Energy Charter
Information Session

The Fourth Executive Energy Training Program for Young Professionals: Astana Leadership Forum
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What is the Energy Charter?

  *political commitment – not legally binding*

  *52 states + EU and Euratom – legally binding
  entered into force April 1998*

- Energy Charter Process
  *based on the ECT – international policy forum,
  best practices exchange,
  cooperation with interested third parties*
What Does the Charter Do?

- National Sovereignty over Natural Resources
- Non-Discrimination among Participants
- Investment Protection
- Trade and Transit
- Energy Efficiency
- Freedom of Transit
- Dispute Resolution
- Energy Security
- Sustainable Development
- Open and Efficient Energy Markets
- Non-Discrimination among Participants
- National Sovereignty over Natural Resources
ECT – Main Focus

- Protection of foreign investments, based on the extension of national treatment or most-favoured nation treatment (whichever is more favourable)
- Non-discriminatory conditions for energy trade based on WTO rules
- Ensuring reliable cross-border energy transit
- Resolution of disputes between participating states, and – in the case of investments – between investors and host states
- Promotion of energy efficiency (PEEREA)
Charter Members and Observers

This map is without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.
Charter Expansion and Outreach

- **Goal**: enlargement of ECT geographic coverage
- **Expansion**: observers → members
- **Outreach**: countries not yet involved in the Process
- **Charter Conference approval** in August 2012
Warsaw Process
towards Global Energy Governance

- The concept of updating Energy Charter 1991 Declaration
- Expectation that UEC process will raise the Charter’s profile
- The purpose is to attract new countries to the process.
- The ultimate goal is to facilitate accessions to the ECT.
Industry Advisory Panel (IAP)

- supports cooperation and dialogue between the energy industry and the Contracting Parties
- is participated in by 38 energy companies, international associations and institutions from 20 countries
- covers the full scope of supply, transportation, distribution and financing activities in energy sector
- IAP meetings chaired by Mr. Howard Chase – Director of Government Affairs Unit, Dow Europe

IAP strongly supports the Energy Charter process and the principles of the ECT in international energy practice
IAP provides policy advice and expertise on

- Promoting role of the ECT
- Regional energy markets development
- Promoting access to finance and risk mitigation
- Gas Market Developments
- Research and technological development in the RES sector
- Promotion of Low-carbon Investment
Energy-Related International Organisations

Place of the Energy Charter Treaty in Global Energy Governance
Energy-Related Organisations with More Political Forum Functions

- Nuclear
- Climate change
- Renewables
  - IEA
  - UNECE
  - IRENA
- Environment Protection and Energy efficiency
- Energy security
  - IEF
  - ASEAN
- Transit
- Trade
  - Mercosur
  - ASEAN
- Investment
  - UNCTAD

North America | Pacific OECD | Europe OECD | Europe non-OECD | CIS | MENA | Latin America | Africa | China | Pacific non-OECD
Energy-Related Organisations with More Political Forum Functions

- Nuclear
- Climate change
- Renewables
- Environment Protection and Energy efficiency
- Energy security
- Transit
- Trade
- Investment
Energy-Related Organisations with More Legally-Binding Requirements

- **Nuclear**
- **Climate change**
- **Renewables**
- **Environment Protection and Energy efficiency**
- **Energy security**
- **Transit**
- **Trade**
- **Investment**

**IAEA**

**UNFCCC/Kyoto Protocol**

**International Energy Agency (IEA)**

**International Renewable Energy Agency (IRENA)**

**Organization of Petroleum Exporting Countries (OPEC)**

**ECOWAS**

**World Trade Organization (WTO)**

**United Nations Conference on Trade and Development (UNCTAD)**

**MENA**

**Latin America**

**Africa**

**China**

**Pacific non-OECD**

**North America**

**Pacific OECD**

**Europe OECD**

**Europe non-OECD**

**CIS**
Energy Charter Treaty: Place in Global Energy Governance

Nuclear

Climate change

Renewables

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WTO

UNCTAD

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CIS

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Latin America

Africa

China

Pacific non-OECD
Thank you for your attention