

WORKSHOP ON THE ROLE OF INTERGOVERNMENTAL AGREEMENTS IN ENERGY POLICY

29 April 2013

Room S1, World Trade Organization
Rue de Lausanne 154

Geneva, Switzerland

Ambassador Selim Kuneralp, Chairman of the Energy Charter Conference

Good morning, Excellencies, Director General, ladies and gentlemen,

I am very happy that the Energy Charter's initiative to organise this event found the support of the World Trade Organization and I would like to thank Director General Pascal Lamy for this.

I would like to commend the growing interest of the WTO to the issue of trade in energy. We live in the time of big economic uncertainties that are interlinked with concerns over energy security and the volatility of energy markets. I think it is important to open the discussion about the application of the WTO rules to energy in order to avoid the common misperceptions that may arise in the absence of such a discussion.

For example, it has been argued that energy has historically been treated outside of the WTO due to its strategic geopolitical role. Moreover, we know that when GATT was created the energy producing states were not among Contracting Parties. Some argue therefore that these rules were not specifically designed to tackle energy issues. There is a certain perception that WTO rules are mainly dealing with market access and do not address to the sufficient extent the issues of export restrictions and investment protection, while trade restrictive practices related to energy are mainly found on the exports side.

While it is important to set the record straight that WTO rules are fully applicable to trade in energy products and materials, I think it is not less important to discuss the special features of trade in such products. It is also important to look at specific challenges that energy trade may pose for multilateral regulatory framework. Is there a necessity and possibility to adapt the WTO/GATT framework to the new trends?

Development of international energy fora intensified over the past years. However, most organizations in the energy field set forth a cooperation framework rather than rules that regulate in some way energy trade and investment. Binding rules are however of a particular importance for the sector where uncertainties have such a tremendous impact on the economies and societies.

In this context, as the Chairman of the Energy Charter Conference, I am very happy that this event gives us an opportunity to discuss what value added the Energy Charter Treaty provides to the general framework contained in the WTO Agreements. On behalf of the Energy Charter Conference, I can only say that we would greatly welcome the opportunity for cooperation and dialogue with the WTO.