Brussels, 22 November 2022

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Report by the Chair of the Strategy Group

The Energy Charter Conference at its 33rd Statutory Meeting held on 22 November 2022 took note of the attached Report by the Chair of the Strategy Group.
REPORT BY THE CHAIR OF THE STRATEGY GROUP

This report provides an overview of the activities of the Strategy Group in 2022.

1. The Strategy Group convened twice for ordinary meetings in 2022, on 17 February and 7 June, via an online platform. The meetings were chaired by Mr Samir Abdurahimov, who was the Chair of the Group until 15 June 2022. The meetings were only open to the Members of the Charter Conference.

Discussions in the Strategy Group in 2022 were largely devoted to the implementation of the Conclusions of the 2019 Review under Article 34(7) of the Energy Charter Treaty (ECT), including the recommendations of the International Public Audit. CONEXO policy-related discussions took place within this context.

2. The Strategy Group continued its discussions on the Forward-Looking CONEXO Policy during 2022. The discussions were based on StG 161, which merged documents StG 142 Rev, StG 148 Rev3 and StG 154 Rev3 into one new document. Some revisions of the document took place following the February meeting of the Group, including the addition of multiple energy investment country profiles.

3. Delegates continued discussing this topic at the June meeting of the Strategy Group, emphasising the need for the development of a coordinated, targeted list of countries based on mapping of the state of readiness of Observers to accede to the ECT. Additionally, delegates also stressed that the text of the document should be aligned with the results of the modernised ECT. Further to the Group's June meeting, delegations agreed to again revise the document StG 161 (Rev) based on comments to be received. The discussion on this item is expected to continue next year.

4. Whereas discussions on the re-assessment of the CONEXO policy in 2021 were limited, a substantial discussion on the topic took place at the February 2022 meeting, based on SG 143 Rev 4. Further to the meeting conclusions, the Secretariat merged the documents StG 143 Rev 4 and StG 161 and further revised the document for the June meeting. However, no discussion on this topic took place at the June meeting as the subject was moved into the Agenda item on a Forward Looking CONEXO policy.

5. The Strategy Group also discussed the participation of Observer countries in subsidiary body meetings during its February meeting. Some suggestions were made in favour of allowing Observers' participation in the meetings; however, an opposing view, that Observers should not participate while the Modernisation process was ongoing, prevailed. Discussion on this topic will likely be resumed in 2023.

6. Evaluation of the Terms of Reference of the Strategy Group (StG 144 Rev 4). The Group discussed and finalised the Terms of Reference of the Strategy Group based on StG 144. The document was put forward for approval by the Conference and was approved on 10 March 2022 (CCDEC202201).

1 From 15th June 2022, Mr Elshan Abdulazimov became the Chair of the Strategy Group. (CCDEC202206)
7. Delegations also discussed the status of the Russian Federation. In this context, concerns were raised regarding the substantial arrears in national contributions owed by the Russian Federation to the Secretariat. Delegates requested the Secretariat to contact the Russian Federation again in order to obtain confirmation on whether it will remain a signatory to the 1991 European Energy Charter, as well as whether it intends to settle its arrears.

8. With regard to the Chairmanship, the Strategy Group took note of the priorities of the Mongolian Chairmanship during its February meeting.

9. There was also a discussion of the planned priorities of the Industry Advisory Panel (IAP) at the June meeting. Delegates were briefed on the planned activities of the IAP for 2022 and the prospect of a joint collaboration with the Secretariat, including in the area of ECT expansion and the Secretariat's activities towards supporting Ukraine.