The Technical Subgroup on Transit held its first meeting on 16 May 2018. The Subgroup was established in 2017 to support the Implementation Group by setting out policy recommendations on facilitating and securing energy transit. The Subgroup brings together the representatives of the oil, gas and electricity industry from the Energy Charter Contracting Parties as well as Industrial Advisory Panel members.

Energy Charter Conference Members and Industry discuss Modernisation

On May 14, 2018, Members of the Energy Charter Conference consulted with industry, through its Industry Advisory Panel, on the potential modernisation of the Energy Charter Treaty (ECT). Ms Sofía Sanz (Spain), Chair of the subgroup on modernisation, conducted the meeting with the support of the Vice-Chair, Mr Sunao Orii (Japan). The Consultation focused on investment protection standards, the right to regulate, transit and other topics contained in the conference decision regarding consultation with industry and Observers.

Implementation Group meets in Brussels

The Implementation Group had a constructive meeting conducted by its Chair, Ms Klara Rakhmetova (Kazakhstan). The group discussed the latest statistics on ECT investment arbitration cases and the first draft of a Model Investment Dispute Prevention and Management Protocol prepared with the support of several government officials and the IMI Investor-State Mediation Task Force. The Model Protocol could be voluntarily used as a reference or guide by those states who do not have one already in place (or by those who want to update/extend the one they already have). In doing so, they could adapt the Model Protocol to their particular needs and circumstances. Therefore, the Model Protocol contains several options that could be considered by each state. The Secretariat will now continue consultations with government officials dealing with investment disputes and relevant international institutions (ICSID, ICC, SCC, PCA, UNCITRAL) while also preparing an explanatory note to further facilitate the use of the Model Protocol.

“I am convinced that the path to a better sustainable future for all of us – one with less poverty, better life prospects for all, and a healthier environment should be based on the cooperation of all actors involved, the private sector, local authorities, financial institutions, research sector, end users and at a larger scale of all countries. (...) I would like to reaffirm Romania’s steadfast commitment to continued cooperation with all Energy Charter members following the principles of the Energy Charter Treaty towards a sustainable energy environment.”

Romanian Energy Minister
H.E. Anton Anton,
Welcome speech during the Bucharest Forum, June 7th 2018
The 3rd Forum of the EU strategy for the Adriatic and Ionian Region commences in Sicily

On 24-25 May 2018 in Catania, Italy, the 3rd Forum of the EU Strategy for the Adriatic and Ionian Region (EUSAIR) began. The Forum is organised by the Italian Republic in close cooperation with the European Commission to present progress of the EUSAIR macro-regional Strategy and promote the strengthening of the network and partnerships within the Adriatic and Ionian Region.

One of the sessions addressed the topic of “Energy Networks for Development and Market Integration”. Energy Charter Secretary-General Dr Urban Rusnák was invited by the Italian Presidency to deliver a keynote address during this session. Dr Rusnák highlighted the importance of not only regional intra-EU connectivity but also the need for cooperation on broader Eurasia projects that include Central Asia and the EU Neighborhood countries.

Morocco’s accession process to the ECT

Energy Charter Secretary-General Dr Urban Rusnák and Morocco’s Minister of Energy, Mines and Sustainable Development, HE Aziz Rabbah, held a meeting on 30 May 2018 in Rabat. Morocco is willing to continue the accession process to the Energy Charter Treaty (ECT) as part of its strategy to mobilise investment in order to achieve the targets of 52% share of renewable electricity generating capacity and 15% of energy efficiency by 2030.

ENERGY CHARTER SECRETARIAT’S ACTIVITIES & EVENTS

Investor-State Mediator Training held in Paris

The International Centre for Settlement of Investment Disputes (ICSID), the Centre for Effective Dispute Resolution (CEDR), the International Mediation Institute (IMI) and the International Energy Charter jointly organized a 3-day training course for mediators in investor-State disputes. The training took place from May 8 to 10, 2018, at the World Bank Conference Centre in Paris, and was attended by participants from all regions of the world.

The 3-day interactive training covered the context, framework and practice of investor-State dispute settlement. The goal of the training was to provide experienced mediators, ISDS practitioners and government officials with the knowledge and skills necessary to mediate investment disputes. The successful completion of the course led to a Certification in Investor-State Mediation.

Head of Energy Efficiency Unit

The successful candidate, who is expected to take up duties in September 2018, will deal with energy efficiency policy issues, including the preparation of reviews of national energy efficiency policies. He/she will monitor the implementation of the provisions of the Energy Charter Treaty and its Protocol dealing with energy efficiency, analyse national trends, assure development and provide support to the activities of the Secretariat related to energy efficiency and develop recommendations for energy efficiency policies. He/she will also be responsible for relations with other international organisations working on the same issues.

Legal Assistant to the General Counsel

The successful candidate will have an advanced university degree (Master’s or equivalent) in international law and relevant professional experience. Oral and written communications skills will include an excellent knowledge of English and Russian. Knowledge of French will be an asset.

Vacancies
Changing dynamics of investment cases under the Energy Charter Treaty (ECT)

Information about the claims has been compiled on the basis of public sources, including specialized reporting services. Since 2001, when the first case invoking ECT was registered, the Energy Charter Secretariat tracked 114 publicly known investment arbitration cases where the ECT was invoked (sometimes together with a BIT). As arbitrations can be kept confidential, the actual number of disputes is likely to be higher.

Of all cases, 72 have been brought before The International Centre for Settlement of Investment Disputes (ICSID), 22 before the Stockholm Chamber of Commerce (SCC), 10 before ad hoc arbitration tribunals under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) tribunals and 10 before the Permanent Court of Arbitration (PCA) (applying UNCITRAL rules).

EIRA fact-finding mission to Moldova

A team from the Energy Charter Secretariat travelled to Chisinau, Moldova on a fact-finding mission. The primary objective of this mission was to collect information relevant to the 2018 Energy Investment Risk Assessment report (EIRA).

The Secretariat’s team had meetings with various stakeholders (government, private sector, legal practitioners) and gathered information regarding the policy, legal and regulatory environment of the country. This information is expected to facilitate the process of data validation as well as the preparation of a comprehensive energy investment risk assessment of Moldova.

EIRA 2018 will evaluate 30 countries. The findings will be elaborated in the final publication to be released later this year. With this new publication, the Energy Charter Secretariat hopes to contribute in governments’ efforts to lower investment risks and barriers, which might be detrimental to the investment climate of the participating countries.

Students from the University of Barcelona visited the Secretariat

As in previous years, the Secretariat has organised an information session on the Energy Charter Treaty and its dispute resolution provisions for LLM Students of Master of Laws in International Economic Law and Policy coming from the University of Barcelona. The Secretariat provided the LLM students with an insight on the challenges facing the Treaty and how arbitration mechanisms work for investors using the Treaty. The Secretariat experts were thrilled to host over twenty students and academics from various backgrounds to raise awareness on the Treaty for academics in the legal field and in the energy sector.
EU4Energy supports a long-term vision in Azerbaijan

On 21 May 2018, two new activities under the EU4EnergyGovernance were launched with a kick-off meeting hosted by the Ministry of Energy in Azerbaijan. One focuses on supporting the development of a long-term energy strategy in Azerbaijan. The country has started the decisive move towards ‘non-oil growth’. The long-term Energy Strategy will determine how the creation of wealth from indigenous resources should be best optimised, harnessed and combined for economic growth and what role the energy sector could play in this process.

The second activity involves developing a code of good practice for stakeholder consultations and inter-ministerial coordination within the energy sector of Azerbaijan. Its objectives are to identify gaps between existing practices in stakeholder consultation based on EU best practices and developing a code that best complies with the countries’ peculiarities.

The Deputy Minister of the Ministry of Energy, Samir Veliyev, welcomed the continued support of the European Union. The implementation of measures on the reform of the energy sector is part of the long-term strategic road-map for the energy sector. Additionally, support is necessary for the public consultation process and inter-ministerial exchange.

The Head of the EU Delegation to Azerbaijan, Ambassador Kęstutis Jankauskas, stressed that both projects are highlighting the importance Azerbaijan has to the European Union and asked the Ministry of Energy and other relevant stakeholders for mutual cooperation on both projects.

The EU4Energy initiative is funded by the European Union and the Energy Charter Secretariat is an implementing partner responsible for delivering technical assistance to Armenia, Azerbaijan and Belarus.

*Funded under the EU4Energy Initiative of the European Union