2020 Year of the Azerbaijani Chairmanship of the Energy Charter Conference

Quote

“We are at war with a virus – and not winning it. It took the world three months to reach 100,000 confirmed cases of infection. The next 100,000 happened in just 12 days. The third took four days. The fourth, just one and a half. This is exponential growth and only the tip of the iceberg. This war needs a war-time plan to fight it. Solidarity is essential. Among the G-20 – and with the developing world, including countries in conflict.

Allow me to highlight three critical areas for concerted G-20 action.

First, to suppress the transmission of COVID-19 as quickly as possible.

Second, we must work together to minimize the social and economic impact.

Third, we must work together now to set the stage for a recovery that builds a more sustainable, inclusive and equitable economy, guided by our shared promise — the 2030 Agenda for Sustainable Development.”

Remarks by Mr. António Guterres, UN Secretary-General, at G-20 Virtual Summit on the COVID-19 Pandemic

ENERGY CHARTER CONFERENCE AND ITS SUBSIDIARY BODIES

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Azerbaijan’s the Chairmanship of the Energy Charter Conference

On 1 January 2020, Azerbaijan took over the Chairmanship of the Energy Charter Conference for the year. The Conference works on an annual rotating basis, and each year a new country takes over leadership to direct the highest decision-making body of the Energy Charter process.

The Chair of the Conference will be Mr Parviz Shahbazov, Minister of Energy of the Republic of Azerbaijan. The Vice-Chairs are Mr Samir Valiyev, Deputy Minister of Energy of the Republic of Azerbaijan, Mr Ilir Bejtja, Deputy Minister of Infrastructure and Energy of Albania, and Mr Hakob Vardanyan, Deputy Minister of Territorial Administration and Infrastructures of the Republic of Armenia.

In line with a rapidly evolving energy world and also with domestic priorities, Azerbaijan has highlighted some of the priorities for 2020, such as accelerating the energy transition by increasing the share of renewable energy sources in transport, heating and electricity generation. The country also aims to promote energy efficiency policies and increase regulatory responses to supply security challenges. These topics will be the focus for the 31st Meeting of the Energy Charter Conference on 16-17 December 2020 in Baku, Azerbaijan.

SECRETARY GENERAL’S ACTIVITIES

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The International Energy Charter strengthens ties with Benin

On 21 February 2020, Dr. Urban Rusnák and Ambassador Zacharie Richard Akplogan discussed the current collaboration between the ECS and the Government of Benin at the Embassy of the Republic of Benin to the Kingdom of Belgium.

Parties agreed that cooperation should be reinforced to facilitate the more active role of Benin in the Energy Charter Process. It was in this spirit of closer collaboration that the government confirmed its participation in the 2020 edition of EIRA report and a secondment of a national official to deliver a report on energy efficiency in Benin under the AGoSE project. Dr Rusnák and the Ambassador also discussed the possibility of building a tri-partite partnership among the Secretariat, the government of Benin and ECOWAS, through the ECOWAS Permanent Representation in Brussels.
On 24 February 2020, Dr Urban Rusnák took part in the EU-Central Asia working lunch. The event was held in Brussels and brought together the representatives of the European Union’s services such as the European External Action Service, DG Energy and DG Development and Cooperation and the Heads of Missions of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. The topics of discussion focused on potential cooperation in the field of sustainable energy. The participants exchanged views on development and clean energy in the context of EU-Central Asia collaboration. The Commission informed on the work in progress on the new technical assistance project titled “Sustainable Energy Connectivity in Central Asia” following the EU internal approval process. The Ambassadors appreciated the initiative of the Commission and stressed the importance of the Energy Charter as a natural platform for EU-Central Asia energy cooperation.

ENERGY CHARTER SECRETARIAT’S ACTIVITIES AND EVENTS

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Belarus hosts consultations on the modernisation of the Energy
On 13 March, 2020, the Ministry of Energy of Belarus hosted consultations on the modernisation in the context of potential ratification of the ECT over 15 representatives from different ministries and governmental agencies, including the Ministry of Foreign Affairs, the Ministry of Economy, the Ministry of Justice, and the Ministry of Natural Resources and Environmental Protection gathered together. During the event, Secretary General Dr Urban Rusnák and Director of Strategic Development and External Investment Cooperation at the Ministry of Energy Mr Zorich delivered welcome speeches and the main provisions of the ECT were explained in detail to stakeholders, as well as the last Conference decisions in relation to the ECT modernisation. Participants were also briefed on different tools promoted by the Conflict Resolution Centre, such as a Guide on Investment Mediation, Model Instrument on Management of Investment Disputes, and Legal Trainings.

Industry Advisory Panel meets in Albania
The Energy Charter Industry Advisory Panel (IAP) held its 43rd session in Tirana, Albania on 3 March 2020. The event was hosted by Trans Adriatic Pipeline AG and was attended by Panel members, representatives of energy companies, associations, international organisations, and diplomatic representatives. Ilir Bejtja, Vice Chair of the Energy Charter Conference and Deputy Minister for Energy (Albania), Dr Urban Rusnák and Howard Chase, now former Chair of the IAP and Senior Director of Government Affairs for Dow Europe, Middle East, Africa and India delivered welcoming remarks. Participants reflections on strategies and market rules for a climate-neutral energy sector were central to deliberations, which covered opportunities and challenges for wider deployment of solar power, strategies for carbon neutrality and risk management and these pressing topics instigated an interactive debate among all the attendees.
The event was also an excellent opportunity to discuss topics such as; diversification of energy supplies in Europe, support for public financial institutions for the development of energy markets in Albania, the deregulation process of the Albanian electricity market, prospects and challenges for gas infrastructure, and a presentation of the report on the Energy Transition Outlook 2019.

Separately, IAP members also provided feedback on the EIRA report and appointed Mr Rafael Cayuela Valencia, Corporate Chief Economist of Dow Chemical as the new Chair of the panel who took up the role of as 24 March. Mr Cayuela, has more than 20 years of experience in the chemical industry. At Dow Chemical, Mr Cayuela transforms industry trends into the company’s corporate strategy and enterprise risk management processes. He engages with global chemical associations and international organisations, and has authored a book entitled “The future of the chemical industry by 2050”.

The ECS takes this opportunity to once again congratulate Mr Rafael Cayuela on the new position and looks forward to working with him in his new capacity and express gratitude to Mr Howard Chase, Chair of the Industry Advisory Panel since its inception in 2004, for his tireless commitment, his inclusive way of chairing and the invaluable cooperation.

Energy Charter Secretariat attended the World Hydrogen Fuel Summit

ECS Head of the Knowledge Centre, moderated International Energy Policy makers panel at an industry event which brought together private sector participants, international organisations and policy makers. The Summit emphasised the importance of cooperation and standardization for fostering future hydrogen trade to facilitate the clean energy transition and the decarbonisation. Presentations revealed that Morocco and other North African States and Middle Eastern countries as well as countries like Brazil and Chile are preparing to become hydrogen production centres. International trade was therefore very central to debates.

The need for cooperation with neighbours and exchange of technology, regulatory and financial know-how has also been underlined by companies from EU Member States present at the Summit, such as the Thuga from Germany and Royal Dutch Shell. The topic of renewable and low-carbon gases was previously discussed at the 42nd meeting of the IAP in Brussels in 2019.

Visit by Groningen University: raising awareness on the Energy Charter Process

As part of the ECS’s Memorandum of Understanding with Groningen University the student of in the course Energy Investment and Trade Law of the LLM programme Energy and Climate Law visited the Secretariat on 9 March. During six presentations they learned about the work of the Secretariat (such as national energy investment climate assessments and energy efficiency programmes) and the energy sectors in various regions, such as Western Africa and Central Asia, and countries such as China and Benin. The presentations provided first-hand insights and practical feedback on the integration and the role of various current and future ECT Member States.
**INTERNATIONAL ENERGY CHARTER FOR EU4ENERGY***

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An Energy Efficiency Action Plan discussed in Azerbaijan

On 29 January 2020, the ECS and the Ministry of Energy of Azerbaijan jointly organised the second meeting of the Inter-Ministerial Working Group on the National Energy Efficiency Action Plan (NEEAP). The development of the NEEAP is part of the EU4Energy Governance programme.

Samir Valiyev chaired the meeting and spoke about the reforms in the energy sector of Azerbaijan, highlighting that, in cooperation with EU4Energy, a high-priority is being given to developing energy efficiency policies and pursuing the adoption of the draft law on efficient use of energy resources. The working group concluded that energy efficiency measures would be part of the first NEEAP. The next step will be to contribute to assessing the expected energy saving and investments needed for implementation. In parallel, the EU4Energy project will initiate broad stakeholders consultations on the draft NEEAP with experts and representatives from the business, academic and civil society in Azerbaijan.

Belarus hosts EU4Energy and EIRA meetings

Officials from the ECS travelled to Minsk on 28-30 January to monitor implementation of the recommendations in the EIRA report and to discuss the development of a legislative basis for the natural gas market.

The Government authorities and KPMG hosted Round Table meetings to debate the progress on the indicators of the EIRA report. This was followed by a meeting on the natural gas reform attended by EU4Energy officials, the Ministry of Energy, the Ministry of Antimonopoly Regulation and Trade, and Beltopgaz.

As a follow-up, EU4Energy international experts will provide recommendations on how to align the natural gas legislative framework to best EU and international practices. The Draft report with recommendations will be prepared by EU4Energy for further consultations and discussions with Belarus officials.

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