

Protection of critical energy infrastructure

Energy Charter Secretariat Bratislava, April 2014



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ABOUT THE ENERGY CHARTER





Energy Charter Secretariat

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Common rules for global energy security

Intergovernmental treaty and organisation promoting the Principles of the Energy Charter

Improving energy security

Creating a climate favourable for both enterprises and for the flow of investments and technologies



Implementing energy efficiency

Developing more efficient energy markets Enhancing safety and minimising environmental problems



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 nondiscrimination 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 crossborder infrastructure



INTRODUCTION



Introduction

- Current situation and developments in the energy sector show a need for a closer cooperation and information sharing
- In order to provide for energy security, i.e. uninterrupted energy flows, the Energy Charter Secretariat has established the Energy Security Contact Group
- The Trade and Transit Group had a first exchange on a proposal to institutionalise under the Energy Charter an Early Warning Mechanism for energy emergency situations

ENERGY SECURITY CONTACT GROUP





Energy Security Contact Group

- At the centre of the 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



EARLY WARNING MECHANISM

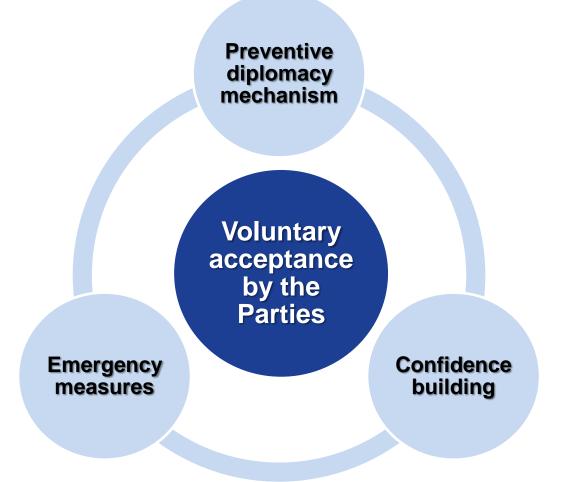


Context of EWM

1991 European Energy Charter	1994 Energy Charter Treaty	2009 Rome Statement	2010 Modernisation Roadmap
The signatories are desirous of improving security of energy supply" (Title I) "cooperation in dealing with effects () of other events in the energy sector with transfrontier consequences" (Title III)	Contracting Parties shall () secure established flows of Energy Materials and Products to, from or between the Areas of other Contracting Parties (Article 7)	"Aim at the () resolution of controversies in case of emergency, as one of the common implementation mechanisms of the ECT"	"a contribution by the Charter Conference in promoting the implementation of the ECT, early warning mechanisms and in preventing and settling disputes" (Area C)



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 recent events in Ukraine, the ECS has elaborated a first proposal of an Energy Charter Early Warning Mechanism on 27 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

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:

- OSCE Workshop on protection of critical energy infrastructure
 - □ Kick-off event
- Joint Handbook on protection of critical energy infrastructure
 - Expert handbook developed jointly by the OSCE, Slovak Government and the Energy Charter
- Energy Charter Forum
 - □ Wrap-up event presenting findings of the handbook



Thank you for your attention.

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