



## MEMORANDUM OF UNDERSTANDING

### Cooperation between the Energy Charter Secretariat and ARIAE

From one part Dr. Urban Rusnák, as Secretary General of the Energy Charter Secretariat (ECS), located in Boulevard de la Woluwe 56, Brussels (Belgium),

and from other part, Mr. Jesús Tamayo Pacheco, as President of the *Asociación Iberoamericana de Entidades Reguladoras de la Energía* (ARIAE), which Secretariat is located in Alcalá 47 Street, Madrid (Spain),

thereafter the parties, have agreed to develop a structured process of co-operation.

#### Parties

The Energy Charter is an intergovernmental organisation with more than 90 members and observers from all continents with the objective to expand and promote a level playing field and the rule of law in the energy sector and to bring trust and confidence to international energy markets. The Energy Charter Secretariat provides technical expertise and administration support to the organisation's governing body at ministerial level, namely the Energy Charter Conference.

ARIAE is a regional organisation that aims to promote progress and exchange of regulatory experiences in the energy sector, to share regulatory knowledge, and to encourage communication between specialists and professionals from the member regulatory agencies. ARIAE was formally created on the 17th of March 2000 in Buenos Aires, Argentina. Currently it brings together 25 energy regulators from 20 Latin American countries.<sup>1</sup>

#### Purpose

Both ECS and ARIAE have a common and complementary mission to provide stable, predictable and transparent frameworks for energy investments, cross-border trade and transit, leading to a secure, sustainable and affordable energy. The Energy Charter and ARIAE while operating from different angles and in different time frames, seek to achieve the same objectives. While regulators are technical and autonomous bodies, the Energy Charter is an intergovernmental and political platform. While regulators act in the short- and mid-term, the Energy Charter provides a long-term and stable regulatory

<sup>1</sup> Argentina, Bolivia, Brasil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, España, Guatemala, Honduras, México, Nicaragua, Panamá, Perú, Portugal, Puerto Rico, República Dominicana, Uruguay, Venezuela and the Comisión Regional de Interconexión Eléctrica (CRIE).

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framework. The ultimate purpose of this Memorandum of Understanding (MoU) is to unlock and capitalise on the benefits of those complementarities. The Energy Charter and ARIAE can benefit from each others' specific areas of expertise and experience with a view of improving the attractiveness and stability of market conditions for energy investments.

### Cooperation

The parties seek to promote their relations and to enhance their synergies by an exchange of information, experiences and views in areas of work of common interest. By way of example:

- a) The ECS may inform ARIAE, and seek voluntary input and dissemination, regarding ECS activities of international or regional interest for ARIAE, such as:
  - Dispute resolution
  - Discriminatory barriers in the pre-investment phase
  - Reports on investment risk assessment
  - National reports on investment climate and market structure
  - Discussions on a framework agreement on transit
- b) The ECS may seek ARIAE members' voluntary assistance to facilitate dialogue with relevant national ministries where the country is interested in participating in the Energy Charter process.
- c) The ECS may convey to its member and observer countries relevant messages and recommendations from ARIAE on investment promotion and protection, cross-border trade and transit.
- d) Ad-hoc participation in each parties' working groups, forums, conferences and capacity building programmes, at the invitation of each party.

The contents of this MoU may be adjusted and amended at any time with the mutual consent of the parties.

### Representatives

Each party shall appoint a representative who will be responsible for implementing this MoU and its related activities. The representatives will develop the means of cooperation, secure the funding that is needed for the execution, and provide suitable suggestions and recommendations.

### Resources

This MoU does not imply contribution to the budget of either party. The development of activities realised in the framework of cooperation will be subject to the assessment of budgetary availability of each party and its respective review and approval by each party.

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ariae



asociación iberoamericana de entidades  
reguladoras de la energía

associação iberoamericana de entidades  
reguladoras da energia



### Duration

This MoU is agreed upon a term of three years from the date of final signature by both parties and will be renewed for the same duration automatically. All activities conducted before this date within the vision of the joint collaboration will be deemed to fall under this MoU. It should be noted that unilateral cancellation is possible at any time upon the request of either of the parties, after one month prior notice in writing to the other party or by mutual agreement.



Mr. Jesús Tamayo Pacheco  
President of ARIAE



Dr. Urban Rusnák  
Secretary General of the ECS

Cusco (Perú), on 19<sup>th</sup> April 2016