INTERNATIONAL ENERGY CHARTER

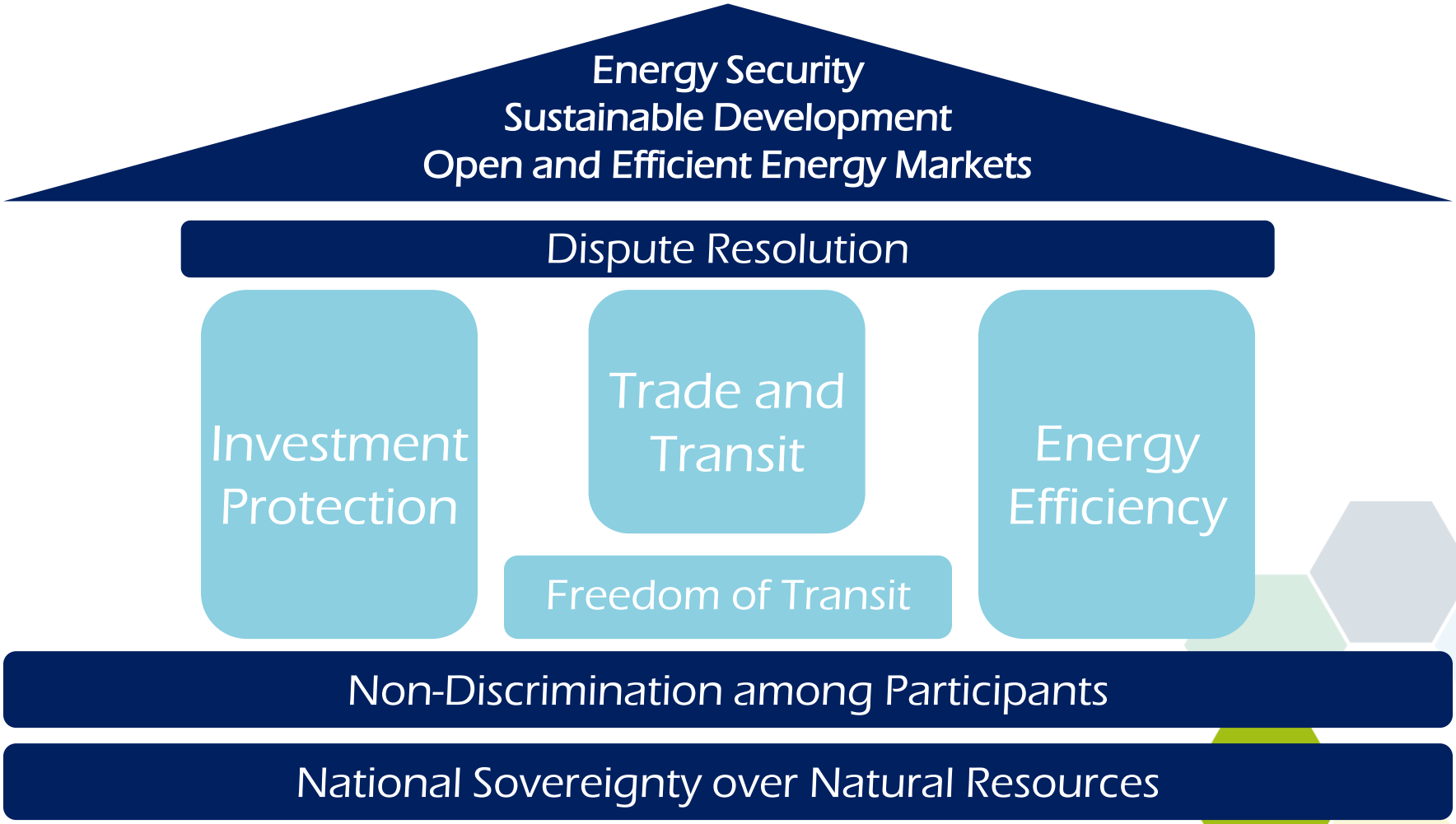
Energy Chapter Transit Activities

Ashgabat, Turkmenistan
7-8 November

Kanat Botbaev,
Energy Charter Secretariat

INTERNATIONAL ENERGY CHARTER

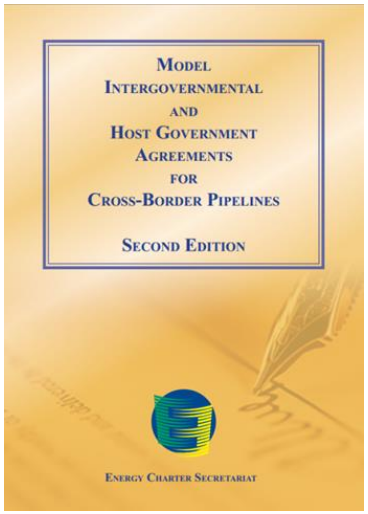
Framework for Energy Cooperation

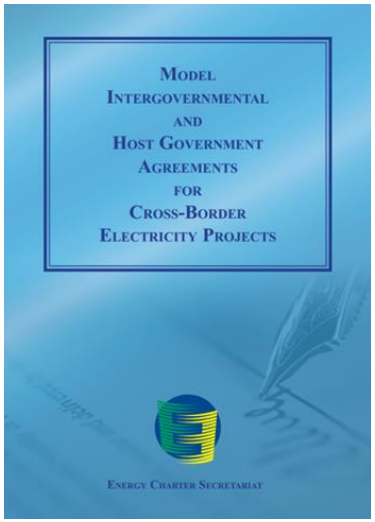


INTERNATIONAL ENERGY CHARTER

Multilateral Instruments

- Dispute resolution – Conciliation Rules;
- Model Early Warning Mechanism;
- Model IGAs and HGAs;
- Multilateral Instrument on Transit of Energy Resources.







Transit Instrument – Possible Outcomes

- Reset of negotiations of a Multilateral Framework Agreement on Transit of energy resources on a new basis;
- Negotiations on a regional transit protocol in case of interest expressed by specific countries/regions;
- Developing a set of soft law instruments:
  - Good governance/declaration on TPA;
  - Guiding principles on transit tariffs;
  - Update of Model Agreements.

Alternative Solution

Option 1: Multilateral Transit Instrument		Selected elements		Option2: Soft Law Instruments
Reset negotiations on a transit instrument on a new basis – revisiting the scope and main elements of the proposed **Multilateral Framework Agreement on Energy Transit** based on the country's positions clearly expressed	1	**Third Party Access**: conditions for non-discriminatory access to transit infrastructure	1	Good governance /declaration on **access** to infrastructure and conditions for **refusal**
	2	**Denial of Access:** reasonable exemptions to access to transit infrastructure	2	
	3	**Transit tariffs**: the principles and methodology of setting transit tariffs in a cost-reflective and transparent way	3	Guiding principles on **tariffs for transit** of electricity, oil and gas
	4	**Safety, operational and environmental standards** - circumstances of interruption/negative impacts in order to avoid and/or prevent a recurrence of similar events	4	Update of the **Model Agreements** for Cross-border Pipelines and Electricity projects to address issues of TSOs' cooperation, standards, authorisation procedures and permit granting.
	5	**Cooperation of network operators**: platforms for cooperation and information exchange among network operators	5	
	6	**Transparency and reporting procedures**: the ability to transparently measure, monitor and account for- in physical and monetary units – the volumes of energy in transit;	6	
	7	**Permit granting and authorisation procedures:** Acceleration of the processes leading to the issue of final permit for the new infrastructure	7	

Next Steps

- A set of soft law instruments:
  - Good governance /declaration on access to infrastructure
  - Guiding principles on tariffs for transit of electricity, oil and gas
  - Update of the Model Agreements for Cross-border Pipelines and Electricity projects
- Establishment of a technical sub-group to support the work of the Implementation Group;
- Groundworks for further discussions (PoW 2018).

Get in touch with us!

- Website: www.energycharter.org
- E-mail: info@encharter.org
- Facebook: facebook.com/EnergyCharter
- Twitter: @Energy_Charter | @SecGenEnCharter
- LinkedIn: linkedin.com/company/energy-charter

