



20th Anniversary of the Energy Charter Treaty's Entry Into Force

International Energy
Charter Legal Forum

17/12/2018



Celebrating the 20th anniversary of the ECT's entry into force

Some Figures on the Energy Charter Treaty

Signed on 17th December 1994

Entered into force on 16th April 1998

54 Contracting Parties and Signatories

Jordan has become a Contracting Party to the ECT as of 11 December 2018

121 publicly known investment arbitration cases

"In November 2017, the Energy Charter Conference confirmed in Ashgabat the launching of a discussion on the potential modernisation of the Treaty. Within the framework set out by the Conference, it was also agreed to establish a subgroup to centralise and conduct the discussions in the most effective way.

The Subgroup on Modernisation convened six times in 2018 (including consultations with Observers and the industry).

After several substantial discussions and full consideration of all the provisions of the Treaty, the Conference approved in November the list of topics, which include transit, investment protection standards, potential exceptions among members of a REIO, and the revision of obsolete provisions."

Amb. Urban Rusnák,
Secretary General

On 17 December 2018, the International Energy Charter organised a Conference to commemorate the 20th anniversary of the entry into force of the Energy Charter Treaty (ECT). The Energy Charter Treaty was signed on 17 December 1994 and entered into force on 16 April 1998. After the successful update of the political declaration in 2015, it was time to reflect on the lessons learned, objectives achieved and challenges ahead (in particular, the potential Modernisation of the ECT).

In fact, at the end of November, the Energy Charter Conference had adopted the **Bucharest declaration** which emphasized that the ECT

"as a multilateral framework for investment protection in the energy sector, provides legal instruments that are helpful and complementary to policies and regulations in promoting investments and energy efficiency required to support a sustainable energy future"

and reiterated

"the importance of the modernisation of the Energy Charter Treaty to guarantee that it keeps providing balanced rules to protect investments that ensure stable energy supply, energy access, and a sustainable energy future".

The conference took place right after the accession of Jordan to the Treaty and the approval by the Energy Charter Conference of the list of topics for Modernisation of the ECT.





*Urban Rusnák
Secretary General
International Energy Charter*



*H.E. Suela Janina
Ambassador of Albania in
Belgium*



*Ms. Inês Matos
Department of Legal Affairs
Ministry of Foreign Affairs of
Portugal*

Opening remarks were delivered by the Secretary General, Dr. Urban Rusnák, Ambassador of Albania H.E. Suela Janina (in representation of the 2019 Albanian Chairmanship of the Conference), and Mrs. Inês Matos representing the Ministry of Foreign Affairs of Portugal (depository of the ECT).



"It is an honour to be here on behalf of the incoming country of Energy Charter Conference chairmanship. Modernisation process will be at the core of the Albanian presidency. We expect a successful EIRA 2019 report, a continuity of accession process for the ECT for the countries who had already been invited by the Conference and further discussion for the role of the International Energy Charter and the ECT in the Energy transition."

*H.E. Suela Janina,
Ambassador of Albania in Belgium*

It is for the depository to perform such functions as keeping custody of the original text of the Treaty and any amendment thereto and to prepare certified copies and transmit them to the Contracting Parties and to the States entitled to become parties to the Treaty. It is also for the depository to receive instruments of ratification, acceptance, approval or accession and to notify Contracting Parties of such deposit, as well as of any declaration or notification of withdrawal.

*Ms. Inês Matos
Ministry of Foreign Affairs of Portugal*





*H.E. Hala Zawati,
Minister of Energy of
Jordan*



*H.E. Dilyor Khakimov,
Embassy of the Republic of
Uzbekistan*



*H.E. Kazuo Kodama,
Mission of Japan to Euro-
pean Union*



*Ms. Megan Richards,
Director for Energy Policy,
DG Energy – European
Commission*

The first roundtable discussion was moderated by Ms. Sofia Sanz Estebanez, Chair of the Subgroup on Modernisation and as of January 2019, Chair of the Strategy Group.



Last year, the Contracting parties launched a dialogue to explore the possibility of modernising the Energy Charter Treaty and at that time the task ahead of us seemed almost impossible. Today, after months of hard work, we are about to complete the first stage of our road map by adopting the list of topics that will be part of the modernisation exercise. (...)

True, modernising the Energy Charter Treaty so that it appropriately our vision of the rule of law in the energy sector is undoubtedly a big challenge that requires sustained effort and long-term commitment. But it's also true that we are making real progress and are determined to move forward.

*Ms. Sofia Sanz Estebanez,
Chair of the subgroup on
Modernisation*



Now, I would like to reflect on the values of the ECT. One is to strengthen energy security. The treaty contributes to the improvement of the investment and trade environment for longterm, stable resource development, increasing the world's energy supply and enhancing energy security. Another value is protection of investment in the energy sector. The ECT contributes to the diversification of energy suppliers through protection and promotion of investment in Contracting Parties.

*H.E. Kazuo Kodama,
Mission of Japan to European Union*



Ms. Niuscha Bassiri,
Hanotiau & van den
Berg



Mr. Martins Paporinskas,
University College
London



Ms. Shamali de Silva,
Chief Counsel, MIGA



Mr. Nikos Lavranos, Se-
cretary-General of EFILA

Over 80 participants were in attendance, representing industry, governments, legal circles and academia. Most of them joined the local diplomatic community the same evening for a networking reception.

The Forum was closed by Dr. Alejandro Carballo Leyda, General Counsel and Head of the Conflict Resolution Centre of the International Energy Charter.



Mr. Craig Bamberger,
former Chair of the Legal
Advisory Committee



"MIGA, the political risk guarantee arm of the World Bank Group, considers ECT as a form of legal protection provided to foreign investments in the energy sector and a risk mitigant when assessing legal risk f a country. MIGA and the Energy Charter Secretariat are exploring ways to strengthen the cooperation and collaboration, so that the mandate and work of each institution would complement that of the other"

Ms. Shamali F. De Silva,
Chief counsel,
Multilateral Investment
Guarantee Agency

"As has been stated in Roundtable I and as is generally accepted, large sums of investments are necessary in order to meet the Paris climate targets. This means attracting huge investments by private parties will be crucial, which in turn require legal stability and foreseeability of the regulatory framework, plus effective dispute settlement resolution methods. It is also commonly agreed that the ECT has played and continues to play a crucial role in this"

Prof. Nikos Lavranos, Secretary General EFILA





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