 4 months

There are several comprehensive studies on the development of energy markets published on a regular basis by government organisations and industry for the overall energy sector or for specific fuels. While it would not be worthwhile for the Energy Charter Secretariat to add another projection to the already existing ones, it would however be useful in view of the ECT's balanced constituency of producing, transit and consuming countries to produce a critical synopsis of the existing projections and their strengths and weaknesses. The Secretariat would do this work in cooperation with the member countries and the IAP.

V3.6 | Analysis of policies and instruments to address security of supply and security of demand

<i>Output:</i> Paper with a description and analysis of major policies, instruments and risk to secure energy supply and demand	<i>Timing :End 2009</i>
<i>Contact person:</i> <u>Ralf Dickel</u> , Miharu Kanai	<i>Estimated staff-months</i> 6 months

During the Ad Hoc Strategy Group some delegations pointed at the fact that the concept of energy security which is contained in the Energy Charter Declaration is not addressed in the Energy Charter Treaty. Security of energy supply, with a special focus on pipeline bound energies like gas has been regularly addressed in the past. The concept of security of gas supply has changed over time with the upcoming LNG trade and gas market reform to evolve from a pure volumetric concept to a concept which includes elements of market reactions. The single risks along the supply chain from the reservoir to the final customers and the instruments to mitigate them are reasonably understood. The concept of security of demand, which is brought forward by producing countries as a reciprocal request, has so far by contrast not been elaborated in any detail beyond hints to the role of long term contracts as a possible instrument to secure demand for gas via the minimum pay provisions. Because gas can be substituted in all its applications its competitiveness will have to be the major basis, which however is influenced by economic conditions as well as by government policies. A changing market and regulatory framework has implications for the demand for gas imports. Long term contracts will continue – albeit possibly in changed forms – to be an instrument to secure demand for exporting countries as can be the access to deep and liquid gas markets. The proposed activity will describe existing concepts and instruments for security of supply and discuss potential concepts and instruments for security of demand by analysing major cases of gas import relations from the ECT constituency and North America.

4. INVESTMENT

V4.5	Carbon capture and storage	
	<i>Output:</i> Study on economic and regulatory aspects of carbon capture and storage	<i>Timing:</i> Autumn 2009
	<i>Contact person:</i> <u>Dario Chello</u>	<i>Estimated staff-months</i> 6 months

Carbon capture and storage (CCS) offers potential for continued use of fossil fuels combined with significant reductions in greenhouse gas emissions. While individual elements of the required technologies are in application around the world, combining all of these technologies in a large, operating project is still at a demonstration stage. The findings of a paper on carbon capture and storage have been put forward for discussion to the investment group in October 2008 setting out the main technological, economic and policy issues associated with CCS, with a focus on different technological approaches and corresponding legal and regulatory frameworks. The Investment Group recommended completing the work in 2009, after discussing an updated background paper in its meeting in the spring of 2009.

Based on this discussion, it is proposed to develop further analysis with more in-depth coverage including more detailed consideration of the economics of CCS for both new and existing installations in different institutional and policy contexts, and further development of legal and regulatory issues in relation to capture, transport and storage. This analysis will also recognise the different technological challenges and developments. The work will draw on input from national and industry experts.

5. CROSS-BORDER ENERGY FLOWS; TRADE AND TRANSIT

V5.7	Report on physical security of energy infrastructure ECT Article 7, Energy Charter Declaration – Title I	
	<i>Outputs:</i> Report on physical security of energy infrastructure	<i>Timing:</i> Q4 2009
	<i>Contact persons:</i> <u>Ralf Dickel</u> , Gürbüz Gönül	<i>Estimated staff-months</i> 6 months

As an additional activity based on ECT Article 7.5 on “securing established flows” as well as the Energy Charter Declaration (Title I – chapeau: “enhance safety”), the Secretariat could support and organise expert advice on issues related to physical security of energy transport infrastructure, by drawing on member states' knowledge and experience. This would include discussing existing practices within the context of the state’s responsibility to maintain public order and/or project-specific security measures.

6. ENERGY EFFICIENCY AND RELATED ENVIRONMENTAL ASPECTS

V6.5 Energy Performance Standards and Labelling Schemes		
(i)	<i>Outputs:</i> Workshops in target countries	<i>Timing:</i> March and September 2009
	<i>Contact person:</i> <u>Dario Chello</u> , Gene McGlynn	<i>Estimated staff-months:</i> 4 months

Energy performance standards and labelling schemes for energy-using appliances and equipment have proved to be an important instrument for improving energy efficiency in many EU and OECD countries, which have established comprehensive legal and regulatory frameworks in this field. Important progress on labelling and introduction of minimum performance standards has been noted in many transition economies as well.

Following a first review of these issues, the Working Group will develop, in cooperation with the UNDP, a programme to support the introduction of effective Standards and Labelling programmes, based on international approaches, in countries where they currently do not exist. This will commence with expert workshops in target regions, and needs analysis in relevant regions.

V6.6 ESCOs: what is the real potential?		
(i)	<i>Outputs:</i> Final draft of the report	<i>Timing:</i> May 2009
	<i>Contact person:</i> <u>Dario Chello</u>	<i>Estimated staff-months:</i> 6 months

Energy Service Companies (ESCOs) have long been regarded as a key solution to the problem of lack of finance for energy efficiency investments. While there is now a long history of experience with ESCOs, they continue to make only a limited contribution. Questions remain as to whether the “ESCO revolution” is still to arrive, or if the ESCO model is inherently limited in its application.

The Working Group will develop a report on this topic, considering the experience with ESCOs in a variety of settings and the factors that support application. The report will also consider, based on this analysis, what the likely scope of ESCOs is in member countries, and how they can best be used.

7. LEGAL AFFAIRS

V7.4 Consistency of arbitral decisions regarding the provisions of the ECT		
(i)	<i>Outputs:</i> Occasional papers and presentations by the Secretariat on the consistency of arbitral decisions rendered in the course of ECT investment arbitration proceedings Facilitation of exchange of information among arbitral tribunals, States and investors involved in ECT investment arbitration proceedings	<i>Timing:</i> Throughout 2009
(ii)	Facilitation of exchange of information among arbitral tribunals, States and investors involved in ECT investment arbitration proceedings	Throughout 2009
	<i>Contact person:</i> <u>Graham Coop</u>	<i>Estimated staff-months:</i> 6 months

The need for consistency in international investment arbitration has attracted increasing attention in recent years. Given the growing number of ECT investment arbitration cases (20 of which the Secretariat is aware as of September 2008), this need for consistency is clearly relevant to ECT arbitral proceedings.

On the basis of a presentation to be made to the Group on Investment at its 20 October 2008 meeting by an experienced international arbitration lawyer on the potential role of the ECT and the Secretariat in achieving consistency in international investment arbitration, the Group will be invited to make recommendations concerning the future role of the Secretariat in this regard. Depending on the recommendations made, the Secretariat proposes to prepare occasional discussion papers and presentations on the consistency of arbitral decisions already rendered in the course of ECT investment arbitration proceedings, as well as to facilitate the exchange of information among arbitral tribunals, States and investors involved in ongoing ECT investment arbitration proceedings concerning substantive and procedural aspects of such proceedings likely to be of general interest.

These activities will however require additional resources, if the Conference wishes the Secretariat to pursue this initiative.

ANNEX I – SUMMARY OF STAFF MONTH CALCULATIONS

PART C – Core budget

	<i>Activity</i>	<i>Staff months⁴ (core budget)</i>
1	Private Office	80
2	Strategic development	31
	C2.1 Review under Article 34 (7) ECT and support to the (Ad Hoc) Energy Charter Strategy Group	12
	C2.2 Ratification of the Treaty / TA / PEEREA	4
	C2.3 Accession to the Treaty / TA / PEEREA by new members	5
	C2.4 Response to interest and request from non-signatory countries	10
3	Cross-Cutting Activities	16
	C3.1 Annual Policy Conference	4
	C3.2 Knowledge-sharing and dissemination of information	8
	C3.3 Support to the Industry Advisory Panel	4
4	Investment	35
	C4.1 Reports on Investment and Market Structure	20
	C4.2 Risk Reduction Dialogue – Conditions for Mutual Investment along the Energy Value Chain	6
	C4.3 Improving Entry Conditions for Foreign Investors	5
	C4.4 Review of ECT Implementation in Selected Areas	4
5	Cross-border energy flows; Trade and Transit	66
	C5.1 Activities related to the Transit Protocol	10
	C5.2 Transparency on Energy Transport Facilities incl. Storage and Conditions for Reliable Transit	12
	C5.3 Report on Multilateral Trade Rules as applied under the WTO and ECT Trade Regime	6
	C5.4 Transfer of Technologies and Trade in Clean/Environmentally Friendly Energy Technologies and Equipment	8
	C5.5 Update of trade part of LNG study; studies on International Pricing Mechanisms and expansion to other energies	12
	C5.6 Regional Electricity Cooperation in Central and Southern Asia	12
	C5.7 Report on regional electricity markets in countries in transition	6
6	Energy Efficiency and Related Environmental Aspects	35
	C6.1 Review Process	17
	C6.2 Measurable, verifiable and reportable measures (links to UNFCCC)	4

⁴ This calculation corresponds to the Establishment Table of 28 staff (28 x 12 = 336), plus 18 months of secondees' time

	<i>Activity</i>	<i>Staff Months (continued resources)</i>
	C6.3 Institutional Capacity for Energy Efficiency Policy and Implementation	9
	C6.4 Economic instruments and Trading for Energy Efficiency	5
7	Legal Affairs	25
	C7.1 Standing responsibilities of Legal Affairs	15
	C7.2 Raising Awareness in relation to the ECT Dispute Settlement Mechanisms	6
	C7.3 Model Agreements	4
8	Administration & Finance	66
	TOTAL	354

PART V – Voluntary financing

	<i>Activities proposed for voluntary financing</i>	<i>Minimal allocation of staff months</i>
3	Cross-cutting activities	
	V3.4 Summer school	6
	V3.5 Analysis of available projections on the development of energy markets	4
	V3.6 Analysis of policies and instruments to address security of supply and security of demand	6
4	Investment	
	V4.5 Carbon capture and storage	6
5	Cross-border energy flows; Trade and Transit	
	V5.7 Report on physical security of energy infrastructure	6
6	Energy Efficiency and Related Environmental Aspects	
	V6.5 Energy Performance Standards and Labeling Schemes	4
	V6.6 ESCOs: what is the real potential?	6
7	Legal Affairs	
	V7.4 Consistency of arbitral decisions regarding the provisions of the ECT	6