

Energy Charter Information Session

**The Fourth Executive Energy Training Program
for Young Professionals: Astana Leadership
Forum
Kazakhstan, 10-13 June 2014**

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What is the Energy Charter?

- Dec. 1991 – Energy **Charter**

political commitment – not legally binding

- Dec. 1994 - Energy Charter **Treaty**

*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?



**Energy Security
Sustainable Development
Open and Efficient Energy Markets**

Dispute Resolution

**Investment
Protection**

**Trade and
Transit**

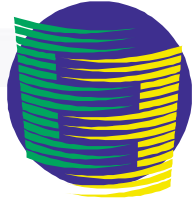
**Energy
Efficiency**

Freedom of Transit

Non-Discrimination among Participants

National Sovereignty over Natural Resources

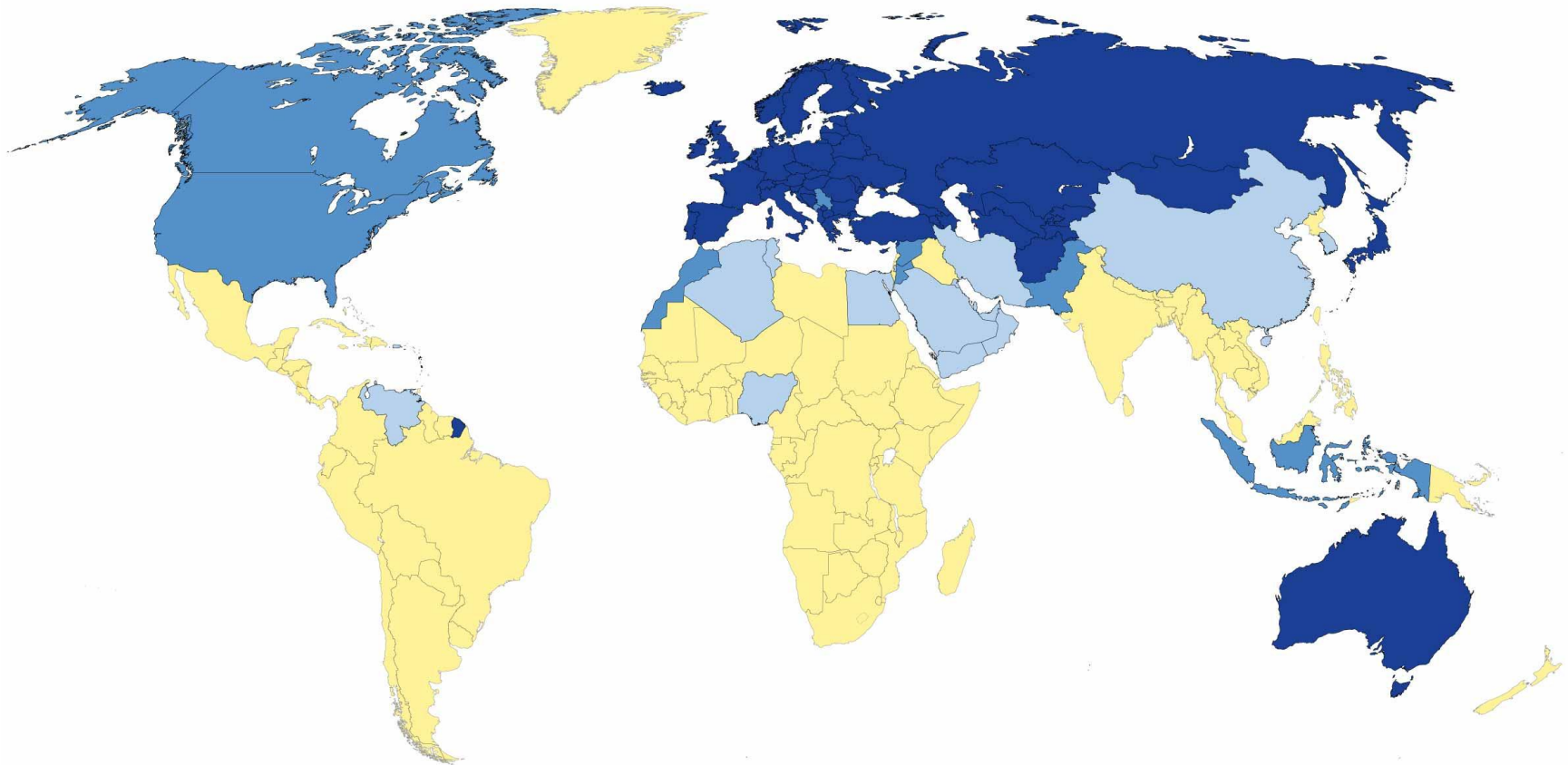
ECT – Main Focus



- **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



-  **Members**
-  **Observers, signed the 1991 Charter**
-  **Observers, by Conference invitation**

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

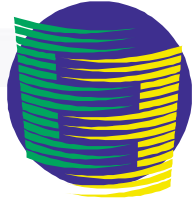


Warsaw Process

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 Affaires 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

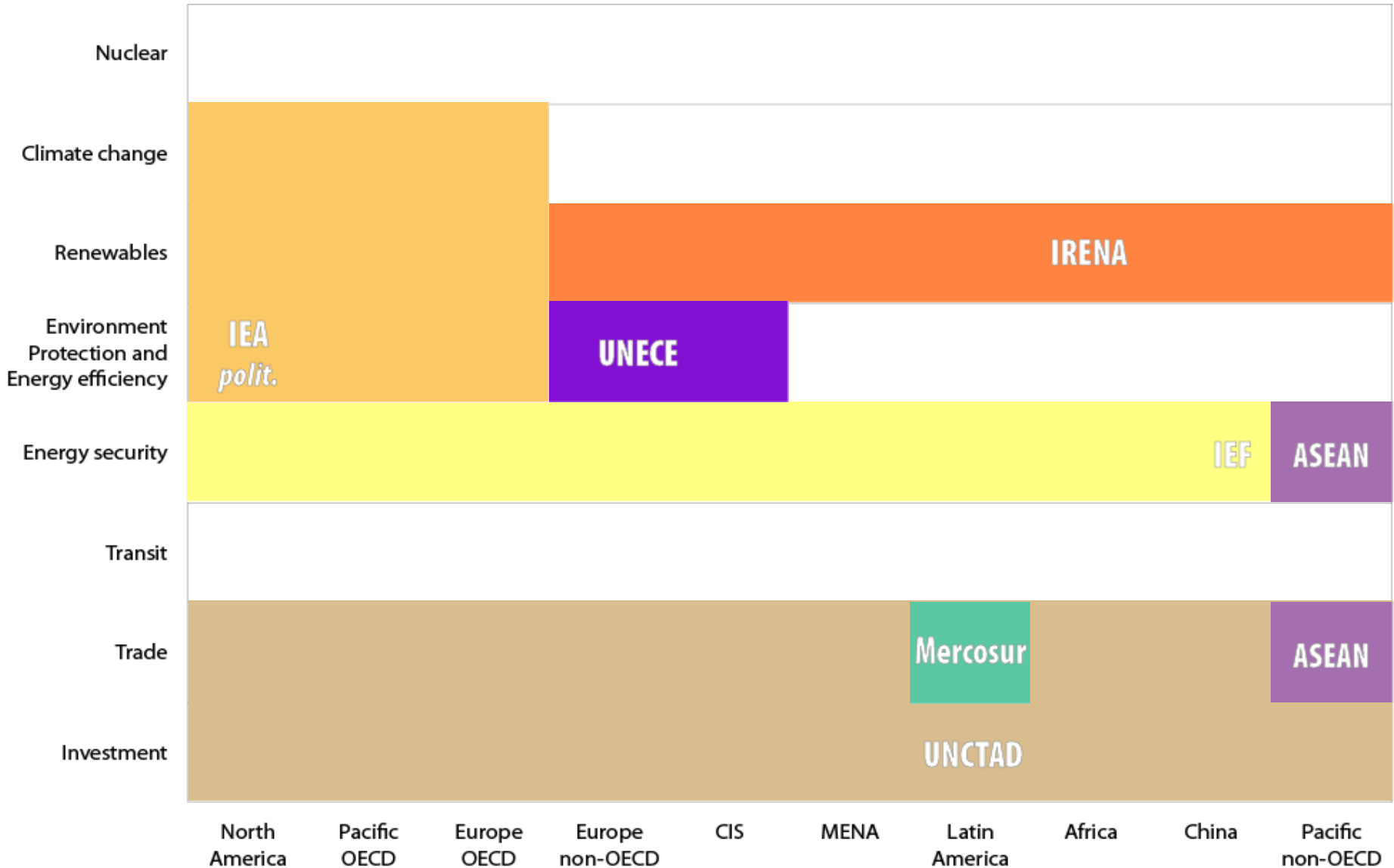
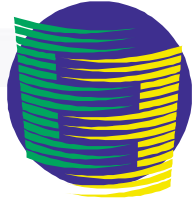
- Promoting role of the ECT
- Regional energy markets development
- Promoting access to finance and risk mitigation
- Gas Market Developments
- Research and technological development in the RES sector
- Promotion of Low-carbon Investment



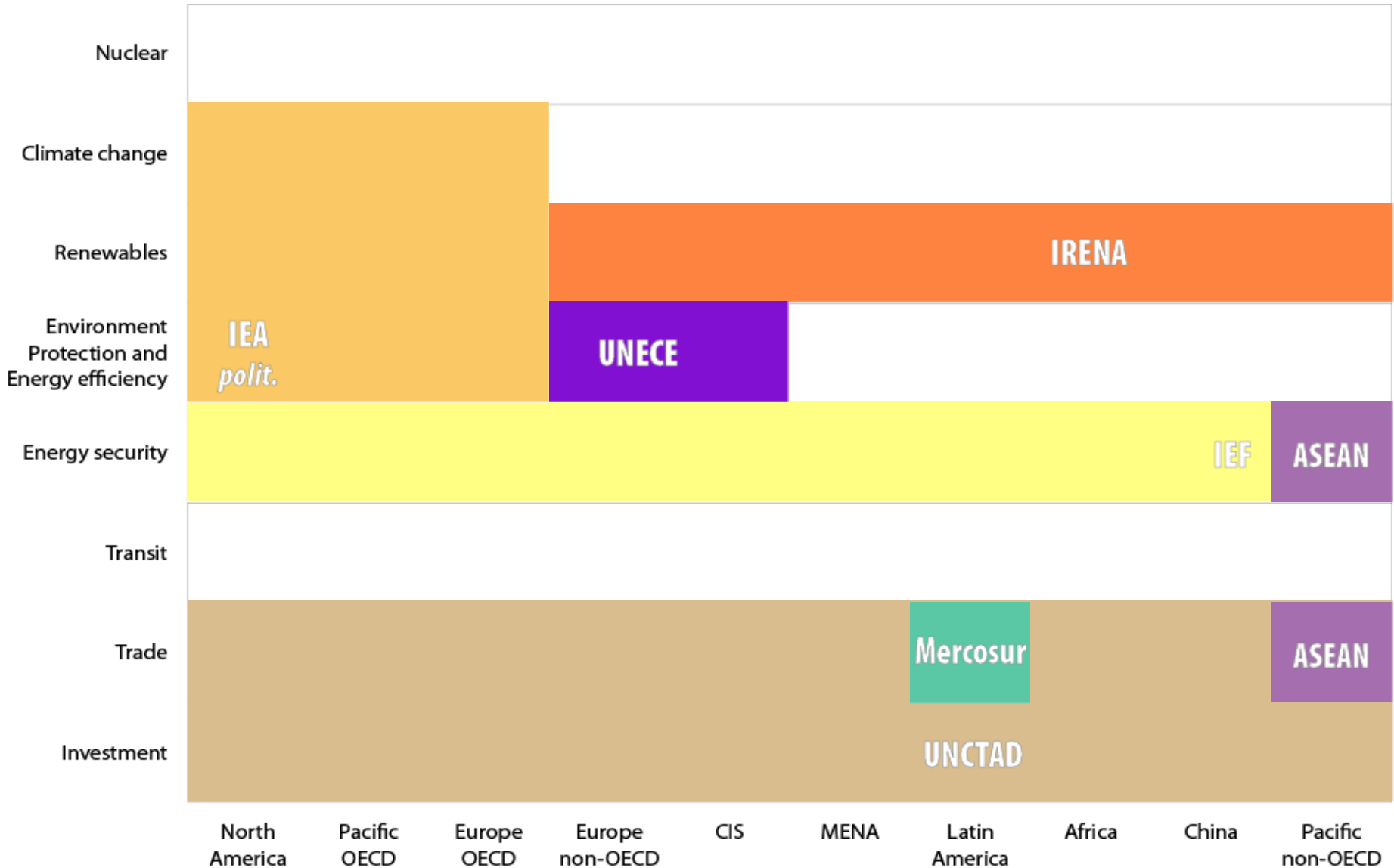
Energy-Related International Organisations

**Place of the Energy Charter Treaty
in Global Energy Governance**

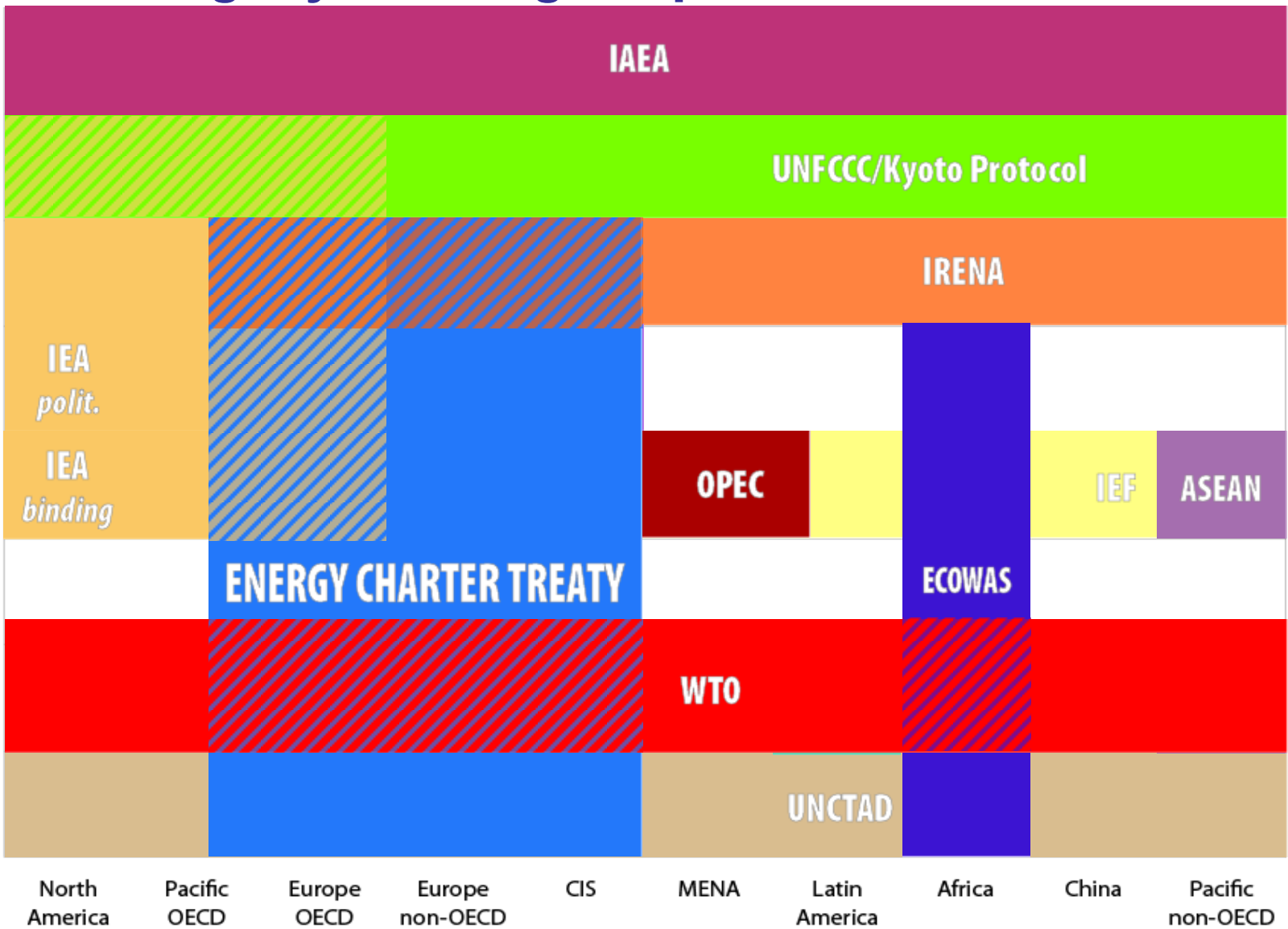
Energy-Related Organisations with More Political Forum Functions



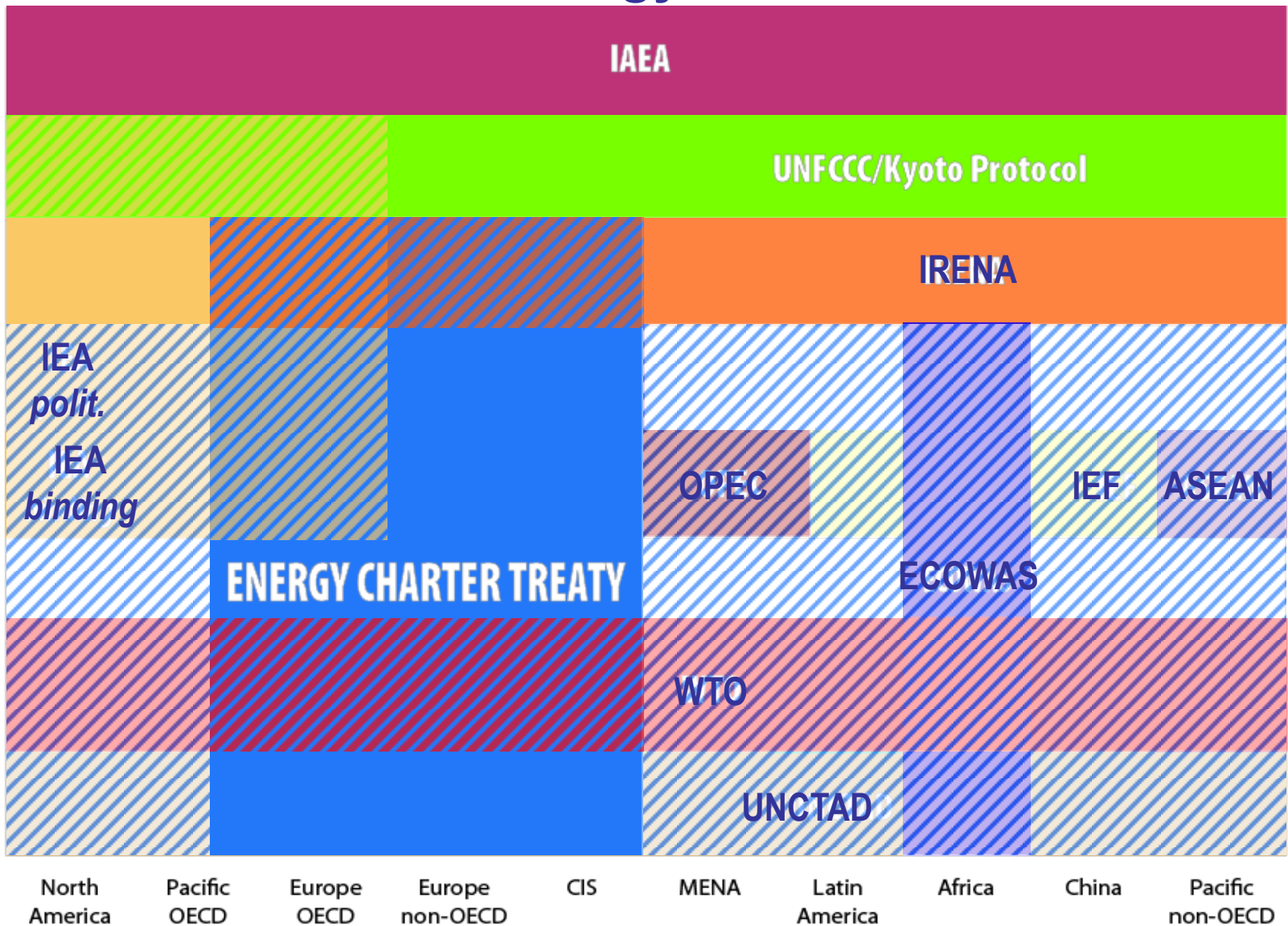
Energy-Related Organisations with More Political Forum Functions



Energy-Related Organisations with More Legally-Binding Requirements



Energy Charter Treaty: Place in Global Energy Governance





**Thank you
for your attention**