The International Energy Charter & International Energy Forum: existing complementarities and possible synergies
• Dec. 1991 – European Energy Charter
  political commitment – not legally binding

• Dec. 1994 - Energy Charter Treaty
  52 states + EU and Euratom – legally binding entered into force April 1998

• May 2015 International Energy Charter
  Modernized version of EECh political commitment – not legally binding

• Energy Charter Process
  based on the ECT – international policy forum, best practices exchange, cooperation with interested third parties
• Reflects early 21st century topical energy challenges
  • Refer to the full scope of latest to date (2015) multilateral documents and agreements on energy; synergies among energy-related multilateral fora; including the Energy Charter, in view of follow-up action
  • Growing weight of developing countries for global energy security
  • The “trilemma” between energy security, economic development and environmental protection
  • Role of enhanced energy trade for sustainable development
  • Need to promote access to modern energy services; energy poverty reduction; clean technology; and capacity building
  • Need for diversification of energy sources and routes
  • Role of regional integration of energy markets
  • Technology and fuel neutral
As of 25 of November 2016, The International Energy Charter had 80 Signatories


Countries that adopted the International Energy Charter (6)
The 4 Pillars of Energy Security

Supply: The reliable security of Energy Supply
Demand: The reliable long term security Energy Demand
Transit/Transport: Safe, reliable Transit and Transport of Energy Supplies
Access to Energy: Access for all consumers, the Alleviation of Energy Poverty:
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

COMMON RULES FOR GLOBAL ENERGY SECURITY
Energy Charter Treaty - Key Principles

- Open and efficient energy markets
- Non-discrimination among participants
- Sustainable development
- State sovereignty over natural resources
- Freedom of transit
- Environmentally sound and energy-efficient policies
All Signatories and Contracting Parties to the *Energy Charter Treaty* are Members of the *Energy Charter Conference*:

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**Common Rules for Global Energy Security**
What does the Energy Charter Treaty Do?

- Obligations on trade, transit, investment and dispute settlement
- Multilateral energy-specific legal framework
- Cooperative process on environmental aspects and energy efficiency
- Fuel neutrality and technology neutral framework

What does it Not Do?

- Impose or determine national energy policies
- Provide supranational regulation
- Impose third party access to infrastructures/ownership
- Impose privatisation
What can the Energy Charter Secretariat Do?

- Country reviews
- Industrial Advisory Panel
- Intergovernmental dialogue
- Regional Studies
- Conflict Resolution
- Investment Promotion
- Model Agreements
- Solid and Stable Cooperation For Energy Investment
Energy Charter Treaty – 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 and resolution of transit disputes through conciliation
- Resolution of disputes between participating states, and – in the case of investments – between investors and host states
- Promotion of energy efficiency (PEEREA)
Energy Charter Conference Chairmanship

Political chairmanship annual rotation since 2014

- 2014: Kazakhstan
- 2015: Georgia
- 2016: Japan – Tokyo Declaration (ECT as a instrument to support global energy transition and support for its Expansion)
- 2017: Turkmenistan

28th Energy Charter Conference – Ministerial Session
Ashgabat, 28-29 November 2017
International Energy Charter Modernisation


- **Phase 2** Expansion and Modernisation of the Energy Charter Process including mediation of disputes, conflict prevention, early warning mechanism, improving transparency, preparation for new pre-investment instrument and new transit instrument (ongoing)

- **Phase 3** Modernisation of the ECT (to be decided)
Energy-Related Organisations with More Political Forum Functions

- Nuclear
- Climate change
- Renewables
  - Environment Protection and Energy efficiency: IEA, UNECE, IRENA
- Energy security: IEF, ASEAN
- Transit
- Trade: Mercosur, ASEAN
- Investment: UNCTAD, ASEAN, etc.
Energy-Related Organisations with More Political Forum Functions

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

Regions:
- North America
- Pacific
- OECD
- Europe
- Europe non-OECD
- CIS
- MENA
- Latin America
- Africa
- China
- Pacific non-OECD
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
- IRENA
- IEA polit.
- IEA binding
- ENERGY CHARTER TREATY
- OPEC
- ECOWAS
- WTO
- UNCTAD
- North America
- Pacific OECD
- Europe OECD
- Europe non-OECD
- CIS
- MENA
- Latin America
- Africa
- China
- Pacific non-OECD
Energy Charter Treaty: Projection in Global Energy Governance
IECh-IEF Possible Synergies

Common goal and complementary mandate:

- Develop holistic, market based approach to the Energy Security (4 pillars),
- Joint initiatives in increasing data and procedural transparency
- Joint initiatives in addressing emerging sectors like globalized LNG markets, energy storage,
- Joint initiatives in addressing global energy transition,