

**ENERGY CHARTER
SECRETARIAT**

CCDEC 2011

12 BUD

Brussels, 29 November 2011

Related documents: CC 424 , CC 432 Rev.
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DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Voluntary Contribution from the Federal Republic of Germany

[The Energy Charter Conference at its 22nd Meeting held on 29th November 2011] *approved* acceptance of the proposed Voluntary Contribution by the Secretary General. The Conference Chairman thanked the Federal Republic of Germany for their very generous initiative, which he expected would open the road for further developments with respect to the Energy Charter process.

- The objective of the proposed Voluntary Contribution was to support the creation of a reliable legal and political framework for energy investments in the Middle East and North Africa (MENA) region on the basis of the Energy Charter Treaty.

18 November 2011

22nd MEETING OF THE ENERGY CHARTER CONFERENCE
on 29 November 2011

- Subject: Agenda Item 11 – Budgetary Issues**
- **Voluntary Contribution - Germany**

Attached is a proposal for a Voluntary Contribution of Euro 110.000 from the German Federal Government to support the project: **“Creating a reliable legal and political framework for energy investments in the Middle East and North Africa region (MENA) on the basis of the Energy Charter Treaty”**.

The Conference is invited to approve acceptance of this Voluntary Contribution by the Secretary General, in accordance with Article 15(2) of the Financial Rules.

Project: “Creating a reliable legal and political framework for energy investments in the Middle East and North Africa (MENA) region on the basis of the Energy Charter Treaty”

Starting date: 1.01.2012

1. Background

The creation of a positive investment climate is a key requirement for the development of sustainable energy, particularly renewable energy resources, in the Middle East and North Africa (MENA) region. The Energy Charter Treaty (ECT) may play an important role in building the political and legal framework to attract interest and to enable investment in renewable energies and interconnected power grids in the MENA region.

The ECT is a unique legally binding instrument in the energy field, providing rules for energy trade, transit and the promotion and protection of investments, including dispute settlement procedures for investment-related disputes between an investor and a state. In addition, the Energy Charter Conference and its subsidiary bodies provide a useful network for contacts on the political, commercial and technical level.

The ECT members consider the expansion of the Treaty to new countries as a priority for the organization’s modernization. Most of the countries of the MENA region are already involved in the Energy Charter Process. Except for Libya, all North African countries are observers to the Energy Charter, and so are Jordan and Syria. Some countries are already on an advanced stage towards accession to the ECT. The current political developments in these countries may provide ideal conditions to accelerate the process.

2. Purpose

The purpose of this project is to promote the accession of several MENA countries to the Energy Charter Treaty, to lead one pilot country to full accession to the ECT in the shortest possible period and to offer the Energy Charter Conference and the Secretariat as a platform to promote regional energy partnerships as appropriate.

For this purpose, an expert within the Energy Charter Secretariat will be employed under this project. The expert needs to be fluent in Arabic and English and be well-connected within the target region.

3. Output

Output 1: Promote the accession of several MENA countries to the ECT (preferably Morocco, Algeria, Tunisia, Libya, Egypt, Jordan)

Output 2: Accompany at least one pilot country (preferably Morocco) to full accession to the ECT in the shortest possible period

Output 3: Offer the Energy Charter Conference and its Secretariat as a platform to promote the regional energy partnerships and projects in the MENA region as appropriate

4. Project tasks

- Task 1: Involve target countries in Energy Charter meetings and activities
- Task 2: Establish/maintain close contacts with Ministries and Embassies of target countries in order to promote the ECT; providing tailor-made information
- Task 3: Assisting target countries in steps necessary in view of their accession to the ECT
- Task 4: Support round table meetings of observers to the Energy Charter Conference
- Task 5: Contribute to Conferences relevant for the development of regional renewable energy projects
- Task 6: Supporting the Energy Charter Secretariat's public relations activities in Arabic countries
- Task 7: Organize a Conference in the region in question to promote the ECT



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SUBJECT Voluntary Contribution – „Creating a reliable legal and political framework for energy investments in the Middle East and North Africa region (MENA) on the basis of the Energy Charter Treaty“

ENCL Project description

Dear Secretary General,

We are pleased to inform you that the Federal Government of Germany is ready to offer a voluntary contribution in the amount of 110.000 EUR to support the project „Creating a reliable legal and political framework for energy investments in the Middle East and North Africa region (MENA) on the basis of the Energy Charter Treaty“.

Of the amount of 110.000 EUR, a sum of 90.000 EUR is earmarked as a contribution towards the costs of the employment of an expert, 10.000 EUR towards a regional stakeholder conference and 10.000 EUR for the expert's travel costs. Duration: From 1 January 2012 to 30 June 2013. Additional costs, necessary for the proper execution of this project, are expected to be covered by the Secretariat's own budget.

This offer is subject to an agreement regarding grant conditions, accountability, reporting and control which is expected to be finalised in the coming days.

Wolfdieter Böhler
(for the Ministry)

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