

# Global energy governance and investment

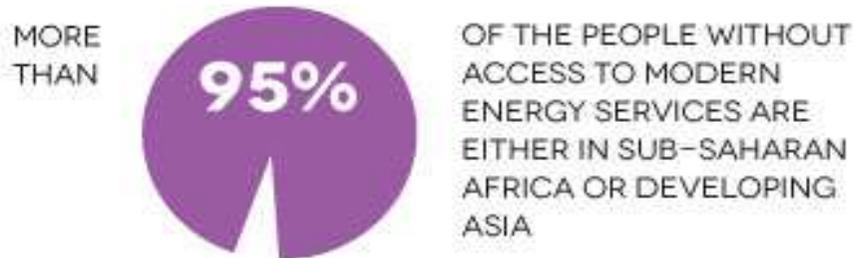
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## Current state of play

- Over 1 billion ppl w/o access to electricity (1 in 5)



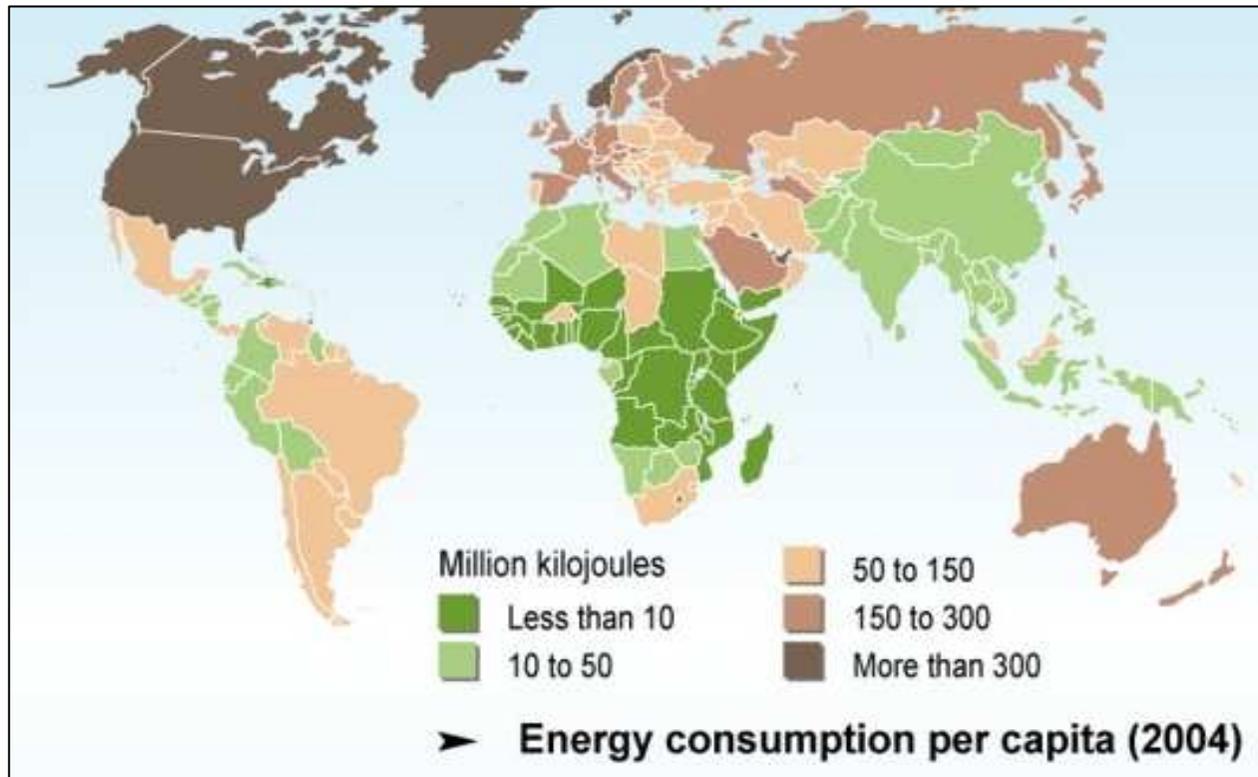
- ‘Electricity enables children to study after dark. It enables water to be pumped for crops, and foods and medicines to be refrigerated.’

- Source: UN



## Is energy globally well governed today?

Depends on whose point of view... for some YES; for others, NO...



Source: UNEP/GRID-Arendal

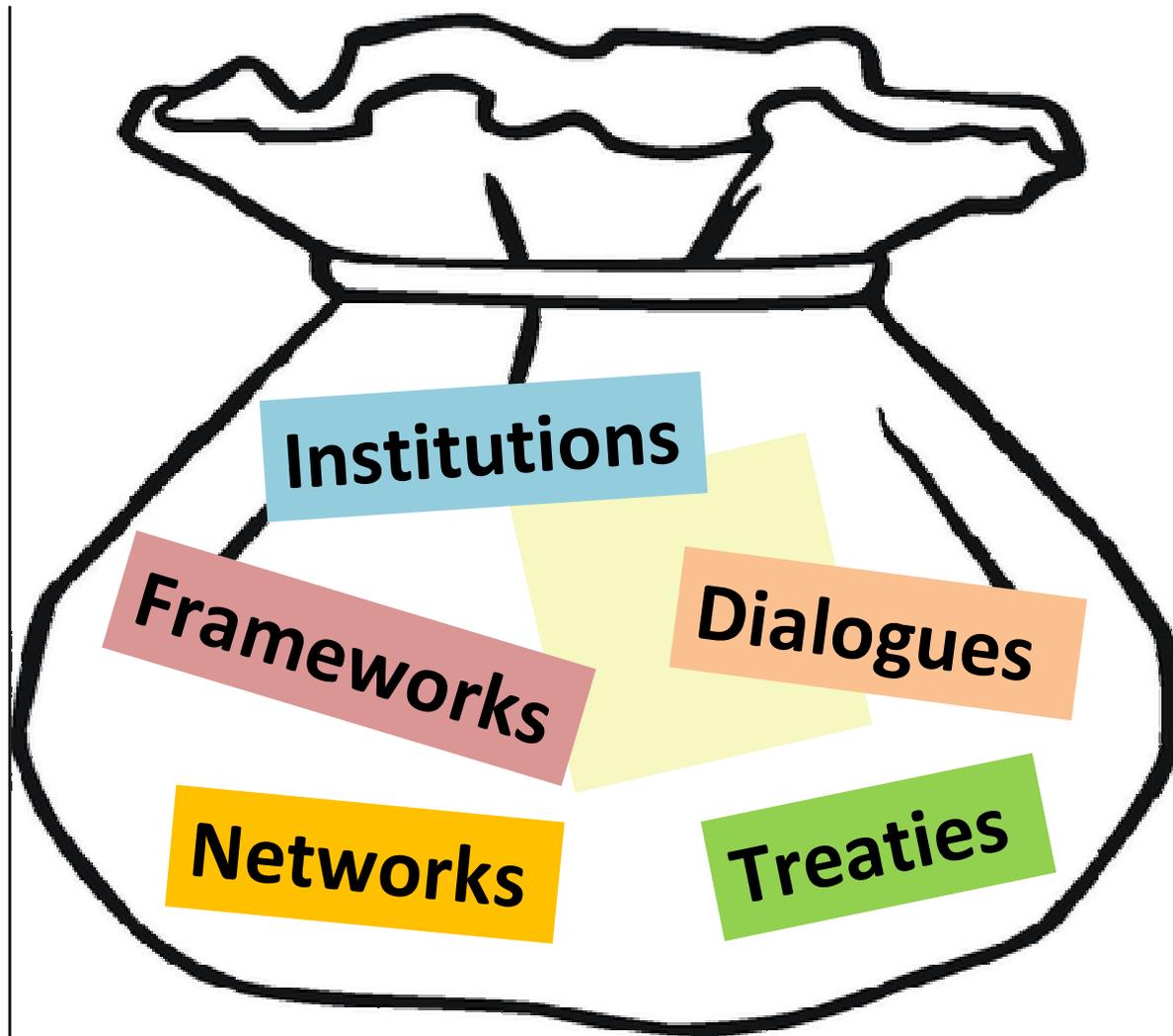
[http://www.grida.no/graph/icslib/detail/energy-consumption-per-capita-2004\\_5dca#](http://www.grida.no/graph/icslib/detail/energy-consumption-per-capita-2004_5dca#)

Large inequalities in per capita energy consumption across countries

**Is the evolving energy governance system addressing inequalities?**



## What is the current energy security governance system?



- FRAGMENTED
- DISJOINTED
- SELECTIVE MEMBERSHIP
- GUIDED BY SUBJECTIVE STATE INTERESTS
- “GES GOVERNANCE” DOES NOT EXIST



## Argument

Inter-State governance over the global energy economy is neither global nor cohesive.

A cohesive GEG may lead to GES

• **Overview of the main institutions** involved in energy governance and their interaction in 5 key energy sub-sectors:

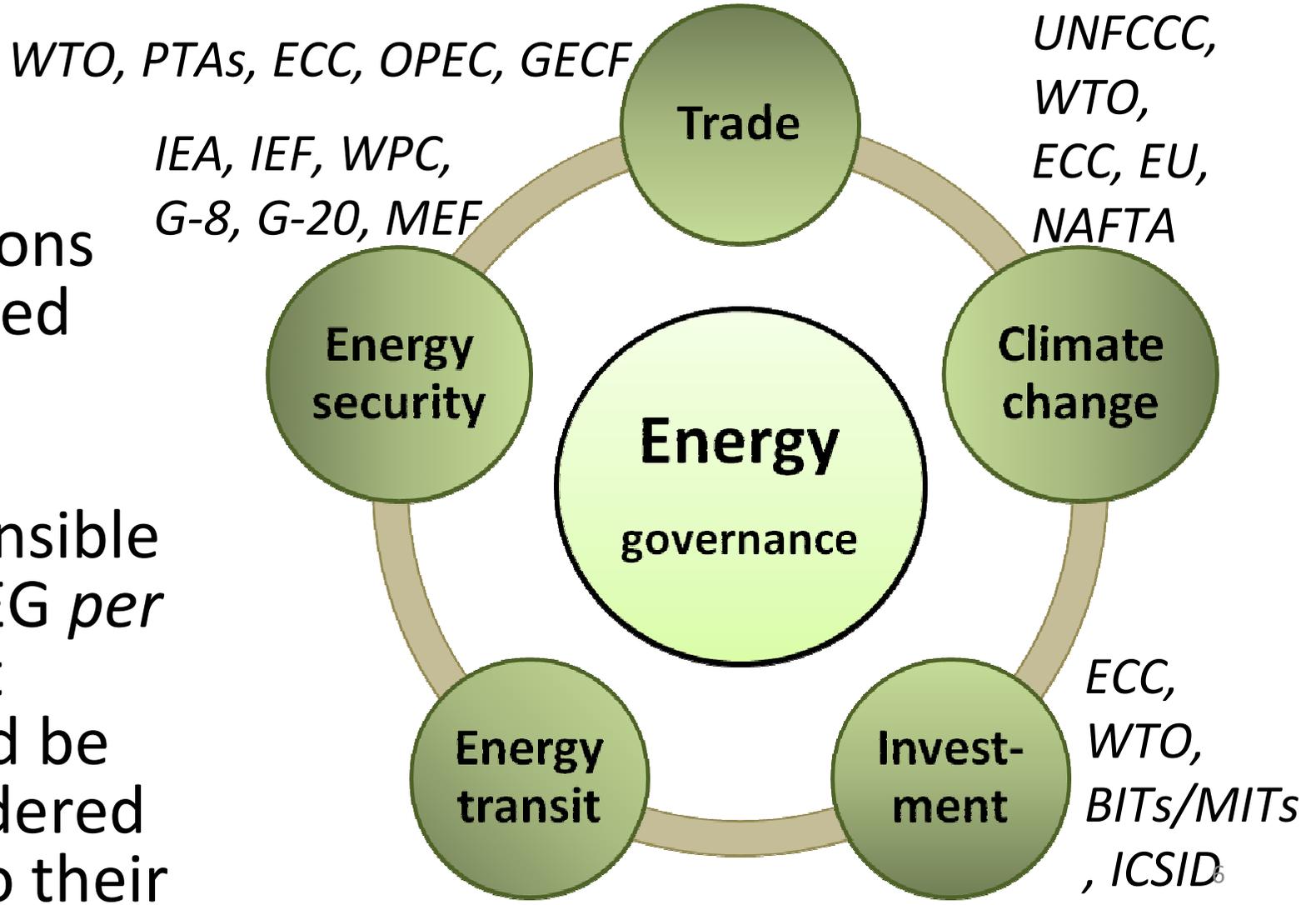
Trade, Investment, Climate change, Energy security,

Energy transit



# 5 key aspects of energy governance

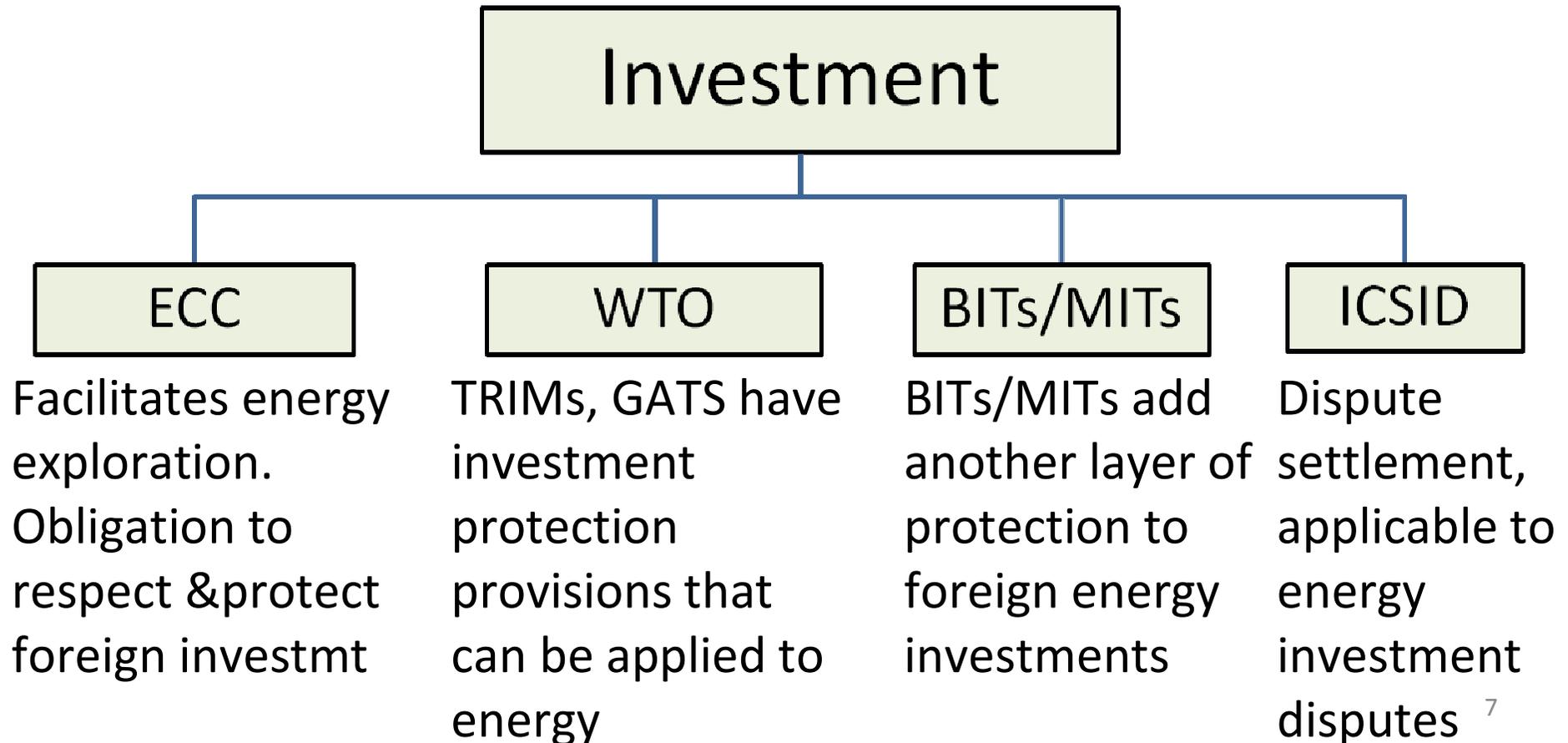
Institutions involved are not responsible for GEG *per se* but should be considered due to their





## 2. Investment

No overarching framework for investment, let alone energy investment



# Investment protection instruments in energy

- ECT = only multilateral investment treaty exclusively for energy
- Possibilities: bilateral/regional investment treaties and trade agreements with energy infrastructure chapters
- Ideal: one multilat/universal invsmt agmt (MAI)





## Challenges to energy investment

- nationalism of energy producing countries => energy policies are influenced by national interests
- Decision-makers are caught between environmental, security and economic objectives
- Increasing difficulty in accessing natural resources

# IEM and the Energy Community

- Greece no longer isolated in SE Europe
- IEM now one cohesive area

