Expansion and outreach of the Energy Charter is one of Turkmenistan’s main priorities during its Chairmanship. Turkmenistan strongly believes that by signing the International Energy Charter, countries may have opportunity to actively engage at the Energy Charter Constituency and address contemporary energy challenges the countries may face. Turkmenistan is convinced that by signing the IEC Panama will enjoy mutual beneficial energy cooperation in the interest of energy security and sustainability. Turkmenistan is determined to actively cooperate with the Energy Charter Secretariat to continue its endeavors to promote the principles of the Energy Charter during meetings with Ministers, Ambassadors, Governments to outline the essential role and future potential of the Energy Charter Treaty and International Energy Charter.

Address of the Chairmanship on the occasion of International Energy Charter signature by Panama, 26 October 2017

ENERGY CHARTER CONFERENCE AND ITS SUBSIDIARY BODIES

Implementation and Strategy Groups meet in Brussels

The last Strategy Group Meeting took place on 19-20 October at the Energy Charter Secretariat in Brussels. It addressed fundamental issues such as the Ashgabat Declaration to be adopted at the ministerial meeting end of November, modernisation of the ECT, the implementation of the policy on consolidation and expansion, and the flagship publication Energy Investment Risk Assessment (EIRA). Three presentations were devoted to the special cooperation with China, Iran and Nigeria. Another important topic was discussion of external communication regarding vision, mission and objective statements. Finally, delegates tackled organisational aspects such as the objectives and tasks of the Strategy and Implementation Group and the need to designate Enquiry Points in capitals.

The day before, the Implementation Group met to finalise their discussions on the Handbook on general provisions applicable to investment agreements in the energy sector, which was designed as a non-legally-binding tool to help and empower governments in their negotiations of complex investment agreements in the energy sector. Similarly, the group discussed the report on potential standardisation of LNG contracts prepared with the support of the industry and legal experts, which concluded that certain key trends and issues could be addressed by standard provisions, rather than developing an entire model LNG contract at this stage. In addition, the Implementation Group finalised discussions and supported the first edition of the Investment Facilitation Toolbox, which sets non-binding policy guidance for investment facilitation in the pre-establishment phase. Regarding transit, delegations asked the Secretariat to focus its work on a set of soft law instruments to address transit issues. Finally, the group discussed the In-depth energy efficiency review for Kyrgyzstan as well as large-scale energy efficiency investment and finance (in particular regarding demand-side energy efficiency investment).

SECRETARY GENERAL’S ACTIVITIES

East African Community visits the Energy Charter Secretariat

East African Community Deputy Secretary General, Hon. Christophe Bazivamo visited the Energy Charter Secretariat on 13 October 2017 to discuss issues of cooperation and mutual benefits and was greeted by Energy Charter Secretary General Dr. Urban Rusnák. The East African Community (EAC) is an observer to the Energy Charter Conference having signed the International Energy Charter political declaration in 2016.

The Deputy Secretary General thanked Dr. Rusnák for his warm welcome and informed of the specific purpose of his visit which is to know the steps of
accession and to explore further areas of collaboration that could positively impact the region.

Priority areas for the EAC are energy production (Hydro, Solar, Oil and Gas, Geo-Thermal, etc) and the large scale potentials and opportunities available in the region for investors, and the need to attract credible investment to the region.

ENERGY CHARTER SECRETARIAT’S ACTIVITIES & EVENTS

Panama signs the International Energy Charter

H. E. Darío Ernesto Chirú Ochoa, Ambassador of Panama to the Kingdom of Belgium, the Grand Duchy of Luxembourg and Mission to the European Union, signed the 2015 International Energy Charter at the Secretariat on 26 October 2017 in the presence of the Secretary General Urban Rusnák and the First Secretary of the Embassy of Turkmenistan to the Kingdom of Belgium, Mr. Merdan Gayypov, representing the country holding the Energy Charter Chairmanship.

The International Energy Charter is an expression of long-term political commitment to promote and protect investment in the energy sector. It supports the National Energy Plan 2015-2050 approved by the Government of the Republic of Panama in 2016. Due to its rapid expanding economy, energy demand in Panama is forecasted to grow by 5.2% per annum between 2014 and 2050. The country is open for external investment to meet this additional demand.

Panama is the fourth country from Latin America having signed the International Energy Charter, the other three countries are Chile, Colombia and Guatemala. To date there are 87 signatories from all continents that have endorsed common principles for a level playing field in the energy sector.

A high-level conference on investments held in Azerbaijan

On 24-25 October 2017, the Energy Charter Secretariat’s member of staff participated and spoke at an international high-level conference held in Baku, Azerbaijan. Ran under a comprehensive title “International Investment Policies: The Way Forward”, the event, co-organised with the Ministry of Economy of the Republic of Azerbaijan, Energy Charter Secretariat, UNCTAD, and Martin Luther University at Halle-Wittenberg, focused on various aspects of the current state of affairs with regard to international investment agreements and ways to reform them.

The pool of participants, mainly consisting of high-level representatives of state agencies of Eastern European and Central Asian countries, well-known academia from reputed European educational hubs and international organizations, endeavoured to discuss the realm of bilateral and multilateral investment agreements, the background of emergence thereof, and the ways to steer and shape a reform of the international investment regime, which has been in place for over half a century, thus contributing to the present-day much heated global debates.
The Energy Charter Treaty, bearing particular relevance and importance as a unique multilateral document, was also one of the subjects of discussions. The Treaty, exerting impact on both modern jurisprudence and empirical studies, was presented via updated case statistics and current shift in dispute trends. In the context of the Conference agenda, additional information was provided on modernisation of the Treaty and Secretariat’s activity in the conflict resolution sphere.

would also stimulate the growth of renewables in Belarus.

Japan Minister of Foreign Affairs welcomes cooperation with International Energy Charter

Energy Charter Assistant Secretary General Dr. Masami Nakata, paid a courtesy call to the State Minister of Foreign Affairs of Japan Mr. Masahisa Sato on 3 October 2017 in Tokyo. During the meeting, Mr. Sato explained that tackling global energy challenges eventually would lead to Japan’s energy security. Japan would like to strengthen investment protection and improve the business environment through the Energy Charter Treaty (ECT), so maintaining a good partnership with the International Energy Charter is important. In this regard, Mr. Sato requested Dr. Nakata to play a role in building a bridge between Japan and the Energy Charter Secretariat to facilitate smooth and effective collaboration. Dr. Nakata expressed gratitude for Japan’s strong leadership in the Energy Charter Process. Since Japan’s support is crucial for the ECT, the Secretariat would like to continue to work closely with Japan.

The courtesy visit was followed by a lecture on the “Energy Charter Treaty and recent developments” at the Ministry of Foreign Affairs. There were about 90 participants from private enterprises, law firms, relevant ministries & agencies and NGOs in the lecture hall. During the lecture, Dr. Nakata gave a brief introduction about the Treaty including the history behind the International Energy Charter, and the latest developments in the Energy Charter Process. She also talked about Japan’s important role as a chairmanship last year. Japan hosted the 27th Energy Charter Conference in Tokyo last November which has generated a number of important decisions and culminated in the Tokyo declaration.

Expert Meeting on the Potential of Ukrainian Underground Gas Storage Facilities for European Energy Security

Ukraine possesses one of largest networks of underground gas storage (UGS) facilities in Europe – altogether it has 12 facilities with a total active capacity of 31 billion cubic meters. On 5 October 2017, the Energy Charter Secretariat together with Ukrainian authorities organised a kick-off meeting where technical conditions and parameters of Ukrainian UGS were discussed with a focus on the opportunities for the European Union (EU). The meeting gathered representatives from the Ministry of Energy and Coal Industry of Ukraine, Naftogaz and Ukrtransgaz (the Ukrainian state own company), European Commission (EC), Support Group of Ukraine as well as representative from the Slovak TSO – Eustream.
INTERNATIONAL ENERGY CHARTER FOR EU4ENERGY*
EU4Energy and Energy Efficiency in Azerbaijan

On the 24-25 October 2017, the Energy Charter Secretariat facilitated workshops and meetings in Baku, Azerbaijan with the goal of supporting the Government in the elaboration of a draft law on energy saving and energy efficiency. Participants comprised over 40 representatives from the Ministry of Energy, as well as other relevant ministries, state committees and energy industry companies.

The capacity-building workshop sessions were designed to equip Azerbaijan decision-makers with the know-how to develop and implement a comprehensive national plan for improving energy efficiency, as well as various types of policies targeting specific areas and sectors. Experts drew upon case studies from the European Union (EU) member states and other Eastern Partnership countries (e.g. Moldova, Ukraine) to illustrate how to set up national action plans with targets, promote energy audit schemes and ISO energy management systems in industry, and utilise public financing instruments.

Energy Efficiency Investments in Belarus: an EU4Energy Roundtable Discussion

On 5 October 2017 in Minsk Belarus, the Energy Charter Secretariat convened the second task-force meeting intended to steer and support Belarus in increasing investments in energy efficiency. Members comprised representatives from the Ministry of Energy, Ministry of Economy, Department of Energy Efficiency, energy companies, international donors and the private sector.

In recent years the Republic of Belarus has sought to develop and modernise the efficiency of its energy sector on both the demand and supply side, as well as to enhance its energy security by diversifying its resources. Such policy goals in either case cannot be attained without a significant amount of investment, both public and private.

In this regard, task force members underlined the necessity to accelerate electricity sector reform, which entails the adoption of the draft Electricity Market Law, taking into account best European practices. Such a reform would be a major step towards overcoming the identified barriers to investments in increasing the efficiency of electricity generation, transmission and distribution.

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