

ENERGY CHARTER SECRETARIAT

CCDEC 1999

4 NOT

Brussels, 30 June 1999

Related documents: CC 126, CC 141, CC 143, CC 145, RD 2 (ECC of 30 06 1999), Mess 179/99

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Reports submitted to the 3rd Meeting of the Energy Charter Conference held on 30 June 1999

- Report of the Working Group on Energy Efficiency and Related Environmental Aspects (CC 141)

The Conference took note of the Working Group Chairman's report, and approved the conclusion that the Group should continue its activities as described in the Report and, in particular, should hold a second meeting in 1999.

Delegations were invited by the Conference Chairman to actively consider contributing to these important activities and to let the Working Group Chairman or the Secretariat have the results of such consideration by no later than the end of August. The Conference Chairman also concluded that in future years the Conference should aim to adopt a budget which allows for a regular and relevant schedule of meetings and activities of the Working Group.

It was agreed that the Secretariat should compile a report on cooperation between the Charter process and other international organisations on energy efficiency and related environmental aspects, which will be submitted to the next meeting of the Working Group for consideration. The Secretary General called on the international organisations concerned to provide as much relevant input as possible for this report.

- Report on the Meeting of the Group on Trade, June 14-16 (RD 2)

Keywords: Ratification Progress, Salaries Alignment, Supplementary Treaty, Working Practices

The Secretariat reported to the Conference on the meeting of the Group on Trade held in Geneva from 14-16 June. Particular attention was drawn to the following conclusions resulting from the meeting, and to key follow-up activities to be pursued in the autumn:

- Implementation of GATT/WTO based notification requirements under the ECT and the Trade Amendment will have to be developed in accordance with Annex G(3) and Annex W(B)(8) and in the light of the Conference Chairman's Conclusion on the implementation of trade-related rules, Document CC 124, point 13 of 24 May 1998;
- Contracting Parties/Signatories to the ECT which are not yet WTO members are invited to notify the Energy Charter Secretariat prior to 1 October 1999 on all notification requirements which are applicable under Article 29(2)(a) of the ECT and which are either of a periodic nature or once off full and new notifications. (Message 183/99 of 22 June 1999 provides a List of Notification Subjects, Obligations and References);
- To mirror WTO transparency practice, it was agreed that notifications will be made available on the Internet on the Energy Charter web site and that links to the WTO web site will be established;

- Progress on Ratification (CC 143)

The Secretary General reported on the progress made on ratification since the 2nd Meeting of the Charter Conference. Ireland has now ratified the Treaty and Protocol, and France will complete its ratification procedures in the very near future. The total number of Signatories who have completed ratification will thus shortly be brought to 40. The Chairman urged delegations of those Signatory states who have not yet completed their respective ratification processes to strive to ensure that progress is achieved in this respect before the Charter Conference's next meeting.

- Results of the Meeting of the Budget Committee of 29 June 1999

The Chairman of the Budget Committee informed the Conference of the following results of the Budget Committee meeting on 29 June:

- The Committee approved a transfer of BEF 11.948 resulting from a technical error in the calculation of the 1999 contribution of one country, to the General Reserve Fund;
- The Committee agreed that the Secretariat should in future avoid incurring any over-spend on specific budgetary items without obtaining the Committee's approval beforehand;
- The Committee noted the positive situation regarding budgetary contributions in 1999, with most Contracting Parties/Signatories having paid their due contributions already;
- The Committee noted that the Secretariat continues to be in contact with the Belgian authorities with the aim of resolving the question of social security coverage for Secretariat staff who are Belgian nationals or permanent residents in Belgium;
- The Committee was informed that the Secretariat's Headquarters Agreement with the Belgian authorities has been ratified by the Belgian Parliament, and that confirmation of its ratification in the parliament's official journal is anticipated shortly.

Keywords: Ratification Progress, Salaries Alignment, Supplementary Treaty, Working Practices

- Information on 1999 Salaries and Allowances alignment - Staff Regulation 17 c)

The Secretary General informed the Conference that, in line with the agreed practice of the Coordinated Organisations system, and on the advice of the Chairman of the Budget Committee, a salary increase for 1999 of 2.1% had been applied for all staff of the Secretariat as of 1st February 1999.

- The Secretary General reported to the Conference on the continued interest in closer cooperation with the Charter process being shown by the People's Republic of China, Morocco and the Islamic Republic of Iran. It was agreed that the Secretariat would prepare a report on the policy, procedures and criteria to be followed when considering any possible expansion of the Charter Treaty's membership, for submission to the next Meeting of the Charter Conference in December 1999.
- Possible Future Accessions

The Secretary General reported to the Conference on the continued interest in closer cooperation with the Charter process being shown by the People's Republic of China and Morocco. In the latter case, the possibility of accession to the Treaty may at some point require consideration. The Conference also noted that the Secretary General had recently been informed officially that the Ministry of Petroleum of the Islamic Republic of Iran may soon invite him to visit Tehran for consultations on the Charter process and its potential interest for Iran.

The Conference expressed its agreement with the fundamental principle that the Charter process should be an open one for any State which expresses its interest in participation and is ready and capable to comply with its rules and obligations.

It was agreed that the Secretariat would prepare a report on the policy, procedures and criteria to be followed when considering any possible expansion of the Charter Treaty's membership, for submission to the next Meeting of the Charter Conference in December 1999. This report should be based on the relevant provisions of the Treaty/Protocol and practice followed so far. The Chairman invited Contracting Parties/Signatories to provide any comments on this issue, including on the development of dialogue with the three above-mentioned states, to the Secretariat in writing by the end of August 1999.

In the meantime, the Chairman concluded that the Secretariat should continue, on a non-committal basis and without prejudice to any final decision on procedures for future accessions, to develop dialogue with the three states mentioned above. One delegation underlined that its agreement to the continuation of dialogue with these states, in particular the People's Republic of China, should not be interpreted as approval for the Secretariat to exceed its existing budgetary constraints for this purpose.

Underlining its support for the closer involvement of the People's Republic of China in the Charter process, the delegation of the Russian Federation drew delegations' attention to a major conference on "Energy Cooperation in the Asian Region" to be hosted by the Russian Ministry of Fuel & Energy in Moscow in June 2000, in which all Contracting Parties/Signatories and the Secretariat were invited to participate.

Keywords: Ratification Progress, Salaries Alignment, Supplementary Treaty, Working Practices

- Resumption of Consultations on the Draft Supplementary Treaty

Recalling the undertaking given by the then Conference Chairman when adjourning the Adoption Conference Session for the Supplementary Treaty on 24 June 1998 (see CC 126), the Chairman informed the Conference of his intention to resume consultations with interested delegations shortly after the summer break on the very few outstanding issues in this regard which require further reflection. The Chairman undertook to keep the Conference informed on the outcome of these consultations.

- I) Message No.179/99, and II) oral report from the Conference Chairman on Working Practices

I) Introducing Message 179/99, the Chairman emphasised his belief that the proposed ad-hoc assembly of an informal grouping, to be known unofficially as the “Friends of the Conference Chairman”, would be of assistance not only to the Chairman himself, but also to the Charter process as a whole, allowing the Chairman to take soundings and receive guidance from delegations on policy matters, and make it possible to prepare issues more thoroughly in future for substantial discussion and decisions at the Conference itself. The Chairman also drew attention to the flexibility of the proposed grouping, with the possibility envisaged for including representatives of different states on different occasions, at the Chairman’s discretion, taking into account the specific issues to be discussed. It was reiterated that the proposed Grouping would have no formal standing within the Charter process and no decision-making powers. Having thanked the Conference for its understanding on this question, the Chairman stated that it was his intention to proceed to convene this grouping on an ad-hoc basis, in line with proposals contained in Message 179/99.

II) Concerning working practices, the Chairman presented the Conference with an oral report on his involvement in developing and implementing, together with the Secretary General and the Senior Staff of the Secretariat, the conclusions of a Structural Review of the Secretariat’s work. The Conference welcomed the Chairman’s report and endorsed his continued involvement in implementing the Structural Review conclusions agreed between himself, the Secretary General and Senior Staff. The Conference expressed its confidence in the Chairman to remain involved to ensure the orderly functioning of the Secretariat. The Chairman undertook to report back to the Conference at its meeting in December 1999.