

Committee: Legal committee (LEGAL- GA4)

Issue: Providing a legal framework towards safeguarding energy supplies

Student Officer: Theodoros Akritidis, Olga Stephanie Maraletos, Eve Vazaiou

Position: President, Deputy President, Deputy President

INTRODUCTION

The energy issues that nations are currently confronting have grown more severe as a result of recent international developments. Europe's fears about its energy dependence have been rekindled by the stoppage of the Russian gas supply via Ukraine, fluctuating international oil prices, and conflicting interests of State players. Through the lens of the Building Stock Vulnerability Indicator, this guide examines the building sector's susceptibility to disruptions in the region's gas supply (BVI). The BVI takes into account the volume of gas consumed in the construction industry, as well as the reliance on imported gas and the variety of its channels.

The research examines a different strategy for gas supply investments and suggests an "efficiency first" answer instead: lowering gas consumption through a targeted building refurbishment program. The suggestions made by BPIE involve risk assessment and mitigation tactics, advice on investment opportunities, and future EU and MS level strategy development.

The economy and welfare of the people in the South-East Europe (SEE) countries depend significantly on the security of the gas supply, which is a political issue of great importance. According to modeling by the European Network of Transmission System Operators for Gas (ENTSO-G) and Energy Union Choices, this area is the only one in Europe that would have a serious gas security concern if the supply from Ukraine were to be interrupted. The Security of Gas Supply Regulation seeks to assure gas supplies to customers who are protected (i.e., residential structures), although it is uncertain how it would function in a genuine emergency. In the event of a significant supply disruption, such as the one that occurred in recent years when supplies from Russia to Ukraine were cut off, consumers—including those in business and public sector buildings that are not covered by the regulation—would not be able to rely on it to meet their heating needs.

For any questions that may come up and any possible hesitation during your research, do not hesitate to contact us via our emails: Theodore: takritidis@pinewood-school.gr, Eve:

vazaiouevaki@gmail.com, Olga: olgamaraletou@gmail.com. We highly encourage all delegates to do their own personal research regarding the topic and not only be restricted to the Study Guide. Researching your own information can be proven very important because it will give the advantage of knowledge on the topic to those deeply informed, so they will excel while formatting resolutions. We are looking forward to cooperating with you all and we are certain that we will have a great collaboration and fruitful debates.

DEFINITION OF KEY TERMS

Legal framework

Legal frameworks include a set of documents these are the constitution, legislation, regulations, and contracts. A framework is a specific set of rules, ideas, or beliefs, which are used in order to deal with problems or to decide what to do in certain situations. The word legal is used to describe things related to the law. So, a Legal framework is used to solve matters concerning the law.

Safeguarding

Safeguarding means keeping something or someone safe from harm, abuse and/or neglect. It consists of helping raise public awareness so that communities, alongside professionals, understand their part in preventing, identifying, and responding to abuse and neglect, and providing information to help people understand the different types of harm.

Energy supplies

“Energy supply means any energy resource capable of being used to perform useful work and any form of energy such as electricity produced or derived from energy resources which may be so used.”¹

Natural gas licensing

Natural Gas Distribution License means a License granted by the Commission under this Law to receive natural gas from one or more sources, to operate distribution network and to distribute natural gas within a defined geographic or certain distribution area as the License is in effect.

¹ <https://www.lawinsider.com/dictionary/energy-supply>

BACKGROUND INFORMATION

Consistent efforts have been made and multiple legislations have been suggested on the matters of energy, since the time that energy sources were introduced. Conversations and news about renewable energy sources, energy shortages and even the distribution of energy are becoming more common every day. As a result, the topic of safeguarding these supplies is one that has been discussed a lot among the members of the global community.

The International Energy Agency and the first oil shock

The International Energy Agency (IEA) was created in 1974 to ensure the security of oil supplies, in times of major disruptions in the global oil supply, and it consists of 31 member countries, 10 association countries, and 3 accession countries.² The reason for the creation of the IEA was the Fourth Middle East, which is known as the Fourth Middle East War. During the war, the decision of the United States to supply the Israeli military led to the Arab members of the Organization of Petroleum Exporting Countries (OPEC) to impose an embargo on the US, which later expanded to countries such as the Netherlands and South Africa. The aforementioned embargo created a major decrease in the oil supply, which resulted in oil prices skyrocketing.

The second oil crisis and the Iranian revolution

The start of the Iranian revolution, aimed at overthrowing the Shah regime, was the reason for another oil shock in the years 1978 and 1979, as Iran's oil output was decreased by 4.8 million daily barrels, which accounted for 7% of the world's supply at the time.³ Yet, what deteriorated the oil shortage was the mayhem that was caused among the crude oil buyers, since they believed that the situation would not be stabilized in the near future. This situation caused them to further increase their crude oil expenditure, which not only increased the oil shortage, but also caused a rapid increase in oil prices.

The oil crisis of 2022

The Russian invasion of Ukraine has had a major impact on the global oil supply, as it is causing high fuel bills, which in turn worsens the already soaring inflation that most of the world is facing. The result of the current crisis is that Europe is seeking alternatives. At the

² <https://www.iea.org/about/membership>

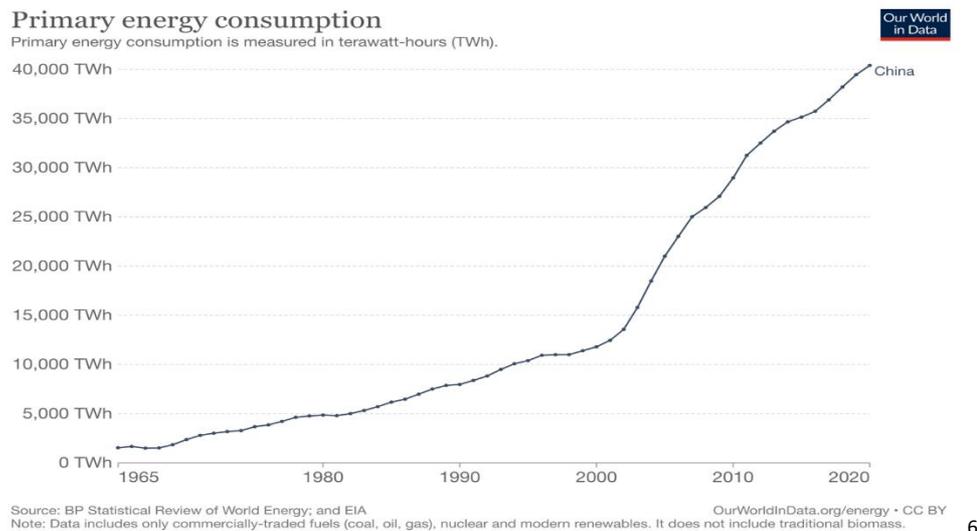
³ <https://www.federalreservehistory.org/essays/oil-shock-of-1978-79>

same time many developing countries, which are heavily dependent on imported oil are financially struggling due to the shortage, something that has caused civil unrest.

MAJOR COUNTRIES AND ORGANISATIONS INVOLVED

China

China’s oil consumption in the year 2020 was at around 669 million ⁴metric tons, while it consumes 8,425,912 million cubic feet ⁵of natural gas annually as of 2017. Furthermore, in 2020 China’s energy consumption was estimated at around 40 thousand terawatt/hour. However, despite China’s high fossil fuel consumption, a law was proposed in 2020 with the goal of reducing the fossil fuel dependance of China, as it suggests a focus on the development of renewable energy sector. Furthermore, the proposed piece of legislation suggests that a security reserve system is established, which will greatly impact China’s ability to make estimates about its future energy needs, while also enabling the state to effectively control and protect its energy supplies.



6

Figure 1: China’s primary energy consumption

⁴ <https://www.statista.com/statistics/264355/chinese-oil-consumption/>

⁵ <https://www.worldometers.info/gas/china-natural-gas/>

⁶ <https://ourworldindata.org/energy/country/china>

United States of America

In 2019 the United States' primary energy consumption took up 17%⁷ of the world's primary energy consumption. The amount of primary energy consumed by the United States was estimated at around 100 quadrillion British Thermal Units⁸.

Sweden

Sweden is one of the leading countries in the world in terms of renewable energy sources, as in 2019, 56%⁹ of their total energy consumption came from renewable energy sources. Some of Sweden's basic means of electricity production are hydro and nuclear, while wind power is also a major contributing source.¹⁰

A factor that has assisted Sweden to achieve its renewable energy goals, as well as 100%¹¹ access to electricity in 2020, is the decision the Swedish government took in 2016 to subsidize self-produced electricity. As a result, the citizens were able to utilize solar powers in order to produce electricity. However, more recently, in 2021, the above measure was replaced with tax cuts in green technology, further incentivizing the people to turn to self-produced, renewable energy.

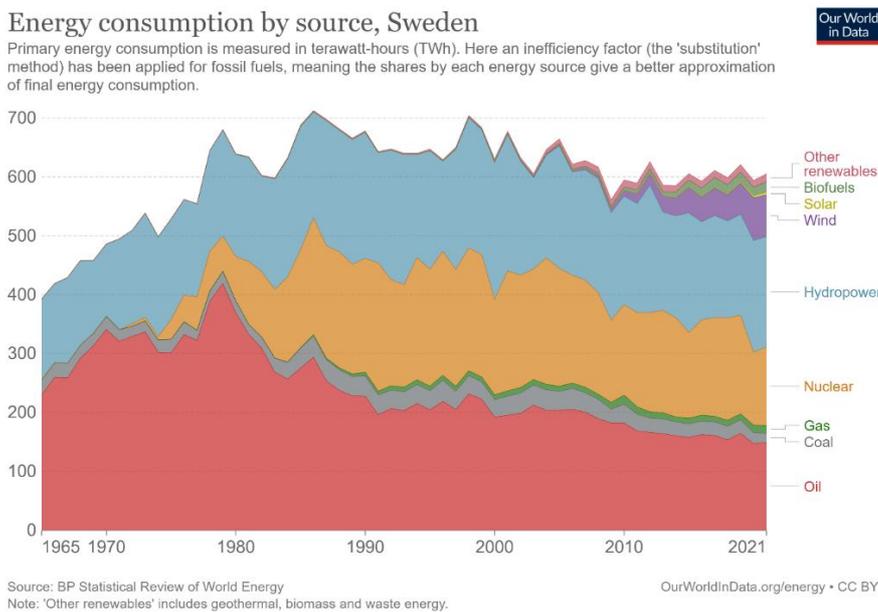


Figure 2: Sweden's energy consumption by source¹²

⁷ <https://www.eia.gov/tools/faqs/faq.php?id=87&t=1>

⁸ <https://www.eia.gov/tools/faqs/faq.php?id=87&t=1>

⁹ <https://sweden.se/climate/sustainability/energy-use-in-sweden>

¹⁰ <https://www.iea.org/countries/sweden>

¹¹ <https://ourworldindata.org/energy/country/sweden>

¹² <https://ourworldindata.org/energy/country/sweden>

International Energy Forum

In July 1991 the International Energy Forum (IEF) was created in order to establish dialogues between the Organization of Petroleum Exporting Countries (OPEC) and the International Energy Agency (IEA). Now it is an active member of the Group of 20, it consists of energy ministers from 71 countries, and it examines all issues regarding energy, such as oil and natural gas, clean and sustainable energy, sustainability and many more.¹³

TIMELINE OF EVENTS

Date	Description of Event
October 1973	The first oil crisis begins, as the Arab members of OPEC, under the leadership of Saudi Arabia, impose embargos on countries such as the United States, the Netherlands, and South Africa.
November 1974	The International Energy Agency is founded.
January 1978	The Iranian revolution begins, which significantly affects the global oil supply, leading to the second oil crisis.
July 1991	The International Energy Forum is founded.

UN INVOLVEMENT: RELEVANT RESOLUTIONS, TREATIES AND EVENTS

The UN-energy plan of action

The plan aims at supporting the Sustainable Development Goal 7, since it is believed that the realization of this goal will bring major improvements in the living conditions of the people worldwide, making significant steps towards ending energy poverty and opening more green

¹³ <https://www.ief.org/about/overview>

jobs. The plan has set significant milestones for the year 2030 which include, but are not limited to¹⁴:

- Universal access to electricity and clean cooking solutions
- Triple global renewable energy power capacity
- Double the global rate of improvement in energy efficiency
- Triple annual investment for renewable energy and energy efficiency globally
- Phase out coal power plants within the OECD by 2030 and globally by 2040
- 60 million jobs in renewable energy and energy efficiency
- Universal access to electricity in all healthcare facilities and schools worldwide.

Although the UN holds a position of power in world matters, it is visible that concerning energy matters the top priority is sustainability. The side the UN has taken on international energy combats and affairs seems to be quite neutral.

Yet, the UN has recently shown a more active role by taking part in the SDG7, which is a progress report on making energy accessible, affordable and clean for everyone. Along with the progress report a set of policy briefs on access to electricity, access to clean cooking, renewable energy, and raising more financial aid for supplying developing countries with energy, since the financial flows fell from 11,2 billion in 2010 to 10,9 billion in 2019.

PREVIOUS ATTEMPTS TO SOLVE THE ISSUE

The European Union's policy on protecting consumers

The European Union demands from all its member states to have established energy consumer rights in their constitution. Electricity connection, a network supplied with electricity, a choice of supplier, clear contract information, and accurate consumption information and billing are just some examples of the rights that EU members are required to legally establish¹⁵.

Yet, many countries inside the European Union rely on non-renewable energy sources, which means that no matter what consumer rights are legally established, there will come a time when it will not be possible to safeguard the energy supplies required for the whole EU population. For this reason, in 2019, the EU adopted the clean energy for all

¹⁴ <https://un-energy.org/wp-content/uploads/2022/05/UN-Energy-Plan-of-Action-towards-2025-2May2022.pdf>

¹⁵ https://energy.ec.europa.eu/topics/markets-and-consumers/energy-consumer-rights/protecting-energy-consumers_en

Europeans package, which is a legal framework aimed at accelerating the transition towards clean energy.

Apart from the aforementioned measures, in response to the hardships and global energy market disruption caused by Russia's invasion of Ukraine, the European Commission presented the REPowerEU Plan. This plan will be used to save energy, producing clean energy, and diversifying the EU's energy supplies, while it is also backed by financial and legal measures to build a new energy infrastructure system that Europe is in need of.

POSSIBLE SOLUTIONS

Energy Action plans and renewable energy sources

Every country has the ability to establish its own legal framework in order to ensure the availability of energy supplies for consumers, while also transitioning to clean energy sources. The fact that a country creates its own energy plan means that it sets realistic goals for its population, since it is taking into account the energy supplies existing in its own territory and its own production costs. Furthermore, considering the fact that international energy plans have to satisfy the needs of the entire human population, having a national energy plan ensures that the population of a given country will receive immediate support and commitment by its government and eliminate any chances of the population will be left out. Some of the targets that the national energy plans can set are renewable energy, energy efficiency, energy infrastructure and many more.¹⁶

Establishing consumers' rights regarding energy supply

The protection of the rights of the consumers is one of major importance, as it ensures that any forms of exploitation from the side of the corporations is eliminated. While it is highly unlikely that a country's constitution makes no reference to consumer rights, it is very often the case that the constitution's content is loose and leaves room for misinterpretation and exploitation. Taking the aforementioned situation into account, a revision of national constitutions in terms of consumer rights could prove effective in the distribution of energy, the billing of energy, and the availability of energy.

¹⁶ [https://enpoweredsolutions.com/what-is-an-energy-action-plan/#:~:text=An%20Energy%20Action%20Plan%20or,greenhouse%20gas%20\(GHG\)%20emissions.](https://enpoweredsolutions.com/what-is-an-energy-action-plan/#:~:text=An%20Energy%20Action%20Plan%20or,greenhouse%20gas%20(GHG)%20emissions.)

BIBLIOGRAPHY

“China Natural Gas.” *Worldometer*, <https://www.worldometers.info/gas/china-natural-gas/>.

“Energy Laws and Regulations: China: GLI.” *GLI - Global Legal Insights - International Legal Business Solutions*, Global Legal Group, <https://www.globallegalinsights.com/practice-areas/energy-laws-and-regulations/china#:~:text=In%20this%20new%20energy%20law,as%20the%20priority%20development%20level> .

“Energy Supply Definition.” *Law Insider*, <https://www.lawinsider.com/dictionary/energy-supply> .

Gross, Samantha. “What Iran's 1979 Revolution Meant for US and Global Oil Markets.” *Brookings*, Brookings, 9 Mar. 2022, <https://www.brookings.edu/blog/order-from-chaos/2019/03/05/what-irans-1979-revolution-meant-for-us-and-global-oil-markets/> .

“The Group of 20 (G20): IEF.” *International Energy Forum*, <https://www.ief.org/about/g20> .

Group, Global Legal. “Renewable Energy Laws and Regulations Report 2022 Sweden.” *International Comparative Legal Guides International Business Reports*, Global Legal Group, <https://iclg.com/practice-areas/renewable-energy-laws-and-regulations/sweden#:~:text=The%20Swedish%20Law%20on%20Electricity,wind%20power%3B%20and%20wave%20energy> .

Hub, IISD's SDG Knowledge. “SDG 7 Publications Call for Safeguarding Gains, Tracking Interlinkages: News: SDG Knowledge Hub: IISD.” *SDG Knowledge Hub*, <https://sdg.iisd.org/news/sdg-7-publications-call-for-safeguarding-gains-tracking-interlinkages/> .

iea. “History - About.” *IEA*, <https://www.iea.org/about/history> .

iea. "Membership - About." IEA, <https://www.iea.org/about/membership> .

iea. "Membership - About." IEA, <https://www.iea.org/about/membership> .

iea. "Sweden - Countries & Regions." IEA, 9 Apr. 2019, <https://www.iea.org/countries/sweden> .

"Joint Statement by HE Mr Mohammad Eslami, Vice-President and President of the Atomic Energy Organization of Iran, and HE Mr Rafael Grossi, Director General of the International Atomic Energy Agency." IAEA, IAEA, 5 Mar. 2022, <https://www.iaea.org/newscenter/pressreleases/joint-statement-by-he-mr-mohammad-eslami-vice-president-and-president-of-the-atomic-energy-organization-of-iran-and-he-mr-rafael-grossi-director-general-of-the-international-atomic-energy-agency> .

"Legal Framework Definition and Meaning: Collins English Dictionary." *Legal Framework Definition and Meaning | Collins English Dictionary*, HarperCollins Publishers Ltd, <https://www.collinsdictionary.com/dictionary/english/legal-framework> .

Maki, Amanda. "What Is an Energy Action Plan?: Empowered Solutions." *Empowered Solutions: Energy, Commissioning, and Controls Experts*, 2 Dec. 2019, [https://empoweredolutions.com/what-is-an-energy-action-plan/#:~:text=An%20Energy%20Action%20Plan%20or,greenhouse%20gas%20\(GHG\)%20emissions](https://empoweredolutions.com/what-is-an-energy-action-plan/#:~:text=An%20Energy%20Action%20Plan%20or,greenhouse%20gas%20(GHG)%20emissions) .

Maki, Amanda. "What Is an Energy Action Plan?: Empowered Solutions." *Empowered Solutions: Energy, Commissioning, and Controls Experts*, 2 Dec. 2019, [https://empoweredolutions.com/what-is-an-energy-action-plan/#:~:text=An%20Energy%20Action%20Plan%20or,greenhouse%20gas%20\(GHG\)%20emissions](https://empoweredolutions.com/what-is-an-energy-action-plan/#:~:text=An%20Energy%20Action%20Plan%20or,greenhouse%20gas%20(GHG)%20emissions) .

"Natural Gas Distribution License Definition." *Law Insider*, <https://www.lawinsider.com/dictionary/natural-gas-distribution-license> .

“Oil Embargo, 1973-1974.” *U.S. Department of State*, U.S. Department of State, <https://history.state.gov/milestones/1969-1976/oil-embargo> .

“Oil Shock Devastates Poorer Nations as Shortages, Protests Mount.” *Bloomberg.com*, Bloomberg, <https://www.bloomberg.com/news/articles/2022-06-06/oil-shock-is-proving-far-more-devastating-for-poorer-nations> .

“Organization of the Petroleum Exporting Countries (OPEC): Jodi.” *Joint Organisations Data Initiative (JODI)*, <https://www.jodidata.org/about-jodi/partners/opec.aspx> .

“Overview of the International Energy Forum (IEF).” *International Energy Forum*, <https://www.ief.org/about/overview> .

“Peace, Dignity and Equality on a Healthy Planet.” *United Nations*, United Nations, <https://www.un.org/en/> .

Person, and Alex Lawler. “OPEC Keeps Forecast for 2022 Oil Demand to Exceed Pre-Pandemic Levels, Sees Risks.” *Reuters*, Thomson Reuters, 14 June 2022, <https://www.reuters.com/business/energy/opec-sticks-forecast-2022-oil-demand-exceeding-pre-pandemic-levels-sees-risks-2022-06-14/> .

“Protecting Energy Consumers.” *Energy*, https://energy.ec.europa.eu/topics/markets-and-consumers/energy-consumer-rights/protecting-energy-consumers_en .

“RepowerEU: Affordable, Secure and Sustainable Energy for Europe.” *European Commission - European Commission*, 20 July 2022, https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal/repowerEU-affordable-secure-and-sustainable-energy-europe_en .

Ritchie, Hannah, et al. “China: Energy Country Profile.” *Our World in Data*, 28 Nov. 2020, <https://ourworldindata.org/energy/country/china> .

Ritchie, Hannah, et al. "Sweden: Energy Country Profile." *Our World in Data*, 28 Nov. 2020, <https://ourworldindata.org/energy/country/sweden> .

Si. "Energy Use in Sweden." *Sweden.se*, 8 Sept. 2021, <https://sweden.se/climate/sustainability/energy-use-in-sweden> .

Un-Energy Plan of Action towards 2025. <https://un-energy.org/wp-content/uploads/2022/04/UN-Energy-Plan-of-Action-At-a-Glance-final.pdf> .

What Does Safeguarding Mean?, <https://www.shgroup.org.uk/your-home/safeguarding/what-does-safeguarding-mean/> .