



Energy Charter

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What is the Energy Charter

Dec. 1991

European Energy
Charter



Political commitment -
not legally binding

Dec. 1994

Energy Charter
Treaty (ECT)



52 states + EU and
Euratom – legally
binding, entered into
force April 1998
Open for accessions for
states and REIOs which
have signed the
European Energy
Charter

Energy Charter
Conference



Based on the ECT –
decision making body
Main task to review and
facilitate the
implementation of the
principles of the Charter
and the ECT
Members: signatories of
the ECT
Observers: signatories of
the European Energy
Charter, invited states
and international
organisations

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 of the Energy Charter Conference

All Signatories and Contracting Parties to the Energy Charter Treaty are Members of the Energy Charter Conference:



Observers to the Energy Charter Conference

1. Signatories of the European Energy Charter (1991)

All Signatories of the European Energy Charter (1991) are Observers to the Energy Charter Conference. Signatories which are also Signatories of or Contracting Parties to the Energy Charter Treaty are Members of the Energy Charter Conference.



2. Signatories of the International Energy Charter (2015)

All Signatories of the International Energy Charter (2015) - other than the ones which also signed the European Energy Charter (1991) - are Observers to the Energy Charter Conference.



3. Observers by Invitation



4. International Organisations with Observer Status



Charter Expansion and Outreach

**Charter Conference
approval in August 2012**

Goal
Enlargement of ECT geographic coverage

Expansion
Observers becoming Members

Outreach
Countries not yet involved in the Process

Modernisation – Phase I

2009

- Contracting Parties recognised that the Energy Charter Process must reflect new developments and challenges in international energy markets



2012

- 23rd Meeting of the Conference in Warsaw provided mandate for the geographical expansion of the Energy Charter Process and of the Treaty



2014

- Four sessions of negotiations held in Brussels with objective of clearing 1991 text of outdated terminology and to reflect the requirements of potential new members

International Energy Charter

- Political declaration updating the 1991 EEC
- Reflects modern energy challenges
- Reaffirms **THE HAGUE** 1994 ECT
- Negotiated by more than 80 states throughout 2014
- Adopted by 75 countries in 2015

INTERNATIONAL
ENERGY CHARTER

20 & 21 MAY 2015

Ministerial Conference The Hague II



Modernisation - Phase II

- **ECT stands as the only multilateral legally binding instrument in the energy sector dealing with investment protection, transit and trade:**
 - 1. 2014 Conclusions of the Review under Art. 34(7) ECT**
 - 2. Astana Declaration of the Energy Charter Process for 2015-2019**

Industry Advisory Panel (IAP)

supports cooperation and dialogue between the energy industry and the Contracting Parties

is participated in by 45 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, Dow Europe

IAP strongly supports the Energy Charter Process and the principles of the ECT in international energy practice

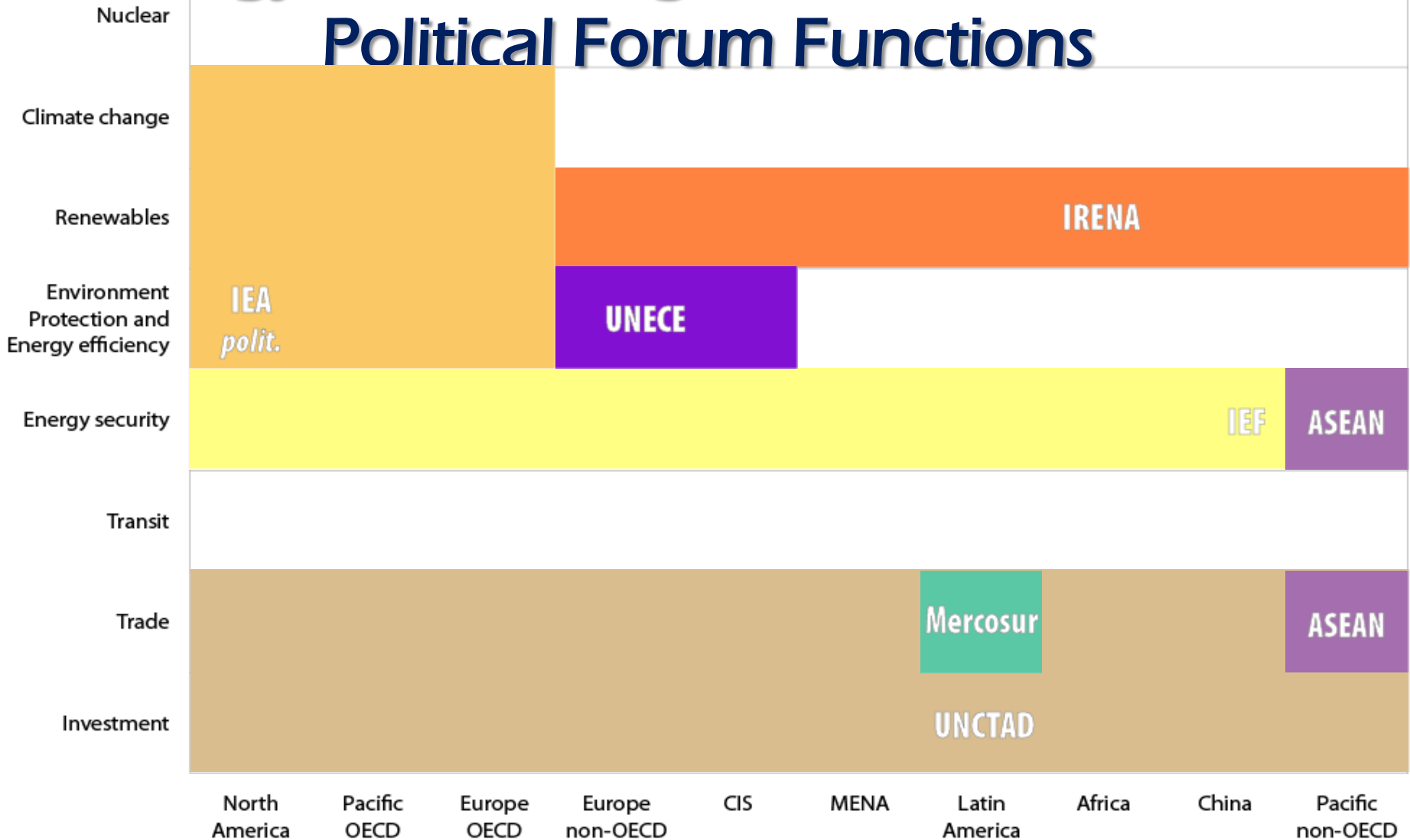
IAP provides policy advice and expertise on

- 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

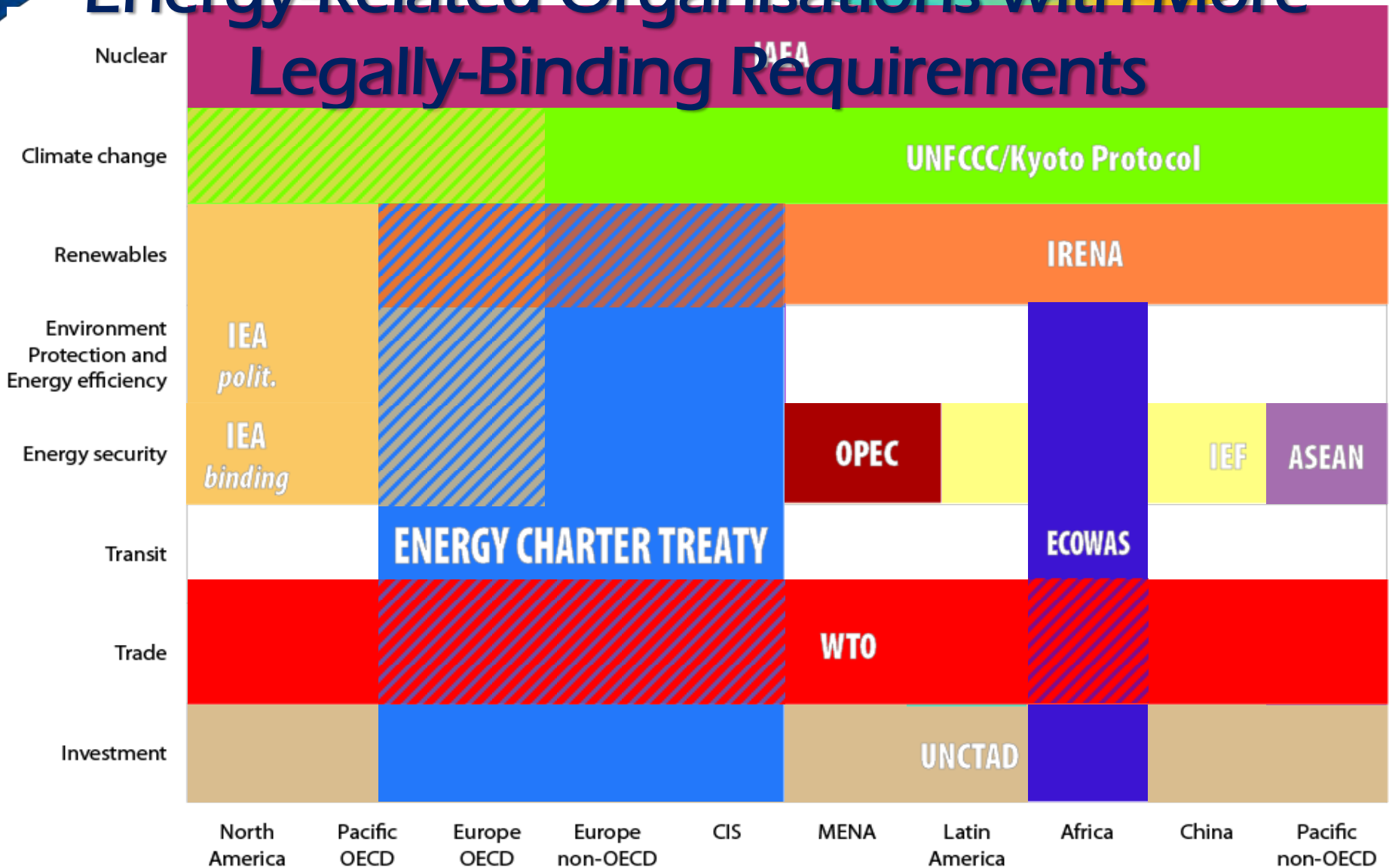
Place of the Energy Charter Treaty in Global
Energy Governance

ENERGY-RELATED INTERNATIONAL ORGANISATIONS

Energy-Related Organisations with More Political Forum Functions

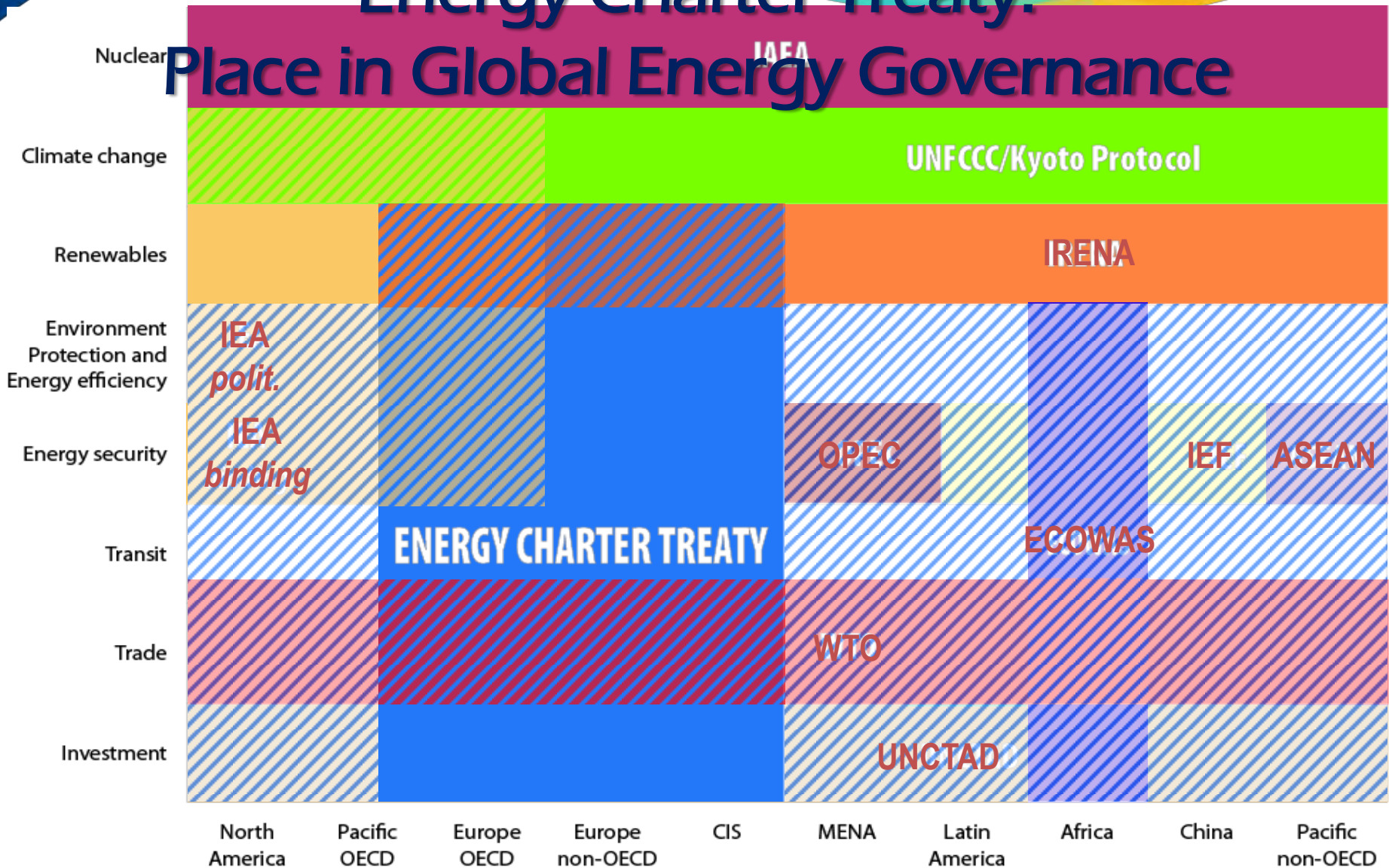


Energy-Related Organisations with More Legally-Binding Requirements



Energy Charter Treaty:

Place in Global Energy Governance



Thank you!

Any questions?

Get in touch with us!

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