



Protection of critical energy infrastructure

**Energy Charter Secretariat
Prague, 11 November 2014**



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ABOUT THE ENERGY CHARTER



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Common rules for global energy security

From the European Energy Charter to the Energy Charter Treaty



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

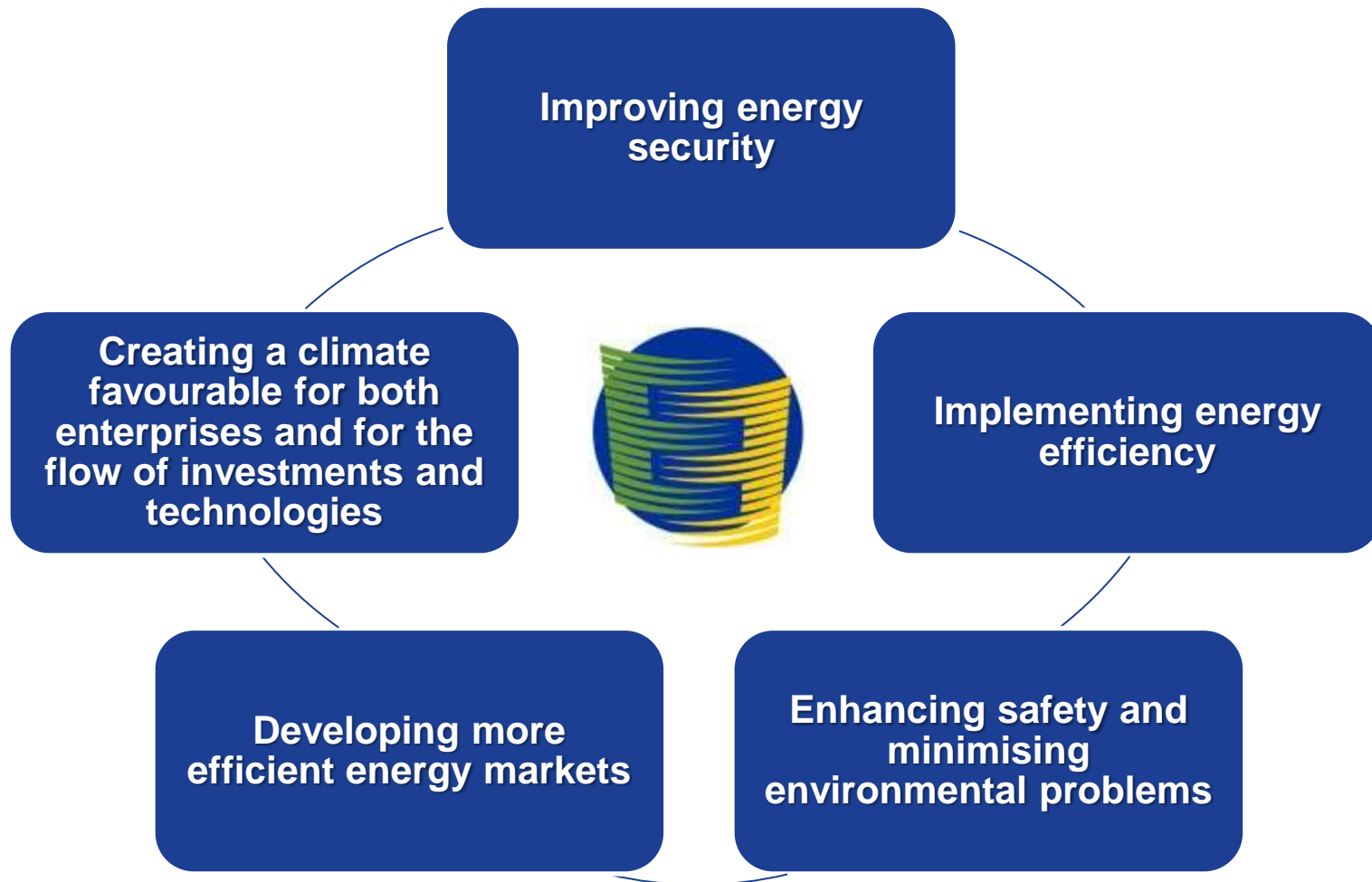
Based on the ECT – decision making body

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

Intergovernmental treaty and organisation promoting the Principles of the Energy Charter





Energy Charter Treaty and Protocol on Energy Efficiency

More than 50 members; open to any exporting, transit or importing country

National sovereignty over energy resources

Investment protection based on non-discrimination

WTO based trade provisions, including freedom of transit

Investor-to-state and state-to-state dispute settlement procedures

Protocol on Energy Efficiency and Related Environmental Aspects

Model Agreements facilitating construction of cross-border infrastructure



INTRODUCTION



Introduction

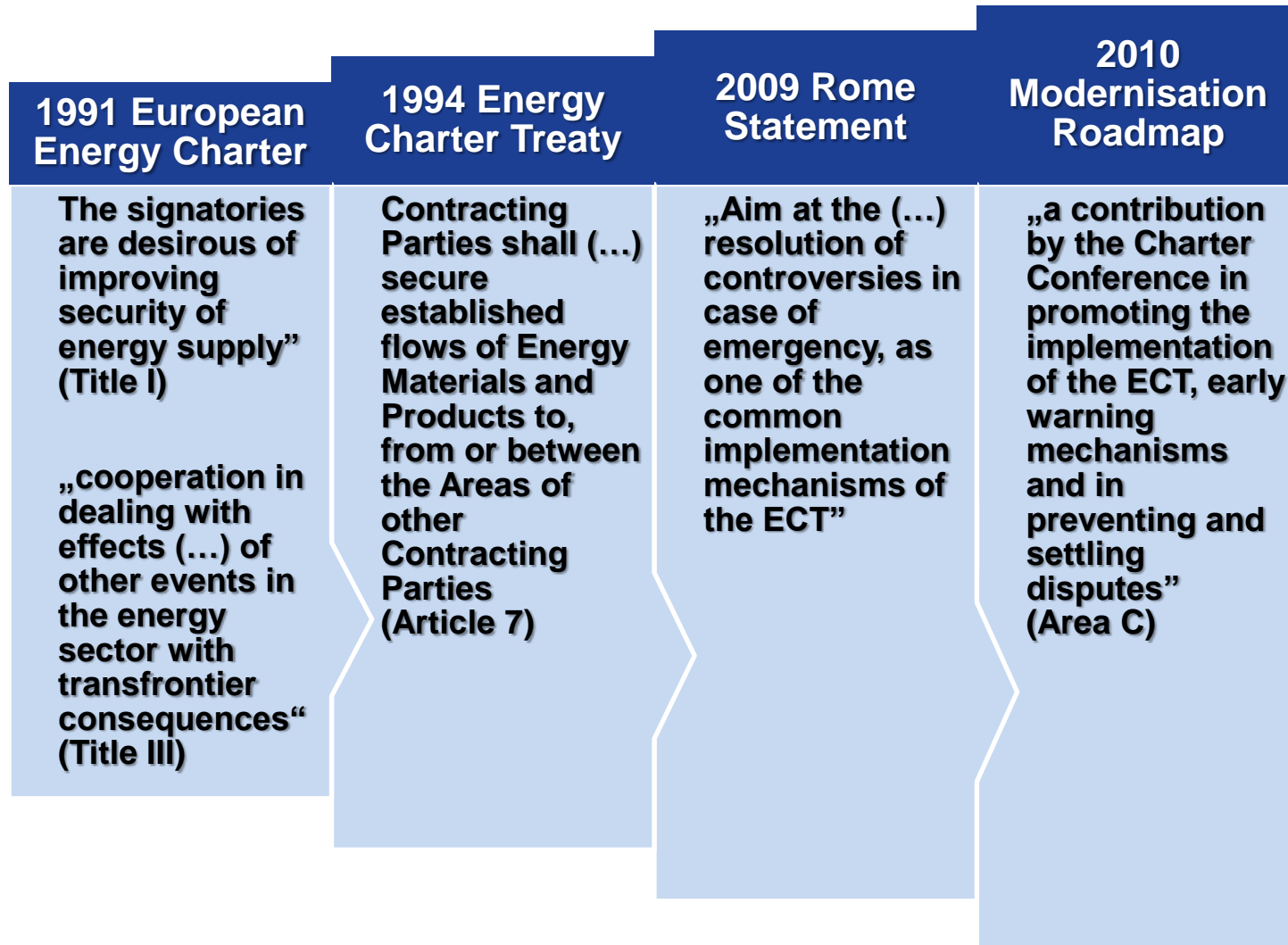
- Current situation and developments in the energy sector show a need for a closer cooperation and information sharing
- The Trade and Transit Group has concluded its proposal on **Model Energy Charter Early Warning Mechanism** for energy emergency situations
- Within this framework and in order to provide for energy security, i.e. uninterrupted energy flows, the Energy Charter Secretariat has established the **Energy Security Contact Group**



MODEL ENERGY CHARTER EARLY WARNING MECHANISM



Context of EWM



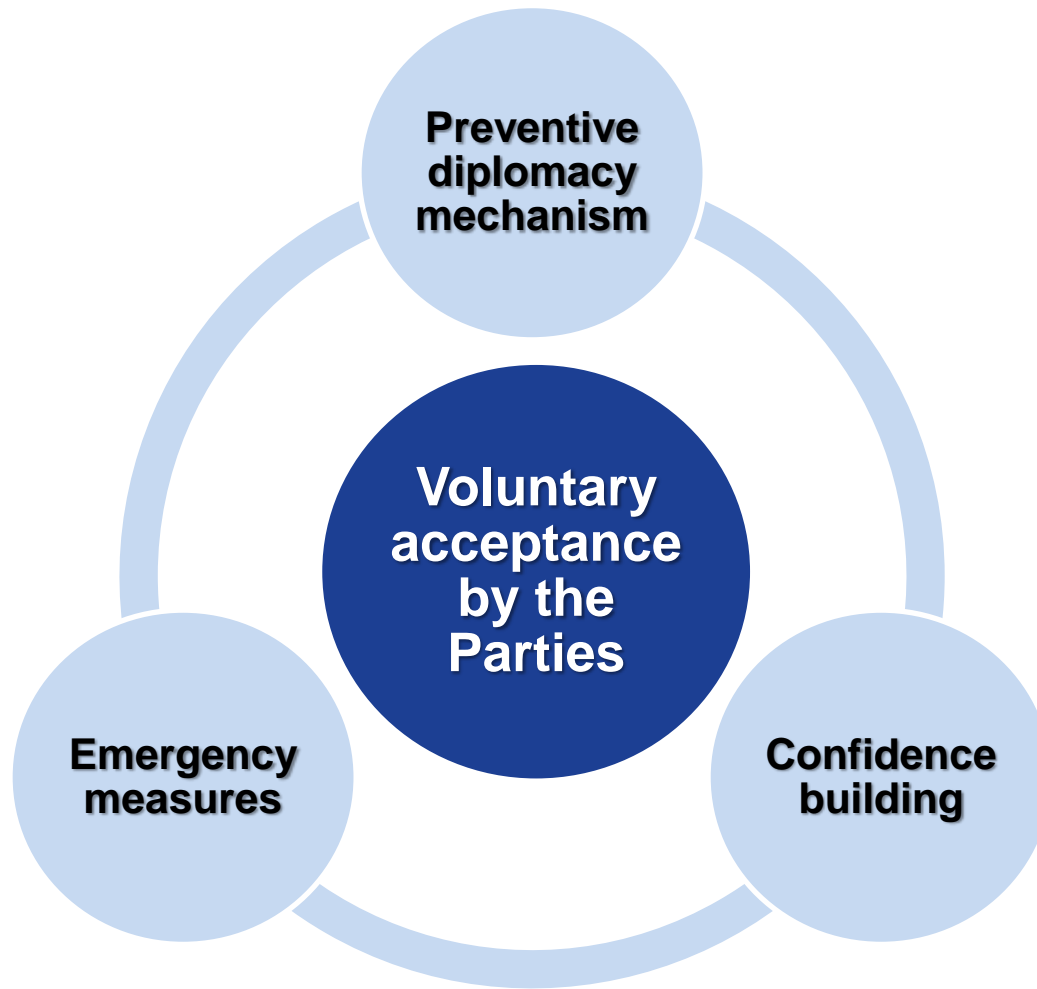


Objective and elements of the Model EWM

- The objective is to provide for a **non-binding framework** aimed at **preventing** and **overcoming emergency situations** in the energy sector
- The **methodology** of the Model Energy Charter Early Warning Mechanism includes exchange of information and response to requests for information, consultations, confirmation of information and monitoring, risk evaluation and recommendations for action in view of an emergency situation or the threat of an emergency situation



Underlying principles of EWM





How does the EWM work



- At the centre is the **Energy Security Contact Group**, which brings together the parties concerned, the Chairmanship of the Energy Charter Conference and the Secretariat



- The Contact Group shall establish information relevant to the actual threat to energy security and aim at elaborating a **common evaluation of the situation and recommendations** on how to address it



- The Contact Group can set up a **Monitoring Group** to establish information on the ground



Among other mechanisms

The mechanism would be complementary to the

Memorandum on a Mechanism for Preventing and Overcoming Emergency Situations in the Energy Sector within the Framework of the EU-Russia Energy Dialogue (Early Warning Mechanism) of 24 February 2011

Terms of Reference for the monitoring of the transit of natural gas through Ukraine signed by representatives of the European Commission, the Russian government, the Ukrainian government, JSC Gazprom and NJSC Naftogaz Ukrainy on 10 January 2009



Early Warning Mechanism sum up

- Included in the Energy Charter Secretariat Programme of Work 2014
- Against the background of this year's events in Ukraine, the ECS had started elaborating the Model Energy Charter Early Warning Mechanism in March 2014
- Instrument of preventive energy diplomacy, confidence building and emergency measures based on voluntary acceptance by the Parties concerned and under the auspices of the Secretary General



ENERGY SECURITY CONTACT GROUP



Energy Security Contact Group

- At the centre of the Model Energy Charter Early Warning Mechanism
 - Brings together parties concerned (Ukraine and Russia)
 - the Chairmanship of the Energy Charter Conference
 - The Secretariat

- Establishes information and data sharing in order to increase transparency

- This was refused by the parties concerned



Energy Security Contact Group

Participants

- Kazakhstan
- the Russian Federation,
- Ukraine and
- the European Union's DG Energy and the European External Action Service.

Objective

- Exchange of views on the current energy situation in Ukraine and
- Possible implications for the flow of energy within the constituency of the Energy Charter

Statements

- Both Russia and Ukraine stated that no imminent threat to energy security related to natural gas transit arose from the current situation.
- Contact Group as a neutral platform for the exchange of information on issues of energy security



COOPERATION ON PROTECTION OF CEI



Cooperation with the OSCE and Slovak Government

- Joint cooperation between the OSCE, the Slovak Government and the Energy Charter Secretariat

Three stages:

- 2 July 2014 OSCE Workshop on protection of critical energy infrastructure
 - Kick-off event
- 10 October 2014 Energy Charter Forum
 - Follow-up event presenting findings of the handbook
- Joint Handbook on protection of critical energy infrastructure
 - Expert handbook developed jointly by the OSCE, Slovak Government and the Energy Charter



Thank you for your attention.

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