



Council of the
European Union

Brussels, 13 December 2017
(OR. en)

15242/17

ENER 489
RELEX 1055

INFORMATION NOTE

From: General Secretariat of the Council
To: Delegations

Subject: Any other business
Recent developments in the field of external energy relations
(a) Japan
(b) Iran
(c) Eastern Partnership
(d) Energy Charter
(e) Energy Community
(f) International Energy Agency
- Information from the Commission

Delegations will find attached factual information on recent and upcoming events and developments relating to the AOB item "External energy relations" on the agenda of the TTE (Energy) Council on 18 December 2017.

a) Japan

On 11 July 2017, the Memorandum of Cooperation (MoC) between the EU and Japan to promote the liquidity, flexibility and transparency of the global liquefied natural gas (LNG) market was signed in Brussels. Taken together, the EU and Japan account for nearly 50% of overall global LNG consumption. Reinforced cooperation between the EU and Japan has the potential to decisively enhance the well-functioning of the global LNG market. This Memorandum of Cooperation is crucial in the implementation of the international dimension of the EU's strategy on LNG and gas storage, which was published in 2016, as part of delivering on our Energy Union objectives. The EU's LNG strategy aims to ensure that all EU member states have access to liquid gas markets with a diverse range of supply sources, including LNG. This improves gas security of supply and competitiveness through increased diversification.

DG Energy and Japan's Ministry of Economy, Trade and Industry (METI) have already started the concrete implementation of the MoC through co-organising, on 15 November in Florence, Italy, the first of a series of international workshops on the global LNG market.

b) Iran

A major objective of energy related activities with Iran is to provide comfort on the validity of the Iran Nuclear Deal and its Joint Comprehensive Plan of Action from the EU perspective.

The second EU-Iran high-level seminar on International Nuclear Cooperation took place on 21 November 2017 in Esfahan, only 8 months after the first such seminar held in Brussels. Various areas of cooperation under JCPOA Annex III were explored during the seminar. International participation comprised EEAS, EC (ENER, DEVCO, JRC, RTD), OECD-NEA and IAEA, as well as representatives from national safety organisations (IT and CH). Four out of six E3+3 countries also attended (RUS/FR/DE/CN). The EU delegation was led by EEAS Secretary General Schmid, and included Directors-General Ristori (ENER), Manservisi (DEVCO) and DDG Child (RTD). The Iranian delegation was led by Deputy Foreign Minister Aragchi, whilst Vice-President Salehi addressed the formal dinner.

As a follow-up to the first EU-Iran Sustainable Energy Business Forum, held in Tehran in April 2017, a first EU - Iran Renewables meeting was also organised in Tehran on 22 November 2017. The meeting was chaired by Director-General Ristori and Vice-Minister of Energy Mr Zadehsadeh, and attended by a large Iranian delegation mainly from the Renewable Energy and Energy Efficiency Agency (SATBA), as well as IRENA and representatives from European industry. It was agreed to organise a second meeting in Brussels in the first quarter of 2018, which will focus on regulatory aspects related to renewable markets such as grid codes, retail markets, demand side response and technology aspects, including potential participation of Iran in EU programmes and projects. This second meeting will be part of the EU-Iran Expert Group on Electricity, Renewables and Energy Efficiency to be launched in Brussels in the first quarter of 2018 and it will pave the way for a second EU-Iran Sustainable Energy Business Forum to be organised in Iran in 2018.

At the bilateral meeting in Tehran on 20 November, Mr Ristori and Mr Hashemian, acting International Deputy Minister of Petroleum, exchanged information about respective gas sectors and energy security policies and agreed to launch the EU-Iran Expert Group on Oil & Gas in the first semester of 2018 in Brussels with a focus on strategies, statistics/transparency, gas flaring, global markets/regional development.

c) **Eastern Partnership**

An Informal Eastern Partnership Policy Dialogue on Energy Efficiency took place in Chisinau, Moldova, on 10 July 2017 with the participation of Johannes Hahn, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Dominique Ristori, Director-General for Energy at the European Commission, and Jean-Christophe Belliard, Deputy Secretary General of the European External Action Service, ministers in charge of energy efficiency from Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine as well as representatives from the International Financing Institutions. Discussions focused on common challenges and experiences in increasing energy efficiency and to examine investment opportunities. At the 5th Eastern Partnership Summit on 24 November 2017, in Brussels, participants agreed that enhanced gas and electricity interconnectivity among the partner countries and between them and the EU as well as sustainable energy, with a focus on energy efficiency are the main energy cooperation priorities among the 2020 deliverables. Work on regional energy interconnectivity continued in a specific workshop on 5 December 2017 in Brussels, with a focus on project planning, the EU4Energy support towards regional energy interconnectivity and the role of the International Financing Institutions in securing investment.

d) **Energy Charter**

The 2017 Energy Charter Conference took place on 28-29 November in Ashgabat under the chairmanship of Turkmenistan. The conference took stock of the work undertaken during the year and approved the budget and the work programme for next year. The Conference also adopted the Ashgabat Declaration with the aim of providing strategic orientation for the actions of the Charter in the near future.

Ahead of the Conference, three countries (Azerbaijan, Armenia and Mongolia) put themselves forward as candidates to chair the Energy Charter Conference in 2020. The decision on the matter remains open and the Charter Secretariat will continue to pursue a consensual solution.

The next Energy Charter conference will be held under the 2018 Romanian chairmanship in Bucharest in November next year.

e) Energy Community

The Ministerial Council of the Energy Community will take place in Pristina on 14 December 2017. Discussion will focus on the future perspective of the energy and climate policy in the Energy Community Contracting Parties including a vision for Energy Community Sustainability Policy after 2020 in the context of the Paris Agreement and targets till 2030. It is expected that the Ministerial Council, and the Permanent high Level Group which meets just ahead, will discuss and prepare the ground for adoption of the following acts: a decision on the Energy Community budget for 2018-19; decisions concerning dispute settlement cases; a decision to implement the Regulation 2016/1952 on European Statistics on natural gas and electricity; three important recommendations in the field of environment and climate policy, including a Recommendation on further implementation of the Directive on industrial emissions (2010/75/EU), on the Fuel Quality Directive (98/70/EC) and on the preparation for the development of integrated national energy plans by the Contracting Parties; as well as several network codes in the field of gas and electricity.

f) International Energy Agency

The IEA Ministerial Meeting took place on 7-8 November 2017. Sweden's Minister I. Baylan chaired the meeting, which was attended by a large number of Ministers from IEA and Association countries, as well as many CEOs of energy companies. During the meeting, Ministers discussed IEA modernisation, enabling conditions for energy investment, digitalisation of the energy sector, energy security and drivers for transitions to clean energy, with a number of IEA countries pledging funding in support of IEA's Clean Energy Transitions Programme. Two side events were organised on the margins of the ministerial – one on the role of women in clean energy, and one on Carbon Capture and Utilization (CCUS). At the Ministerial, Ministers also welcomed Mexico as an incoming new member.