

ENERGY CHARTER TREATY AND “YUKOS CASE”. WHAT ARE THE CONSEQUENCES FOR INVESTMENTS?

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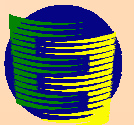
**8th Schlangenbad Meeting
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ATTENTION!

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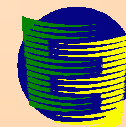
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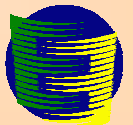
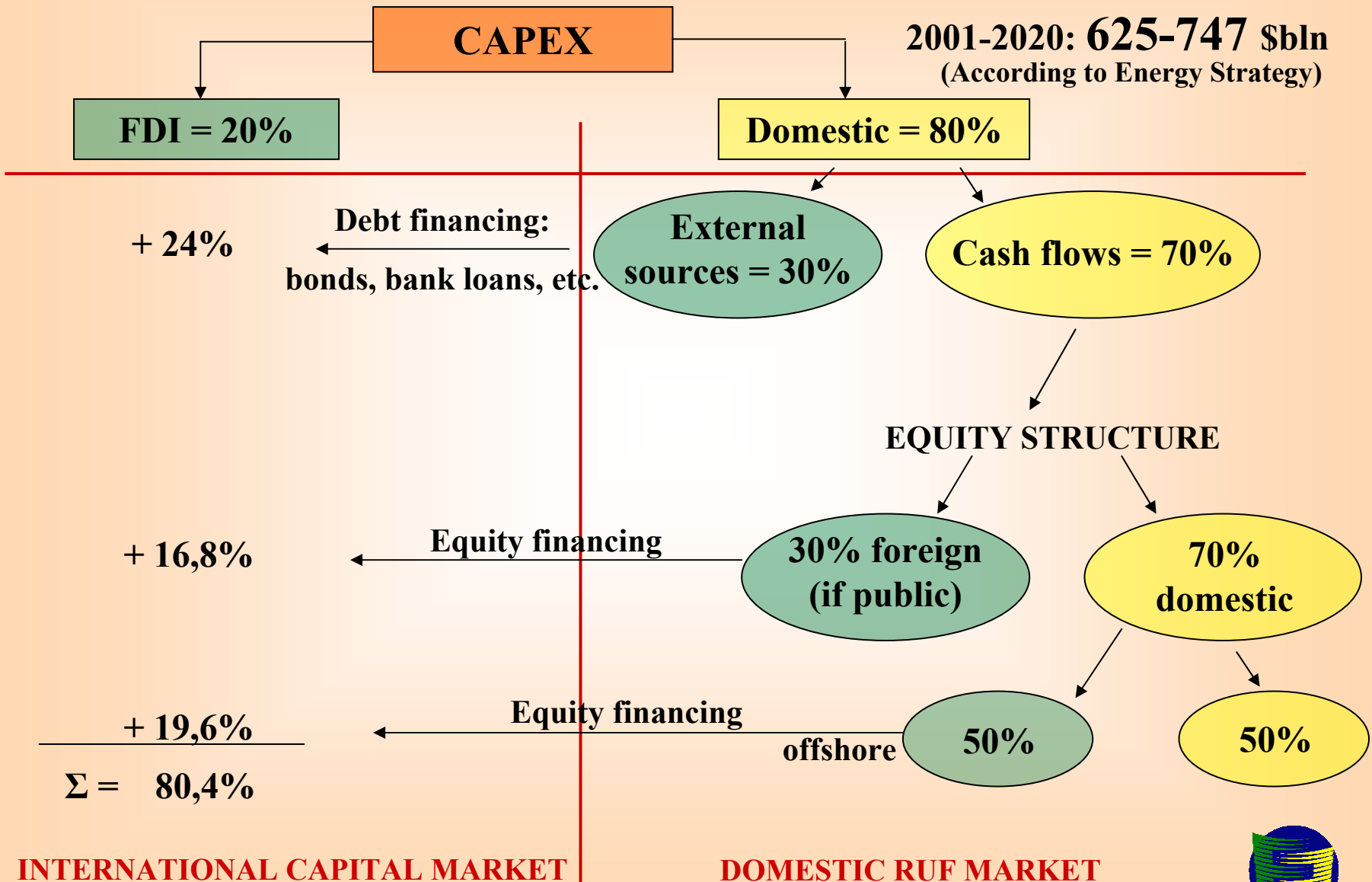


“YUKOS CASE” PREREQUISITES

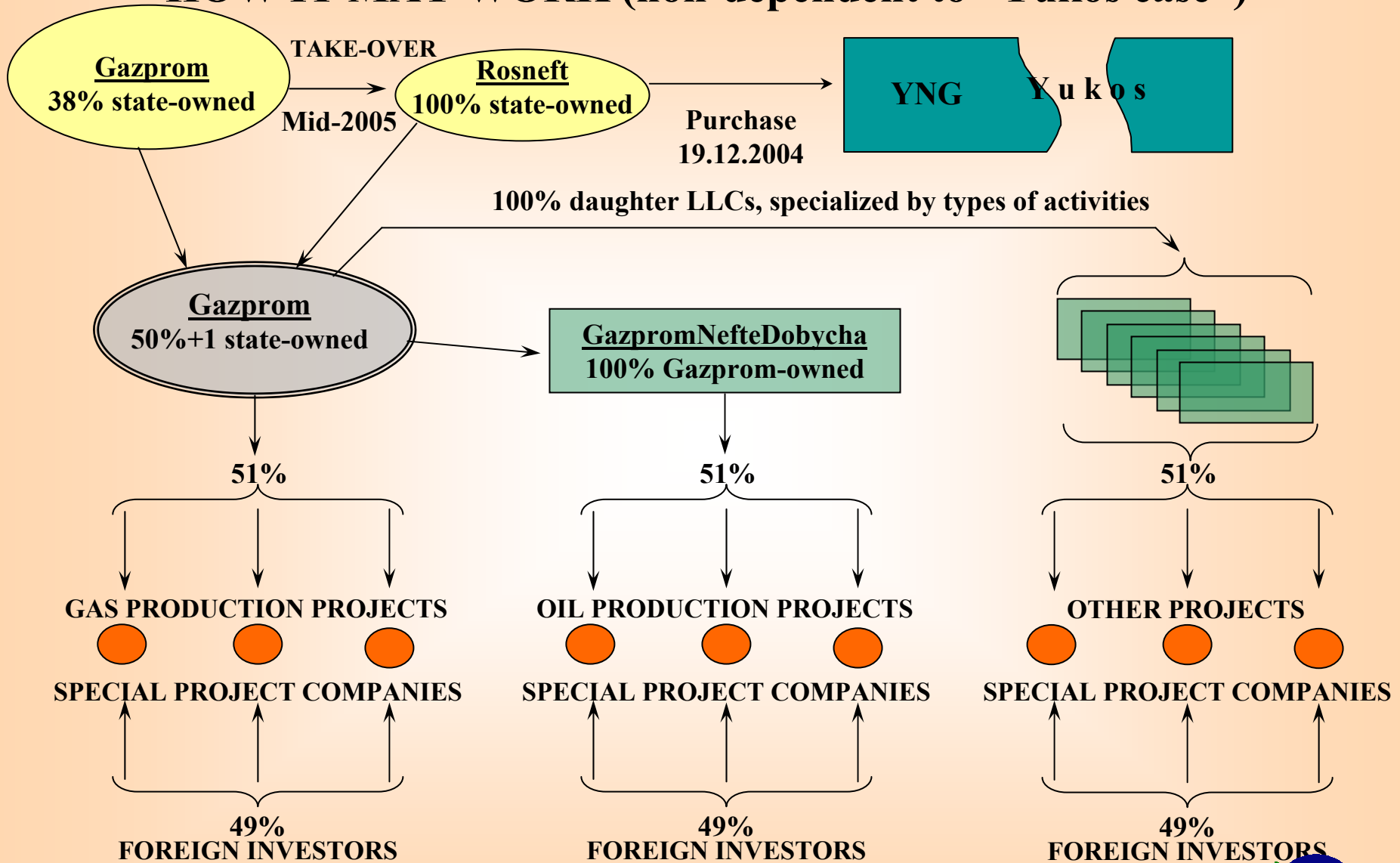
	COMMON	SPECIFIC
Privatisation (loans-for-shares)	+	
Unfriendly mergers	+	
Minority shareholders rights	+	
Transfer prices & tax optimization		+
Fight against PSA		+
2002 oil tax reform		+
Lobbying in the State Duma		+
Public claims for business leadership		+
Political ambitions		+



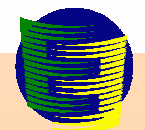
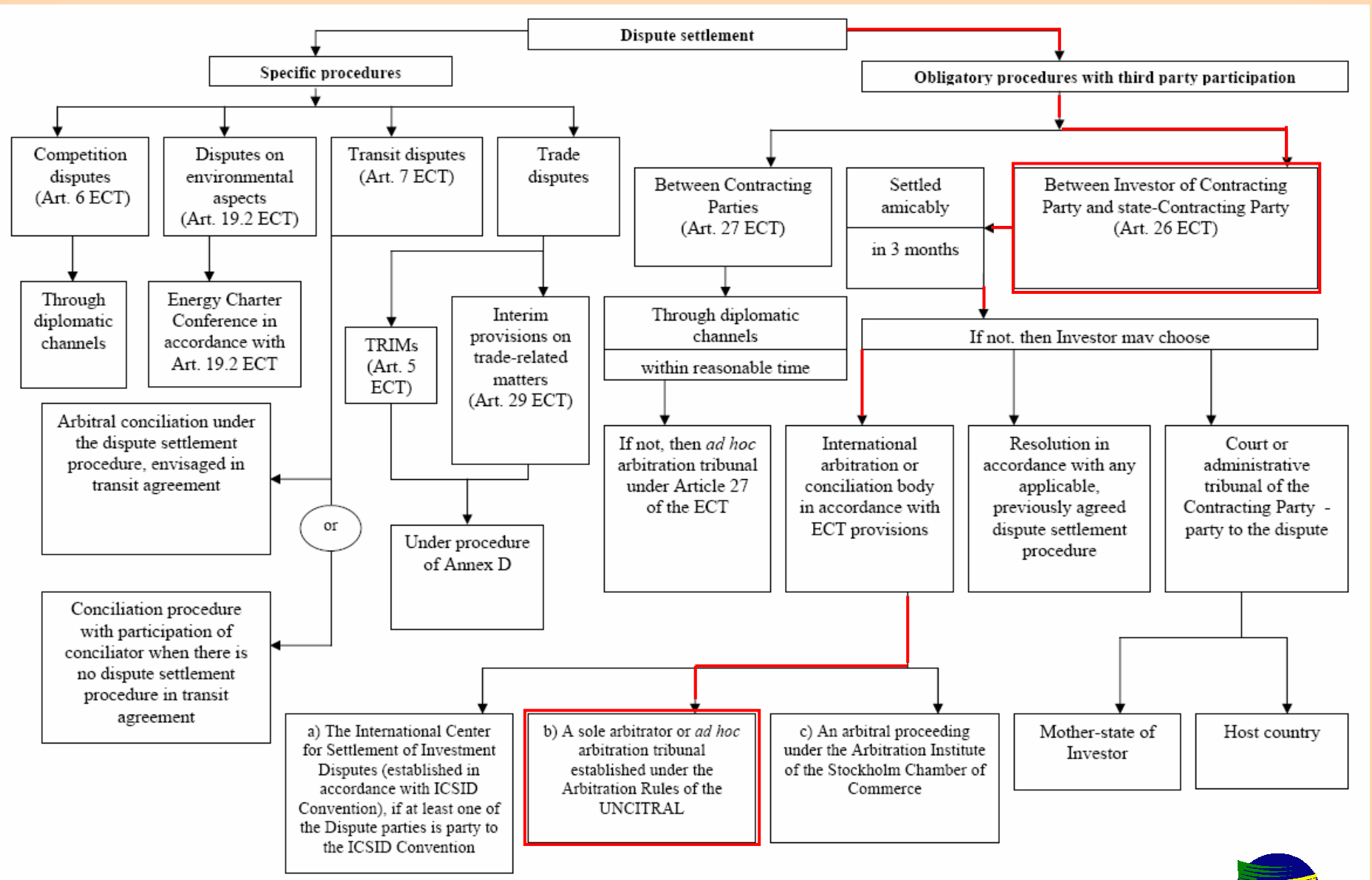
ROLE OF FOREIGN CAPITAL IN IMPLEMENTATION OF RUSSIA ENERGY STRATEGY TO 2020



STATE OWNED GAZPROM AND FOREIGN INVESTORS: HOW IT MAY WORK (non-dependent to “Yukos case”)



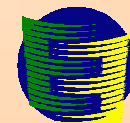
ECT DISPUTE SETTLEMENT PROCEDURES – AND “YUKOS CASE”



INVESTOR-TO-STATE DISPUTES UNDER THE ECT ART. 26 (known to the Energy Charter Secretariat as of April 2005)(*)

Investor from a CP to the ECT	CP to the ECT	Case filed	Arbitration forum chosen by the investor	Subject matter	Status of proceeding	Claim/Award
AES Summit Generation Ltd. (UK subsidiary of US-based AES Corporation)	Hungary	25.04.01	ICSID Case No. ARB/01/4	Power purchase and sale agreement	Settlement agreed by the parties and proceeding discontinued at their request (January 3, 2002)	N/A
Nykomb Synergetics Technology Holding AB (Swedish investor)	Latvia	11.12.01	Arbitration Institute of the SCC	Electricity purchase	Award rendered on 16.12.2003	SEK 8.354.000/ \$1.191.047 (award SEK 2.000.000/ \$285.144)
Petrobart Ltd. (Gibraltar-based British investor)	Kyrgyzstan	2003	Arbitration Institute of the SCC	Gas delivery contract	Case registered with the Arbitration Institute	N/A
Plama Consortium Ltd. (Cypriot investor)	Bulgaria	19.08.03	ICSID Case No. ARB/03/24	Oil refinery investment	Pending (the Tribunal issues Procedural Order No. 2, concerning the procedural calendar on March 31, 2005)	N/A
Alstom Power Italia SpA, Alstom SpA (Italian investor)	Mongolia	18.03.04	ICSID Case No. ARB/04/10	Thermal energy project	Pending (the Tribunal holds its first session, via telephone conference, on December 2, 2004)	N/A
Hulley Enterprises Ltd. (Cyprus) & Yukos Universal Ltd. (Isle of Man) – (subsidiaries of Gibraltar based Group Menatep)	Russian Federation (provisionally applying ECT)	03.02.05	UNCITRAL arbitration rules	Discriminatory measures and expropriation of investments	Arbitrators for both parties appointed	\$33.1 bln, (Menatep press release 11.04.05)

(*) The information contained in this table has been obtained from various public sources (press, ICSID, SCC) and is believed, but cannot be guaranteed, to be reliable.



LEGAL FRAMEWORK OF ECT PROVISIONAL APPLICATION BY RUSSIA – AND “YUKOS CASE”

