

European Commission and High Representative Joint Consultation Paper
“Towards a new European Neighbourhood Policy” JOIN (2015) 6 final

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A. Questions in the Consultation Paper relevant from the perspective of the Energy Charter

II. Lessons Learned and Questions on the future Directions of ENP

- The current framework of the ENP covers **16 neighbouring countries**. However, many of the challenges that need to be tackled by the EU and its neighbours together, cannot be adequately addressed without taking into account, or in some cases co-operating with, the **neighbours of the neighbours**.

Should the current geographical scope be maintained? Should the ENP allow for more flexible ways of working with the neighbours of the neighbours? How can the EU, through the ENP framework, support its neighbours in their interactions with their own neighbours? What could be done better to ensure greater coherence between the ENP and the EU’s relations with Russia, with partners in Central Asia, or in Africa, especially in the Sahel and in the Horn of Africa, and with the Gulf countries?

III. Towards a Partnership with a Clearer Focus and More Tailored Cooperation

- Promoting **trade** and inclusive and sustainable **economic development** and enhancing job opportunities are priorities for our Neighbours and are also in the interests of the EU itself, in areas ranging from traditional rural livelihoods to research and digital markets.
- Both also have strong shared interests in improving **connectivity**, notably in the fields of sustainable transport and energy. There is also a shared interest in increasing energy security and efficiency, as well as energy safety.
- Our partners face **governance** challenges. Ensuring rule of law, human rights and democracy is first and foremost key for their own citizens. By enhancing legal certainty, they also address issues that are important for domestic and foreign investors, such as fighting corruption and fraud and strengthening public finance management, including public internal control based on international standards.

- *Do you agree with the proposed areas of focus? If not, what alternative or additional priorities would you propose?*
- *Which priorities do partners see in terms of their relations with the EU? Which sector or policy areas would they like to develop further? Which areas are less interesting for partners?*
- *Does the ENP currently have the right tools to address the priorities on which you consider it should focus? How could sectoral dialogues contribute?*
- *If not, what new tools could be helpful to deepen cooperation in these sectors?*
- *How can the EU better support a focus on a limited number of key sectors, for partners that prefer this?*

B. Energy Charter's contribution to the Public Consultation

The International Energy Charter (IEC) adopted on 20 May 2015 in The Hague, Netherlands, appears as a valuable instrument for the new European Neighbourhood Policy. The 2015 IEC is intended to address the most salient energy challenges of the 21st century, and to facilitate the geographical expansion of the Energy Charter Treaty of 1994 beyond the Eurasian continent. The 2015 IEC reiterates the established principles of the European Energy Charter of 1991, an earlier political declaration which preceded the Energy Charter Treaty.

The energy challenges addressed include: the growing demands caused by developing countries for global energy security; the conflict between energy security, economic development, and environmental protection; the role of enhanced energy trade for sustainable development; as well as the need for diversification of energy sources and routes. By including all these relevant issues, the 2015 IEC promotes mutually beneficial energy co-operation among nations for the sake of energy security and sustainability.

Seventy five countries and organisations, including the European Union (and all its Member States), EURATOM, China, the United States, and countries from Africa, Asia, and the Americas adopted the new 2015 IEC. Russia did not participate in the Hague Conference, but was a signatory to the European Energy Charter of 1991, and the subsequent Energy Charter Treaty of 1994, which it provisionally applied until 2009. However, the 2015 IEC remains open for signature by any country willing to share the principles of global energy co-operation and governance. The ultimate ambition is for the Energy

Charter to achieve its full potential as a key instrument of global energy co-operation and good governance benchmark.

The principles of the 2015 IEC must be implemented with regard to security of supply, security of demand, security of transit, and not least the alleviation of energy poverty. These principles are: political and economic co-operation; sovereignty over energy resources; the development of efficient energy markets; non-discrimination; the promotion of a climate favourable to the operation of enterprises and the flow of investments and technologies; and environmental issues.

Moreover, beyond the principles and political declaration of the 2015 IEC, the Energy Charter Treaty provides a stable legal framework and a platform for co-operation in the areas of investment, trade and transit. The Treaty contributes to the diversification of sources and routes of supply. Whilst the countries of the Caspian region and Turkey are already fully covered by the Treaty's legal regime, there is now a window of opportunity to expand the Treaty's framework to other energy-relevant regions like North and Sub-Sahara Africa, or the Middle East, where new producers may contribute to the EU's energy security.

Signing the 2015 IEC is an opportunity for all countries in the new European Neighborhood Policy to express their political commitment to embrace the rule of law in the energy sector and contribute to an international level playing field. Moreover, signing the Energy Charter Treaty will send a stronger signal to the international community about the willingness to collaborate and protect energy investments in third countries. One of the main objectives of the 2015 IEC is to contribute to solid regional and global energy governance by facilitating new accessions to the Energy Charter Treaty, without containing any obligations in this respect.

Recognising the sovereignty of each State over its energy resources, and its rights to regulate energy transmission and transportation within its territory respecting all its relevant international obligations, and in a spirit of political and economic cooperation, signatories of the 2015 IEC decide to promote the development of efficient, stable and transparent energy markets at regional and global levels based on the principle of non-discrimination and market-oriented price formation, taking into account environmental concerns and the role of energy in each country's national development.