

**ENERGY CHARTER
SECRETARIAT**

CCDEC 2023

05 GEN

Brussels, 7 May 2023

Related documents: CC 785, Message 2079/23

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Adoption by correspondence – Draft Chairmanship Handbook

Following the recommendation of the Strategy Group on 17 April 2023, by document CC 785 dated 18 April 2023, the Energy Charter Conference was invited to approve the attached Draft Chairmanship Handbook. As specified by Rule 20(b) of the Rules of Procedure concerning the adoption of decisions by correspondence, members of the Energy Charter Conference were informed that any delegation not in a position to approve the Draft Chairmanship Handbook should notify the Secretariat of its position in writing by no later than 7 May 2023.

Having received no objections within the specified time limit, on 7 May 2023, the Draft Chairmanship Handbook was **approved** with immediate effect.

CHAIRMANSHIP HANDBOOK

I. Introduction

1. The Practice of the Chairmanship of the Energy Charter Conference (the Chairmanship) was adopted by the Energy Charter Conference (the Conference) on 25 November 2013¹ and the relevant Rule was included to the Rules of Procedure of the Conference (the Rules of Procedure).² This handbook is intended to provide key information on the Chairmanship practice and to guide the forthcoming Chairmanships in their role.
2. The Handbook is based on the existing provisions and practices related to the Chairmanship, mainly included in the Rules of Procedure of the Energy Charter Conference (Annex I), the Terms of Reference of the Management Committee (Annex II), the Staff Manual of the Energy Charter Secretariat (Annex III) and the Risk Management Protocol (Annex IV).
3. In case of further amendments affecting the Chairmanship practice in the abovementioned internal provisions, the Handbook will be updated by the Energy Charter Secretariat (the Secretariat) and will not require additional endorsement by the Conference.

II. The concept of Chairmanship

4. 'Chairmanship' is a responsibility which governments of Contracting Parties voluntarily assume in relation to the Conference. The concept has been proposed in order to increase the involvement of Contracting Parties and their administrations in the work of the Conference. Governments holding the Chairmanship have a stronger role in defining the policy agenda of the Conference through the Chairmanship priorities and in building consensus among the members.
5. The concept of 'Chairmanship' should not be confused with 'Chairpersons'. Chairpersons and Vice-Chairpersons are individuals designated each year by the Conference. According to the Rules of Procedures,

*As a rule, the minister in charge of Energy Charter issues of the Contracting Party holding the Chairmanship shall be designated as Chairperson of the Conference. The Contracting Party holding the Chairmanship may also nominate a representative other than the minister as the Chairperson. The Chairperson shall be assisted by Vice-Chairpersons. Three positions of Vice-Chairpersons shall be reserved for the current, the outgoing and the incoming Chairmanships. [...]*³

6. In case of an acting Chairmanship, the Rules of Procedure provide:
*The Contracting Party appointed as the acting Chairmanship shall nominate a representative as the acting Chairperson. The acting Chairmanship and the acting Chairperson shall have the same powers and duties as the Chairmanship and the Chairperson.*⁴

¹ CCDEC2013 07.

² Last version approved by the Conference on 12 March 2023 (CCDEC 2023 03).

³ Rule 15.A(b) of the Rules of Procedure.

⁴ Rule 15.A(a *ter*) of the Rules of Procedure.

7. If deemed necessary, the Chairmanship could ask the incoming and/or outgoing Chairmanship to work together on an ad-hoc basis: e.g. to formulate policy priorities, provide political guidance, and ensure continuity with regard to the implementation of priorities, under the authority of the Conference.

III. How to assume the Chairmanship

8. The Chairmanship is voluntary. To assume the Chairmanship for a particular year, a Contracting Party should express its interest:

Contracting Parties may nominate themselves for the office of Chairmanship by letter to the Secretariat, indicating their preference for the year they wish to assume this role. The Secretariat shall immediately make such letter available to all delegations.⁵

9. The Rules of Procedure of the Conference further state, that

The Chairmanship of the Conference shall be held for a term of one calendar year. Each year, the Conference shall approve by consensus a list of future Chairmanships of the Conference covering at least the following three years and on the basis of equitable geographical rotation. The Conference shall consider only nominations received by the Secretariat before the 1st of July of each year. In the case there are more than one candidate for a particular year, the Conference shall make every effort to reach agreement by consensus. If agreement cannot be reached by consensus, the decision should be taken by a simple majority of the Contracting Parties whose representatives are present and voting by secret ballot in the Conference. In case there are no nominations to cover the following three years or if the only nomination(s) arrive(s) on or after 1 July, the Conference will decide how to proceed.⁶

10. In case there is no Chairmanship for a particular year, the Conference may approve an acting Chairmanship:

If there is no approved Chairmanship for a particular year or the approved Chairmanship is not able to perform its role (or waives its position), the Conference may approve an acting Chairmanship for the whole calendar year or part thereof. The outgoing and upcoming Chairmanships are encouraged to volunteer for the acting Chairmanship, but any other Contracting Party may also volunteer for the position. If there are no nominations for the acting Chairmanship or there are more than one, the Conference will decide how to proceed.⁷

IV. Who supports the work of the Chairmanship

⁵ Rule 15.A(c) of the Rules of Procedure.

⁶ Rule 15.A(a) of the Rules of Procedure. According to the existing practice, when there were no nominations to cover the following three years, the Conference agreed to postpone the decision until there is a candidate and to take it by correspondence; similarly, when the nomination arrived after 1 July, the Conference took its decision by correspondence.

⁷ Rule 15.A(a *bis*) of the Rules of Procedure.

11. In carrying out its duties, the Chairmanship of the Conference represented by the Chairperson and the Vice-Chairpersons is supported by the Management Committee and the Secretariat.

A. Management Committee – supporting mechanism for the Chair of the Conference

12. On 30 September 2021, the Conference established a Management Committee with the aim to support the Conference Chairperson.⁸ According to its terms of reference, the Management Committee plays a secondary role under the Conference, and can make recommendations or provide its opinion and/or proposals to the Conference and/or the Conference Chairperson on any question or issue within its competence.⁹
13. The functions of the Management Committee include, *inter alia*, to:
 - Enhance the governance of the organisation and seek to prevent failures.
 - Form opinions to the Conference and Chairmanship (on overall direction of the Energy Charter process, on response to the new challenges in the energy sector etc.).
 - Provide support and political guidance as well as to facilitate the discussion of important/sensitive topics to Conference and Chairmanship in the fulfilment of the tasks in between Conference Meetings or in case of a crisis in the Energy Charter Process.
 - Prepare the work of the Conference; agenda, participation, invitations, supporting documents, outcomes.
 - Serve as a selection board/Committee for the implementation of the selection processes for the appointment of the SG and DSG.¹⁰
14. The Composition of the Management Committee includes, among others, the Chairperson of the Conference; and one representative of each the outgoing and incoming Chairmanships as Vice-Chairs.¹¹
15. The Management Committee meets periodically (at least 3 times per year) at the invitation of the Chairperson and the outgoing Chairmanship of the Conference. The Secretary-General or at least two Contracting Parties or Signatories of the ECT could request the Chairperson and the outgoing Chairmanship of the Conference to convene a meeting of the Management Committee. The Conference Chairperson and the Vice-Chair of the outgoing Chairmanship prepare the draft Agenda¹² and co-Chair the meetings of the Management Committee. Exceptionally, any other member of the Conference may be invited on an ad hoc basis to participate, upon agreement of the Management Committee and acceptance by the country invited by the Chairperson of the Conference and the Vice-Chair of outgoing Chairmanship.

B. Support from the Secretariat

⁸ CCDEC 2021 16. Provisions of the Management Committee's ToR are incorporated directly or by reference to the Rules of Procedure.

⁹ CCDEC 2021 16, Article 4.

¹⁰ The full list of functions of the Management Committee can be found in Article 1 of its ToR (CCDEC 2021 16). The Chairmanship's role in the appointment of SG/DSG is explained in Section B.1.

¹¹ CCDEC 2021 16, Article 2.

¹² CCDEC 2021 16, Article 3.

16. The Chairmanship may ask the Secretariat to provide any clarifications or guidance with respect to the Chairmanship at any time.

17. At the beginning of the Chairmanship year, the Secretary-General sends a letter to the Chairperson of the Conference outlining some of the important aspects of the Chairmanship, such as:

- events and priorities of the Chairmanship:

As practice has shown, there are two events which make up the Chairmanship:

(i) Energy Charter Forum – a mid-year event, typically conducted along the topics of Chairmanship priorities;

(ii) ordinary meeting of the Energy Charter Conference – the principal year-end event consisting of Statutory and Ministerial meetings along two days.¹³ The Chairmanship can host annual meetings of the Conference outside of Brussels¹⁴ or conduct them via videoconference. The Energy Charter Treaty (ECT) and the Rules of Procedure¹⁵ foresee a possibility of extraordinary meetings of the Conference, which – as a general practice – also take place under the Chairmanship of a presiding country.¹⁶

- logistics and organisation, including human resources (Secretariat’s team assisting the Chairmanship), venue and costs of the events;
- other aspects of cooperation in the framework of the Chairmanship (e.g. possible secondment from the Chairmanship country to the Secretariat to work on the Chairmanship priorities etc.).

V. What happens after approval of the Chairmanship

A. Actions to be taken before the year of the Chairmanship

18. The upcoming Chairmanship is expected to undertake some actions prior to its actual year of the Chairmanship, namely:

- nomination of a Vice-Chairperson of the Conference (on behalf of the upcoming Chairmanship) – for approval by the Conference for the year prior to the Chairmanship;

¹³ According to the existing practice, the Statutory session is held in two parts: one open only to Members of the Conference (Contracting Parties and Signatories) since it usually covers certain restricted matters (such as budgetary issues, programme of work etc.), and the second part open to both Members and Observers. The Ministerial session is open to all Members, Observers and invited international organisations, as well as business community upon invitation of the Chairmanship.

¹⁴ Usually, in the capital of the Chairmanship country.

¹⁵ Article 34(2) of the ECT and Rule 1(b) of the Rules of Procedure.

¹⁶ For instance, Ad Hoc Conference on the Modernisation of the ECT of 24 June 2022 took place under the Chairmanship of Mongolia, which was the Chairmanship that year; Extraordinary meeting of the Conference dedicated to the appointment of the Secretary-General on 14 April 2021 was Chaired by Armenia – the Chairmanship of 2021. In contrast, the Ad Hoc Conference on the adoption of the International Energy Charter On 21 May 2015 was hosted by the Netherlands, while Japan was holding the Chairmanship for 2016.

- nomination of the Chairperson and a Vice-Chairperson of the Conference (on behalf of the current Chairmanship) – for approval by the Conference at the meeting preceding the year of the Chairmanship;
- defining date and venue of the ordinary Conference meeting under its Chairmanship, to be fixed by the Conference, if possible, at its previous meeting;¹⁷
- The incoming Chairmanship should consult its priorities and expected outcomes with the Management Committee and subsidiary bodies during the first 6 months of the year prior to its Chairmanship.¹⁸ This allows delegations to ask preliminary questions, clarifications or express suggestions with respect to priorities. Based on the consultations, the Chairmanship may revise or reformulate its priorities. Priorities are the main policy objectives which a Contracting Party would like to highlight during the year of its Chairmanship.

B. Actions to be taken during the Chairmanship

B.1. Functions based on the Rules of Procedure and existing practices

19. According to the Rules of Procedure and the existing practices, the Chairmanship (including the Chairperson of the Conference) during its Chairmanship year is expected:

- to make the necessary preparations for the Annual Energy Charter Conference meeting, which includes among others the following activities:
 - to draw up together with the Secretariat the agenda for the annual meeting of the Conference to be discussed by the Management Committee at least six months before the meeting.¹⁹ The Chairmanship can also suggest topics and speakers for the Ministerial part of the Conference;
 - to draw up and sign, together with the Secretary General of the Secretariat, invitation letters to the Conference.
 - If the Conference is organised outside of Brussels:
 - to propose a suitable and equipped venue;
 - to facilitate hotel rates / airport transfers for (high-level) participants of the Conference, if possible;
 - the Chairmanship may also suggest the organisation of gala dinner and cultural programme
 - other logistical issues.
- If necessary for reasons unforeseen by the Conference, the Chairperson may reschedule ordinary meeting in consultation with the Secretariat;²⁰
- In case of extraordinary meetings of the Conference, and in exceptional circumstances, the Chairperson may, upon request and or at his/her discretion, shorten the 15-days' notice, unless there is an objection of a Contracting Party.²¹

¹⁷ Rule 1(a) of the Rules of Procedures. During the Japanese Chairmanship, the date and venue was approved by the Conference the same year of the Chairmanship (CCDEC2016 02) and not the year before.

¹⁸ Rule 15.A(g) of the Rules of procedures.

¹⁹ Rule 4(a)-(a bis) of the Rules of Procedure.

²⁰ Rule 1(a) of the Rules of Procedure.

²¹ Rule 1(b) of the Rules of Procedure.

- to act as interim Chairperson of a subsidiary Group if there is no other volunteer or if the Conference is not able to take a decision on the designation of the respective Chairperson of a subsidiary Group;²²
- to conduct the Conference meeting;²³
- to co-chair the Management Committee meetings together with the Vice-Chair of the outgoing Chairmanship;²⁴
- to co-sign together with Secretary-General the Certificate of the Energy Charter Award. The Chairperson is traditionally awarding the person during the annual Conference, while voting, award and certificate are prepared/managed by the Secretariat;
- after a meeting has been held, the Chairperson of the Conference may issue a communiqué to the press;²⁵
- the Chairperson of the Conference may decide upon his/her own initiative or upon request by a Contracting Party or a Signatory, and after consultation with the Management Committee, that a decision by the Conference should be taken by correspondence. In this case, the Chairperson shall instruct the Secretariat to upload a message on the Secretariat's webpage, containing such information as the Chairperson considers necessary to an informed decision, and shall determine the date an hour by which any opposition must be received;²⁶
- the rules for the appointment of the Secretary General and Deputy Secretary General incorporated in the Rules of Procedure of the Conference, also contain specific references to the role of the Chairmanship / Conference Chair.²⁷ In particular,

➤ with respect to appointment of Secretary-General:

- the Conference Chairperson will receive notifications from the serving Secretary-General with respect to his readiness to reapply for or to accept a second mandate.²⁸ The Conference Chairperson is also a recipient of new nominations for the position of the Secretary-General made by Contracting Parties.²⁹
- Within one month of the date of the decision by the Conference not to reappoint the serving Secretary-General, or of the date on which the Conference Chair receives a written indication from the serving Secretary-General that he/she is not ready to accept a second mandate, or in case of another candidate(s) for the post of Secretary-General, the Conference Chairperson informs all Contracting Parties and Signatories, via a letter to Ministers, of the timetable for nominating candidates, or additional candidates, for the post of Secretary-General and the procedure to be followed.³⁰
- The Chairmanship chairs the interview of all eligible candidates.³¹

²² Rule 15.B(c) of the Rules of Procedure.

²³ Rule 16 of the Rules of Procedure.

²⁴ CCDEC 2021 16.

²⁵ Rule 19(b) of the Rules of Procedure.

²⁶ Rule 20(b)-(c) of the Rules of Procedure.

²⁷ Sections XII and XIII of the Rules of Procedure. It is necessary to keep in mind that the Management Committee supports the Chairmanship by serving as a selection board/Committee for the implementation of the selection processes for the appointment of the SG and DSG.

²⁸ Rule 21.2(c) of the Rules of Procedure.

²⁹ Rule 21.4 of the Rules of Procedure.

³⁰ Rule 21.3(a) of the Rules of Procedure.

³¹ Rule 21.5 of the Rules of Procedure.

- In case there is only one candidate, the Conference Chairperson shall submit his/her name to the Conference and invite the Conference to appoint such candidate, by consensus, as the Secretary-General.³²
 - When more than one candidate have been nominated, the Chairmanship shall hold an informal sounding and invite the Conference to appoint, by consensus, as the Secretary-General, the single preferred candidate identified through such informal sounding consensus. An informal sounding is governed by the Conference Chairperson and past practice.³³
 - In the event of lack of appointment of the Secretary-General, the Conference Chairperson may propose to the Conference either: (1) the designation of, as a rule, the Deputy Secretary-General as Acting Secretary-General; or (2), in case the post of the Deputy-Secretary General is vacant, the prolongation of the appointment of the serving Secretary-General.³⁴
 - In the event of an early departure of the serving Secretary-General, the Conference Chairperson shall inform all Contracting Parties and Signatories as soon as possible, via a letter to Ministers, of the measures that he or she proposes to take in order to ensure a timely replacement of the Secretary-General. In the meantime, the serving Deputy-Secretary General will serve as acting Secretary-General. In the case where the post of the Deputy-Secretary General is vacant, the Chairmanship in consultation with the Contracting Parties and Signatories will designate, within 14 actual days from the departure of the serving Secretary-General, an acting Secretary-General to be selected from the existing staff of the Secretariat until a new Secretary-General is appointed.³⁵
- with respect to the appointment of the Deputy Secretary-General:
- After the interview chaired by the Secretary-General, the Conference Chairmanship coordinates an informal sounding of preferences with all Contracting Parties and Signatories in order to reach a consensus on a list of maximum three candidacies, and makes the results of the informal sounding available to the Conference through a summary report.³⁶
 - In case of a negative decision by the Conference on the appointment of the candidate as a Deputy Secretary-General, the Conference Chairmanship proposes to the Conference how to proceed.³⁷
- the Chairperson representing the Conference shall sign the contract (letter of appointment) of the appointed Secretary-General and Deputy Secretary-General, if the appointment falls on the year of the Chairmanship;
 - the Chairmanship will be expected to nominate a Vice-Chairperson of the Conference for the year after its Chairmanship (to represent the outgoing Chairmanship);
 - finally, the Chairmanship should handover to the upcoming Chairmanship the relevant issues under authority of the Conference (for example, actions which were undertaken but not finalised during its Chairmanship).

³² Rule 21.6 of the Rules of Procedure.

³³ Rule 21.7(a)-(b) of the Rules of Procedure.

³⁴ Rule 21.9 of the Rules of Procedure.

³⁵ Rule 21.11(a) of the Rules of Procedure.

³⁶ Rule 22.3(b) of the Rules of Procedure.

³⁷ Rule 22.4(a) of the Rules of Procedure.

B.2. Involvement of the Chairmanship in processes described in the Secretariat's Staff Regulations and Rules

20. The Chairmanship may also be involved in some processes described in the Staff Regulations and Rules of the Secretariat (Staff Manual).
21. One of the processes concerns external investigation / verification of allegations of possible illegal activity, including serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings detrimental to the interests of the Conference. Namely, the Chairperson of the Conference may become a recipient of a notification by an official of the Secretariat of fraud, corruption or misuse of the Organisation's resources.³⁸ In that case, the Chairperson or Vice-Chairpersons may be involved in procedures of the International Energy Charter Whistleblowing Guidelines:³⁹

In case allegations are communicated to the Chair/Vice Chairs of the Conference [and the Management Committee] ..., he/she will request the Secretariat to provide information and evidence. Following an analysis of facts, and considering the relevance of the information, the Chairperson may propose to include an agenda item for discussion at the Conference and bring the issue to [the Management Committee], the Vice-Chairs of the Conference and the External Auditor to take it into account during the Audit(s).⁴⁰

22. Furthermore, the Chairperson of the Conference may become a recipient of notes from the Staff Committee addressed as a means of protecting staff interests.⁴¹ In that case, the Chairperson may wish to refer the issue to the Management Committee.

B.3. Chairmanship and Risk Management Protocol

23. On 20 September 2022, the Conference approved the Risk Management Protocol (Protocol) of the Organisation.⁴² The Protocol neither provides any explicit reference to the Chairmanship or Chairperson(s), nor it explicitly imposes any duties. However, the general objective of the document is

the achievement of the goals of the ... Organisation by proactively assessing and managing risks across the Organisation. ... [and] to ensure the sustainability of the Organisation as well as the adoption of risk-informed decisions across all levels of the Organisation.⁴³

24. Therefore, in the context of exercising its duties, the Chairmanship is invited to consider the Risk Management Protocol and to ensure, that all the potential risks are timely identified and addressed at the appropriate level.

C. Actions to be taken after the year of the Chairmanship

³⁸ Staff Circular to the Regulation 2; Regulation 2-BIS.1 of the Staff Manual.

³⁹ Staff Circular to Regulations 2-BIS.1 – 2-BIS.2 - International Energy Charter Whistleblowing Guidelines.

⁴⁰ Paragraph 8 of the Staff Circular to Regulations 2-BIS.1 – 2-BIS.2 - International Energy Charter Whistleblowing Guidelines.

⁴¹ Staff Circular to the Rule 4.2 (b) of the Staff Manual.

⁴² CCDEC 2022 16.

⁴³ CCDEC 2022 16, para 1.

25. There are no particular tasks for the outgoing Chairmanship as such. However, some involvement could be expected from the Vice-Chairperson representing the outgoing Chairmanship in supporting the new Chairperson of the Conference, as described in the sections above (for example, in building consensus on the appointment of the Secretary-General; with the assistance of the Secretary-General, to help to build consensus on the designation of future Chairmanships; co-chairing the meetings of the Management Committee etc.).

RULES OF PROCEDURE OF THE ENERGY CHARTER CONFERENCE

(...)

I. MEETINGS

Rule 1

- (a) Ordinary meetings of the Conference shall be held at intervals determined by the Conference. The date of each ordinary meeting shall be fixed by the Conference at a previous meeting. Any ordinary meeting may, however, be rescheduled by the Chairperson of the Conference in consultation with the Secretariat if necessary for reasons unforeseen by the Conference. Notice of rescheduling of a meeting shall be given at least 15 days in advance of the date for the rescheduled meeting.
- (b) (...) Notice of extraordinary meetings shall be given at least 15 days in advance of the date of the extraordinary meeting. In exceptional circumstances, the Chairperson may, upon request and or at his/her discretion, shorten the notice, unless there is an objection of a Contracting Party.

(...)

II. AGENDA

Rule 4

- (a) The Secretariat, in consultation with the relevant Chairpersons, shall draw up and transmit to all Contracting Parties and Signatories the proposed agenda for each meeting of the Conference and of the subsidiary bodies. The Chairperson of the Conference and the Vice-Chairperson of the outgoing Chairmanship shall prepare the draft Agenda of the meeting of the Management Committee to be approved by the latter in line with the Rules of Procedure.
- (a bis) The Secretariat, in consultation with the Chairmanship, shall draw up a draft agenda for the annual meeting of the Conference to be discussed by the Management Committee at least six months before the meeting. Any items of an important and urgent character, proposed by a Contracting Party less than two months before the meeting, shall be sent to the Secretariat and, upon consultation and approval of the Chairmanship and the Management Committee included as supplementary items.

(...)

Rule 15

A. Conference

- (a) The Chairmanship of the Conference shall be held for a term of one calendar year. Each year, the Conference shall approve by consensus a list of future Chairmanships of the Conference covering at least the following three years and on the basis of equitable geographical rotation. The Conference shall consider only nominations received by the

Secretariat before the 1st of July of each year. In the case there are more than one candidate for a particular year, the Conference shall make every effort to reach agreement by consensus. If agreement cannot be reached by consensus, the decision should be taken by a simple majority of the Contracting Parties whose representatives are present and voting by secret ballot in the Conference. In case there are no nominations to cover the following three years or if the only nomination(s) arrive(s) on or after 1 July, the Conference will decide how to proceed.

- (a *bis*) If there is no approved Chairmanship for a particular year or the approved Chairmanship is not able to perform its role (or waives its position), the Conference may approve an acting Chairmanship for the whole calendar year or part thereof. The outgoing and upcoming Chairmanships are encouraged to volunteer for the acting Chairmanship, but any other Contracting Party may also volunteer for the position. If there are no nominations for the acting Chairmanship or there are more than one, the Conference will decide how to proceed.
- (a *ter*) The Contracting Party appointed as the acting Chairmanship shall nominate a representative as the acting Chairperson. The acting Chairmanship and the acting Chairperson shall have the same powers and duties as the Chairmanship and the Chairperson.
- (b) As a rule, the minister in charge of Energy Charter issues of the Contracting Party holding the Chairmanship shall be designated as Chairperson of the Conference. The Contracting Party holding the Chairmanship may also nominate a representative other than the minister as the Chairperson. In performing such duties, the Chairperson shall act in accordance with the Energy Charter Treaty, Protocols, Declarations and Conference decisions. The Chairperson shall be assisted by Vice-Chairpersons.
- (c) Contracting Parties may nominate themselves for the office of Chairmanship by letter to the Secretariat, indicating their preference for the year they wish to assume this role. The Secretariat shall immediately make such letter available to all delegations.
- (d) If for any reason the Chairperson can no longer perform the functions of the office, the Chairmanship shall nominate an official of the relevant government office as replacement. The Conference shall then, without delay, designate the replacement as new Chairperson.
- (e) Three positions of Vice-Chairpersons shall be reserved for the current, the outgoing and the incoming Chairmanships. The Vice-Chairperson representing the acting Chairmanship shall act as first Vice-Chairperson, while the Vice-Chairpersons representing the outgoing and incoming Chairmanships shall rank second and third respectively. Additional Vice-Chairpersons, if any, shall be ranked taking into account the date of their first appointment.
- (f) As part of the change of Chairperson under paragraph (d), the Chairmanship may re-nominate a Vice-Chairperson for designation by the Conference without delay.
- (g) The incoming Chairmanship should consult its priorities and expected outcomes with the Management Committee and subsidiary bodies during the first 6 months of the year prior to its Chairmanship.

B. Standing/Working Groups

(...)

- (c) If there is no volunteer or if the Conference is not able to take a decision, the Chairmanship of the Conference shall act as interim Chairperson until a volunteer is confirmed by the Conference.

(...)

VII. CONDUCT OF BUSINESS

Rule 16

- (a) In addition to exercising the powers conferred upon him or her elsewhere in these Rules, the relevant Chairperson shall declare the opening and closing of each meeting, shall direct the discussion, shall ensure the observance of these Rules, and shall accord the right to speak, put questions to the vote, and announce decisions. The relevant Chairperson also may call a speaker to order if his or her remarks are not relevant to the subject under discussion.

(...)

X. PUBLICITY OF MEETINGS

Rule 19

(...)

- (b) After a meeting has been held, the Chairperson of the Conference may issue a communiqué to the press.

(...)

XI. RULES FOR DECISIONS BY CORRESPONDENCE

Rule 20

(...)

- (b) Where the Chairperson of the Conference, upon request by a Contracting Party or a Signatory or upon his/her own initiative, and after consultation with the Management Committee, decides that a decision should be taken by correspondence, he or she shall instruct the Secretariat to upload a message on the Energy Charter Secretariat webpage, containing such information as the Chairperson considers necessary to an informed decision. [...]
- (c) The Chairperson of the Conference shall determine the date and hour by which any opposition must be received, which shall in no case be earlier than 20 days from the date of upload of the message referred to in paragraph (b). In exceptional circumstances, the Chairperson may, upon request and at his or her discretion, extend the time limit. Subject to no objections being received within the time limit, the Conference decision will be considered as approved with immediate effect and a confirmation message will be uploaded.

(...)

XII. RULES FOR APPOINTMENT OF SECRETARY-GENERAL

(...)

Rule 21.3: Candidacy

- (a) Within one month of the date of the decision by the Energy Charter Conference not to reappoint the serving Secretary General, or of the date on which the Conference Chairperson receives a written indication from the serving Secretary-General that he or she is not ready to accept a second mandate, or in case one or more Contracting Parties have proposed another candidate(s) as allowed in Rule 20.2.b, all Contracting Parties and Signatories shall be informed, via a letter to Ministers from the Conference Chairperson, of the timetable for nominating candidates, or additional candidates, for the post of Secretary-General and the procedure to be followed. This letter shall be sent at least ten months prior to the date of the Energy Charter Conference's meeting where the appointment is expected to take place and indicate a deadline for the nomination.

(...)

Rule 21.6: Procedure in case there is only one candidate

The Conference Chairperson shall submit the name of the single candidate to the Energy Charter Conference. The Conference Chairperson shall invite the Energy Charter Conference to appoint such candidate, by consensus, as the Secretary-General.

(...)

Rule 21.7: Informal Sounding of Preferences

- (a) When more than one candidate have been nominated, the Conference Chairmanship shall hold an informal sounding and invite the Energy Charter Conference to appoint, by consensus, as the Secretary-General, the single preferred candidate identified through such informal sounding consensus.
- (b) If an informal sounding is held, it shall be governed by the Conference Chairperson and past practice. Appendix I will collect those past practices to be considered by the Conference Chairperson.

(...)

Rule 21.9: Lack of Appointment of the Secretary-General

In the event that the procedure set out in these Rules does not lead to the appointment of the Secretary-General on the date of the Energy Charter Conference's meeting where the appointment was expected to take place, the Conference Chairperson may propose to the Energy Charter Conference either: (1) the designation of, as a rule, the Deputy Secretary-General as Acting Secretary General; or (2), in case the post of the Deputy-Secretary General is vacant, the prolongation of the appointment of the serving Secretary-General.

(...)

Rule 21.11: Early Departure of the Serving Secretary-General

- (a) In cases where the serving Secretary-General tenders his or her resignation before the expiry of his or her existing contract, or in the case of a decision by the Energy Charter Conference to terminate the serving Secretary-General's appointment, or in any other case not foreseen in the above which entail the departure of the serving Secretary-General before the expiry of his or her existing contract, the Conference Chairperson shall inform all Contracting Parties and Signatories as soon as possible, via a letter to Ministers, of the measures that he or she proposes to take in order to ensure a timely replacement of the Secretary-General. In the meantime, the serving Deputy-Secretary General will serve as acting Secretary-General. In the case where the post of the Deputy-Secretary General is vacant, the Chairmanship of the Conference in consultation with the Contracting Parties and Signatories will designate, within 14 actual days from the departure of the serving Secretary-General, an acting Secretary General to be selected from the existing staff of the Energy Charter Secretariat for a temporary period until a new Secretary General is appointed.

(...)

XIII. RULES FOR APPOINTMENT OF DEPUTY SECRETARY GENERAL

(...)

Rule 22.3: Selection Process by Contracting Parties and Signatories

(...)

- (b) Within one month following the last interview, the Conference Chairmanship will coordinate an informal sounding of preferences with all Contracting Parties and Signatories in order to reach a consensus on a list of maximum three candidacies. The Conference Chairmanship shall make the results of the informal sounding available to the Conference through a summary report.

(...)

Rule 22.4: Appointment

- (a) Within one month from the reception of the informal sounding result, the Secretary-General, considering the preferences of the Contracting Parties and Signatories, shall propose a candidate for her/his appointment by the Conference. In case of a negative decision by the Conference, the Conference Chairmanship will propose to the Conference how to proceed.

(...)

APPENDIX I - Past Practice regarding informal sounding

(...)

- (ii) The name of the candidate supported by three quarters of the Present and Participating Contracting Parties and Signatories is submitted to the Energy Charter Conference in accordance with Rule 21.6. The Conference Chairperson invites the Energy Charter Conference to appoint such candidate, by consensus, as the Secretary-General.

(...)

- (v) The name of the better-placed candidate at the second round is submitted to the Energy Charter Conference in accordance with Rule 21.6. The Conference Chairperson invites the Energy Charter Conference to appoint such candidate, by consensus, as the Secretary-General.
- (vi) In the event that the second round of informal sounding indicates the same level of support for the two candidates, the Conference Chairperson will call for reflection by the Contracting Parties and Signatories, and may hold a discussion session. Thereafter, additional round(s) of informal sounding are conducted between the same two candidates in order to establish the single candidate to be recommended to the Energy Charter Conference in accordance with Rule 21.6.
- (...)

**SUPPORTING MECHANISM FOR THE CHAIR OF THE CONFERENCE:
TERMS OF REFERENCE OF THE MANAGEMENT COMMITTEE
(CCDEC 2021 16)**

Article 1 - Functions

The Management Committee shall:

- Enhance the governance of the organisation and seek to prevent failures.
- Identify the overall direction of the Energy Charter process, and particular issues and initiatives and form an opinion to the Conference and Chairmanship.
- Identify new challenges in the energy sector and consider in which way the Energy Charter process and its instruments can most efficiently respond to such challenges and form an opinion to the Conference and Chairmanship.
- Provide support and political guidance as well as to facilitate the discussion of important/sensitive topics to Conference and Chairmanship in the fulfilment of the tasks in between Conference Meetings or in case of a crisis in the Energy Charter Process.
- Discuss the specific and political topics submitted to it by the Conference and/or its Chairmanship (or the Secretary General through the Chairmanship), including issues provided by the Subsidiary Bodies, Staff Committee, Contracts Committee, Advisory Board and Industry Advisory Panel (IAP).
- Perform any other function/task assigned to it by the Conference.
- Deal with any question relevant to the International / European Energy Charters and the Energy Charter Treaty (ECT), as well as decisions of the Energy Charter Conference directly addressed to the Management Committee.
- Prepare the work of the Conference; agenda, participation, invitations, supporting documents, outcomes.
- Implement the decisions and policies of the Energy Charter Conference directly addressed to the Management Committee; advice and facilitate its work.
- Report directly to the Conference on the execution of its duties and on the situation and prospects of the Energy Charter in short reports focused on the strategies, visions as well as on expenditures of budget, and annually on the activities of the International Energy Charter. The reports and proposals prepared by the Management Committee shall call, when appropriate, attention to the different views of the members.
- Take measures, if so empowered by the Conference and ensure implementation and respective report to the Conference.

- Serve as a selection board/Committee for the implementation of the selection processes for the appointment of the SG and DSG.
- The Management Committee should examine the programme of work and the corresponding budget estimates submitted to it by the Budget Committee and ensure that the programme of work is carried out through its approved annual budget and closely monitor its execution and expenditure.
- Submit, upon the request of the Conference or upon its own initiative, other communications to the Conference.
- Consult, cooperate and collaborate with the IAP, Knowledge Centre and Subsidiary bodies on the areas of their competence defined in their ToRs, and request their opinion on topics concerned.
- Take account of the work done by other international Organisations concerned, and may cooperate with them, in the performance of its duties.
- Receive regular reports by the Staff Committee, Advisory Board, and Contracts Committee on relative issues. It is up to the Staff Committee, Advisory Board and Contract Committee to consider the content of those reports.
- Establish such individual groups, if deemed necessary, to assist it in the performance of its duties and entrust them with the execution of any task relevant to the purpose of the International Energy Charter.
- Any other functions assigned to the Management Committee by the Rules of Procedure of the Conference or any other internal document of the organisation.

Article 2 – Composition

The Management Committee restricted composition should allow a more focused debate on sensitive topics, in preparation for the Conference. The Chair of the Conference and the Vice-Chair of the outgoing Chairmanship will co-Chair the meetings.

The Management Committee should be composed of:

- The Chair of the Conference;
- One representative of each the outgoing and incoming Chairmanships as Vice-Chairs;
- The Chairs of the subsidiary groups;
- Two representatives from the EU and a representative from each non-EU Contracting Party that contributes more than 10% of the budget;
- In addition, up to five Contracting Parties (CP's) allowing different geographical representation. CP's could nominate their representative to this body who will be confirmed/elected by the Conference by consensus for a 3 years term. The composition should take into account regional balances in order to maintain and raise the awareness of all CP's toward ECT, and ensure the effectiveness of the Committee's work;

The Management Committee shall be assisted by the Secretariat as needed.

Exceptionally, any other member of the Conference may be invited on an ad hoc basis to participate, upon agreement of the Management Committee and acceptance by the country invited by the Chair of the Conference and the Vice-Chair of outgoing Chairmanship.

Article 3 – Meetings

The Management Committee should meet periodically (at least 3 times per year) at the invitation of the Chair and the outgoing Chairmanship of the Conference. The Secretary General or at least two Contracting Parties or Signatories of the ECT could request the Chair and the outgoing Chairmanship of the Conference to convene a meeting of the Management Committee. Such request should include the topic to be discussed and the reasons for the consultation with the Management Committee.

The Members of the Conference shall be informed of the main conclusions reached at the meetings of the Management Committee.

The Chair of the Conference and the Vice-Chair of the outgoing Chairmanship shall prepare the draft Agenda to be approved by the Management Committee in line with the Rules of Procedure.

Article 4 – Role

The Management Committee would play a secondary role under the Conference, which could have some of its own independent powers upon Conference's authorisation to make recommendations to the Conference and/or the Conference Chair. The Management Committee does not detract from the Conference's standing as the sole decision-making body, but shall provide its opinion and/or proposal and/or recommendation to the Conference and/or Chair of the Conference on any question or issue within its competence. The reports, opinions, recommendations and decisions shall be adopted by consensus and/or three-fourths majority of those members present and voting in line with the Rules of Procedure for each issue. Other participant countries invited on an ad hoc basis may notify the Chairmanship and the Vice-Chair of the outgoing Chairmanship of their wish to participate to an opinion and/or a recommendation and/or decision.

STAFF MANUAL OF THE ENERGY CHARTER SECRETARIAT

(...)

REGULATION 2 - DUTIES, OBLIGATIONS AND PRIVILEGES

Staff Circular

In the event an official of the Energy Charter Secretariat becomes aware of fraud, corruption or misuse of the Organisation's resources, the official shall bring it in writing to the attention of the Secretary-General. If the official considers that the allegation has not been properly addressed, he or she should bring it in writing to the attention of the external auditor and may bring it to the attention of the Chair of the Conference or one of the Conference Vice-Chairs.

(...)

REGULATION 2-BIS.1

1. Any official who, in the course of or in connection with the performance of his/her duties, becomes aware of facts which give rise to a presumption of the existence of possible illegal activity, including serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings detrimental to the interests of the Conference or of conduct relating to the discharge of professional duties which may constitute a serious failure to comply with the obligations of officials shall without delay inform either his/her immediate superior and/or the Deputy Secretary General and/or the Secretary-General, or if he/she considers it useful, the External Auditor or the Chair of Conference or the Vice-Chair of Conference [or the Management Committee]. Information mentioned in the first subparagraph shall be given in writing. This paragraph shall also apply in the event of serious failure to comply with a similar obligation on the part of any other person in the service of or carrying out work for the Conference.
2. Any official receiving the information referred to in paragraph 1 shall without delay transmit to his/her immediate superior and/or Deputy Secretary-General and/or the Secretary-General and/or the External Auditor and/or the Chair or Vice-Chair of Conference [and/or the Management Committee] any evidence of which he/she is aware from which the existence of the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings referred to in paragraph 1 may be presumed.
3. Any official shall not suffer any prejudicial effects on the part of the institution as a result of having communicated the information referred to in paragraphs 1 and 2, provided that he/she acted reasonably and honestly.
4. Paragraphs 1 to 3 shall not apply to documents, deeds, reports, notes or information in any form whatsoever held for the purposes of, or created or disclosed to the official in the course of, proceedings in legal cases, whether pending or closed.

REGULATION 2-BIS.2

1. Any official who further discloses information as defined in Regulation 2-bis.1 para. 1, shall not suffer any prejudicial effects provided that both of the following conditions are met:
 - (a) the official honestly and reasonably believes that the information disclosed, and any allegation contained in it, are substantially true; and
 - (b) the official has previously disclosed the same information to his/her immediate superior and/or the Deputy Secretary and/or Secretary General or the External Auditor, or the Chair of Conference, or the Vice-Chair of Conference [or Management Committee] and has allowed them in the period of time set by them, given the complexity of the case, to take appropriate action. The official shall be duly informed of that period of time within 60 days.
2. The period referred to in paragraph 1 shall not apply where the official can demonstrate that it is unreasonable having regard to all the circumstances of the case.
3. Paragraphs 1 and 2 shall not apply to documents, deeds, reports, notes or information in any form whatsoever held for the purposes of, or created or disclosed to the official in the course of, proceedings in legal cases, whether pending or closed.

REGULATIONS 2-BIS.1 – 2-BIS.2 - INTERNATIONAL ENERGY CHARTER WHISTLEBLOWING GUIDELINES

Staff Circular

1. Introduction

1.1. General

(...)

1.2. Basic principles

Officials, secondees, visiting scholars, interns and staff on loan of the Secretariat have a duty to report serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings. For this purpose, officials, secondees, visiting scholars interns and staff on loan have reporting channels as determined under point 2 ‘Reporting procedures’.

The principal channel is the normal chain of hierarchical command. If an official, secondee, visiting scholar, intern or staff on loan considers it to be safer to bypass the normal chain of hierarchical command, they must be able to do so.

In particular, the principal channel for serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings is described under Regulation 2 of the Staff Regulations and Rules and its staff circular.

Officials, secondees, visiting scholars, interns and staff on loan who report on serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings in good faith must not under any circumstances be subject to retaliation for whistleblowing. These officials, secondees, visiting scholars, interns and staff on loan must be protected and their identity must remain confidential if they so desire.

The Secretariat or the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee] must verify the reported facts in the appropriate manner and, if they are confirmed, the Conference and the Secretariat will take all necessary steps to ensure the appropriate follow-up. The rights of defence of any person implicated by the reported incidents must be respected. Malicious or frivolous denunciations will not be tolerated.

1.3. Scope of the guidelines

(...)

1.4. Definitions

(...)

2. REPORTING PROCEDURES

(...)

2.2 Report to one of the External Auditor and the Chair/Vice-Chairs of the Conference [and the Management Committee])

If there is a concern that this disclosure may lead to retaliation or that the intended recipient of the report is personally implicated in the serious irregularities fraud, corruption or misuse of resources or serious wrongdoings or the official, secondee, visiting scholars, interns and staff on loan considers that the allegation was not properly addressed within the period indicated in section 4 below, the official, secondee, visiting scholar and intern in question should bypass this direct means of internal reporting. He or she should bring it in writing to the attention of one of the following: the External Auditor and the Chair of the Conference and one of the Vice-Chairs of Conference [and the Management Committee]. Upon receipt of the information reported internally, the Secretariat, or one of the following the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee], must give the whistleblower, within 60 days of receipt of the information, an indication of the period of time that it considers reasonable and necessary to take appropriate action.

If no action is taken within that period of time, or if the whistleblower can demonstrate that the period of time set is unreasonable in light of all the circumstances of the case, he or she may make use and in parallel of the possibility of whistleblowing to the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee] to which the whistleblower has not reported yet.

Disclosure to the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee], which are clearly able to hold the Secretariat to account because of their institutional role, but are also themselves subjected to the duty of discretion, therefore strikes an effective balance between the public interests of confidentiality and loyalty and those of transparency and accountability.

The Conference and the Secretariat are under the obligation to ensure the confidentiality of information received and officials, secondees, visiting scholars, interns and staff on loan of the Secretariat are therefore necessarily subjected to a duty of discretion.

It is up to the official, secondee, visiting scholars, interns and staff on loan to choose the most appropriate channel for reporting the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings that they must disclose. However, if a matter is reported to others who are not competent to deal with it, it is up to the recipient of the information to transmit, in the strictest confidence, the relevant information and documents to the competent person/authority/institutions and to inform the official, secondee, visiting scholars, interns, staff on loan accordingly.

3. PROTECTION OF WHISTLEBLOWERS

Official, secondee, visiting scholars, interns and staff on loan who reports an allegation of serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings, provided that this is done in good faith and in compliance with the provisions of these guidelines, shall be protected against any acts of retaliation.

It should be noted that official, secondee, visiting scholars, interns and staff on loan will not be expected to fully prove that a serious irregularity, fraud, corruption or misuse of resources or serious wrongdoing is occurring, nor will they lose protection simply because their honest concern turned out to be unfounded. Nevertheless, to benefit of the protection the reporting official, secondee, visiting scholars, interns and staff on loan has to provide credible evidence.

The protection continues to apply in cases of external disclosures, provided that the official secondee, visiting scholars, interns and staff on loan honestly and reasonably believes that the information and any allegation in it are substantially true. In this context, account will be taken of any information the official, secondee, visiting scholars, interns and staff on loan has had from the Secretariat and from the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] following the initial reporting.

In addition, the following specific protective measures apply:

Confidentiality of identity

The protection of a person reporting a serious irregularity, fraud, corruption or misuse of resources or serious wrongdoings in good faith shall be guaranteed, first of all, by the fact that their identity will be treated in confidence.

This means that their name will not be revealed to the person(s) potentially implicated in the alleged serious irregularity, fraud, corruption or misuse of resources or serious wrongdoings, or to any other person without a strict need to know unless the whistleblower personally authorises the disclosure of his/her identity or this is a requirement in any subsequent criminal law proceedings. In all other cases, the Conference, the Secretariat and the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] commits to keep the identity of the whistleblower confidential.

In this respect, the disciplinary procedures opened based on information of which the source is not revealed are regular, as long as it does not affect the possibility of the person who is subject to a subsequent disciplinary procedure to comment on the facts or documents transmitted, or on the conclusions that the organisation draws from them. The disciplinary rules of the organisation must allow it to keep the identity of the whistleblower confidential, while ensuring that the rights of defence of the person concerned are fully respected.

Mobility

If the official, secondee, visiting scholars, interns and staff on loan concerned wishes to be moved to another unit of the Secretariat in order to safeguard him- or herself against potential hostile reactions from his or her immediate work environment, then the Secretariat will take reasonable steps to facilitate such a move. In practice, the officials, secondees, visiting scholars, interns and staff on loan who consider it necessary to move to a different unit may address themselves to the Head of the Finance & Administration [/External Activities and Administration] Unit or the Deputy Secretary General or the Secretary General, which/who will provide them with counseling in order to identify the type of available post, which fits their profile and professional aspirations and needs of the Secretariat.

In urgent and duly justified cases, the protective measure of a transfer will be taken, including to fill an existing vacancy if possible, by the Secretary General or the Deputy Secretary General or the Chair of the Conference in consultation with the Vice-Chairs [and the Management Committee].

Appraisal, advancement and promotion

Particular care will be taken during staff appraisal, advancement and promotion procedures to ensure that the whistleblower suffers no adverse consequences in this context.

Anonymity

In order for the Conference and the Secretariat in particular to be able to apply protective measures, the official, secondee, visiting scholars, interns and staff on loan concerned should identify him- or herself as a whistleblower, and to observe the procedures as outlined above.

The protection offered reduces the need and justification for anonymity.

Anonymity deprives the investigative services of the possibility of asking the source for clarification or more information and enhances the risk of frivolous, malicious or unreliable information. For these reasons, anonymous reporting is not encouraged.

Penalties for those taking retaliatory action

No official, secondee, visiting scholars, interns and staff on loan of the Secretariat may use his/her position to prevent other officials, secondees, visiting scholars, interns and staff on loan from complying with their obligation to report serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings.

Any form of retaliation undertaken by an official, secondee, visiting scholars, interns and staff on loan against any person for reporting a serious irregularity, fraud, corruption or misuse of resources or serious wrongdoings in good faith is prohibited. In such cases, disciplinary measures will be taken against persons performing any form of retaliation.

Limits

As explained above, the whistleblowing provisions are concerned only with reporting of information pointing to serious irregularities, fraud, corruption and misuse of resources or serious wrongdoings. They are not intended to be used as substitutes for grievance procedures where officials, secondees, visiting scholars, interns and staff on loan have some personal interest in – or seek to dictate the outcome. They are also inappropriate for dealing with disagreements over legitimate policies. Their purpose is to allow the officials, secondees,

visiting scholars and interns and staff on loan to raise a concern about wrongdoings so that those in charge may look into them.

It should be noted that the protection is lost if the official, secondee, visiting scholars, interns and staff on loan makes unwarranted or damaging allegations that he/she cannot show to be honest or reasonable.

Similarly, if the official, secondee, visiting scholars, interns and staff on loan makes the disclosure for purposes of private gain – for instance, by providing the information to external parties – he/she will forfeit this protection as that would not be a legitimate disclosure in the sense of the whistleblowing guidelines.

Finally, if the official, secondee, visiting scholars, interns and staff on loan is him or herself implicated in the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings and decides to come forward and report these irregularities, fraud, corruption or misuse of resources or serious wrongdoings, this fact may constitute a significant attenuating circumstance in any ensuing disciplinary proceedings, but it is not a qualifying disclosure in the sense of these guidelines and does not provide him or her with full protection against disciplinary consequences on the basis of the whistleblowing guidelines.

4. FEEDBACK TO THE WHISTLEBLOWER

The Secretariat or the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee] must give the whistleblower with an indication of the time needed to take appropriate action. If no action is taken within that period of time, or if the whistleblower can demonstrate that the period of time set is unreasonable in light of all the circumstances of the case, he or she may address his or her concerns to one of the others referred to in section 2 above.

It should be noted that the whistleblower is entitled to be informed within 60 days of the time needed to take appropriate action, but that it is up to the authority having received the reporting to determine the appropriate course of action.

5. GUIDANCE AND SUPPORT

While reporting serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings is an obligation under the Staff Regulations, some officials, secondees, visitingscholars, interns and staff on loan may be reticent to come forward and report their concerns. In order to help officials, secondees, visiting scholars, interns and staff on loan who are unsure of whether or not certain facts should be reported, the Conference and the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] and the Secretariat offers confidential and impartial guidance and support to (potential) whistleblowers.

Guidance to potential whistleblowers at an early stage also helps to avoid ill-advised reporting, which may cause frustration to the official, secondee, visiting scholars, interns and staff on loan concerned and may be detrimental to the interests and the reputation of the Conference and the Secretariat. This guidance therefore lessens the risks of disclosure-related conflicts.

That is best carried out by a point of contact appointed, taking account of the fact that, in particular, support to whistleblowers and protection against retaliation are essentially the responsibility of the Conference as employer, including the Secretariat.

The Finance & Administration [/External Activities and Administration] Unit, the Legal Affairs, the Staff Committee [and the Management Committee] will provide confidential and impartial guidance on the whistleblowing procedure and respond to such questions as for example,

- whether the information in question is covered by the whistleblowing guidelines,
- which reporting channel may best be used for the information concerned, and
- which alternative procedures are available if the information concerned does not qualify for whistleblowing ('signposting').
- which will also be able to tender advice and guidance to officials, secondees, visiting scholars, interns and staff on loan on protective measures that the officials, secondees, visiting scholars, interns and staff on loan may wish to seek following the reporting.

Naturally, this guidance is without prejudice to the possibility of the official, secondee, visiting scholar, intern and staff on loan to consult his/her immediate superior.

In case of doubt, officials, secondees, visiting scholars, interns and staff on loan are encouraged to seek the guidance offered to them when contemplating a disclosure under the whistleblowing guidelines.

6. ROLE OF THE SECRETARY GENERAL AND THE DEPUTY SECRETARY-GENERAL

The duty of the Deputy Secretary General and the Secretary General to notify the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] in case of information in accordance with the section 2 above received from officials, secondees, visiting scholars, interns and staff on loan on the basis of the whistleblowing guidelines does not of itself discharge them from their own responsibilities to tackle the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings

They will therefore have to reflect on whether the evidence provided reveals shortcomings that could be addressed or require other measures; in which case he/she will propose measures to be discussed first by the Senior Management [and then the Management Committee]. In particular, if following such information, it occurs that a procedural or organisational change could prevent the risk of serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings in the future, such measures should be considered and, where appropriate, taken as soon as possible.

Care should be taken that any such measure does not harm any future investigation into the reported facts by others (e.g. the ILOAT, the External Auditor, the Chair/Vice-Chair of the Conference [and the Management Committee]). In case of doubt, managers are therefore advised to consult with the Conference, Chair/Vice-Chair of Conference [and the Management Committee] before taking any such measures.

7. ROLE OF THE EXTERNAL AUDITOR

In case information is brought to the attention of the external auditor (in accordance with the section 2 above), the latter will ask the Secretariat to provide information and evidence, take it into account during the regular financial audit within the framework of its Terms of Reference

and in parallel take it to the Conference, [and the Management Committee], the Chair/Vice Chairs of the Conference.

8. ROLE OF THE CHAIR/VICE CHAIR OF THE CONFERENCE [AND THE MANAGEMENT COMMITTEE]

In case allegations are communicated to the Chair/Vice Chairs of the Conference [and the Management Committee] (in accordance with the sections 2 or 7 above), he/she will request the Secretariat to provide information and evidence. Following an analysis of facts, and considering the relevance of the information, the Chairperson may propose to include an agenda item for discussion at the Conference and bring the issue to [the Management Committee], the Vice-Chairs of the Conference and the External Auditor to take it into account during the Audit(s).

9. COMMUNICATION AND AWARENESS-RAISING

(...)

10. REVISION

(...)

11. FINAL PROVISIONS

(...)

Rule 4.2 (b) - CONSTITUTION OF THE STAFF COMMITTEE

Staff Circular

RULES OF PROCEDURE OF THE STAFF COMMITTEE

(...)

9. Relations with the Charter Conference and the Budget Committee

Whenever it considers it necessary, as a means of protecting staff interests, the Committee may address notes to the Chairpersons of the Charter Conference and/or the Budget Committee.

RISK MANAGEMENT PROTOCOL

I. OBJECTIVES	29
II. DEFINITIONS	29
III. PILLARS	29
IV. PRINCIPLES	30
V. RISK MANAGEMENT SYSTEM	30
A) Communication and Consultation.....	31
B) Context	31
C) Risk Assessment.....	31
D) Treatment.....	34
E) Monitoring and Review	35
F) Recording and Reporting	35
VI. GOVERNANCE.....	35
VII. CULTURE AND CAPACITY BUILDING	37
ANNEX 1 DRAFT RISK REGISTER – TEMPLATE.....	38

OBJECTIVES

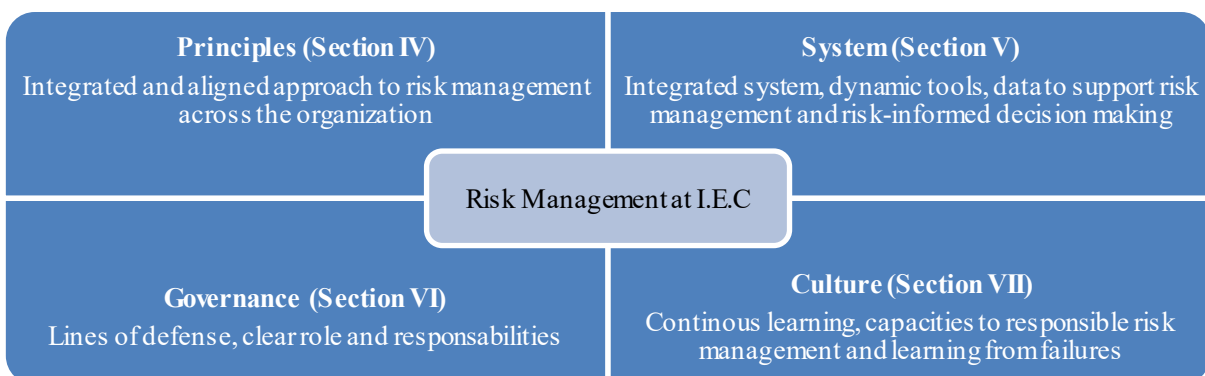
1. The Risk Management Protocol is designed in a systematic and organisation-wide approach, which supports the achievement of the goals of the International Energy Charter (the Organisation) by proactively assessing and managing risks across the Organisation. The objectives of the Risk Management Protocol are to ensure the sustainability of the Organisation as well as the adoption of risk-informed decisions across all levels of the Organisation.
2. The framework provided by the Protocol does not replace any existing provisions of the Staff Regulations and Rules, Rules of Procedure of the Energy Charter Conference or decisions of the Conference and cannot contradict their application.

DEFINITIONS

3. For the purposes of the Protocol, the following terms and definitions apply:
 - **Risk:** the effect of uncertainty on the organisation's objectives, which could be either positive and/or negative. A risk, if realised, may enhance, prevent, degrade, accelerate or delay the achievement of objectives.
 - **Risk assessment:** the overall process of risk identification, analysis and evaluation. It aims at providing sufficient information at appropriate intervals for risk-informed management decisions.
 - **Risk management:** coordinated activities to direct and control the organisation with regard to risks.
 - **Risk criteria:** the factors against which the significance of a risk is determined
 - **Event:** an occurrence or change of a particular set of circumstances.
 - **A stakeholder:** a person or entity which can affect, be affected by, or perceive themselves to be affected by a decision or an activity.

PILLARS

4. The Risk Management Protocol is based on four pillars, summarised in the following diagram and detailed in subsequent sections:



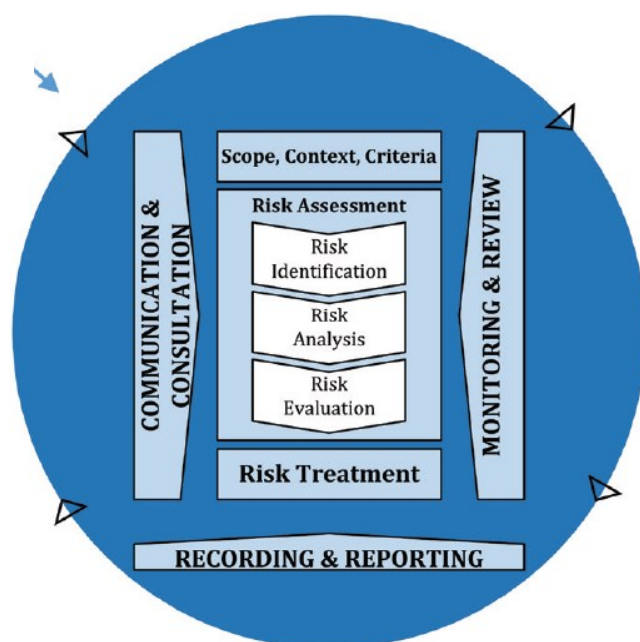
PRINCIPLES

5. The principles below ensure the effectiveness of the Risk Management Protocol:

- Integrated and aligned: risk management is an integral part of all the activities of the Organisation.
- Structured and comprehensive: to facilitate consistent and comparable results.
- Inclusive: appropriate and timely involvement of stakeholders [via discussions in relevant working groups and consultations] enables their knowledge, views and perceptions to be considered.
- Dynamic: it should address changing risks and events in an appropriate and timely manner.
- Best available information: the inputs should also consider future expectations (not only current or historical information). Information should be timely, clear and available to the relevant stakeholders.
- Continual **improvement**: the organisation will consider its own experience, evolving international standards and best administrative practices.

RISK MANAGEMENT SYSTEM

6. In line with ISO 31000:2018, the Risk Management system refers to six key elements: communication and consultation (A); context (B); assessment (C); treatment (D); monitoring and review (E); recording and reporting (F).



Source: ISO 31000:2018

7. These elements are applied across the whole Organisation: at the Unit's level, at Secretariat's level and at the Organisation's level.

A) Communication and Consultation

8. An inclusive communication and consultation with all the relevant stakeholders, including staff, should take place at regular intervals to inform on risk identification, assessment, treatment, monitoring, reporting and review.

B) Context

9. The contextual analysis, identifying key trends and issues, hazards and opportunities, provides a key source of evidence to contribute to the identification of risks. Establishing the context requires understanding the external and internal context relevant for the realisation of objectives at each level.
10. **External context** includes but is not limited to social, cultural, environmental, political, legal, financial, technological, security and economic factors. It also implies understanding the external stakeholders and their relationships, perceptions, and expectations. Similarly, the **internal context** includes strategic objectives, values, standards, resources available, business processes, organisational culture, relationships with internal stakeholders, capacities, etc.

C) Risk Assessment

11. **Risk identification** considers ‘future events’, their causes and potential impacts. In the context of the International Energy Charter, the following risk categories could be identified:

1) Financial:

- a) Deviation from the approved budget
In accordance with Article 19 of the Financial Rules, a system of budget control is established to periodically forecast budget results and unforeseen expenditure.
- b) Reliability of accounting and reporting in accordance with International Public Sector Accounting Standards (IPSAS)
In accordance with Article 24 of the Financial Rules in conjunction with Instruction 14 of the Financial Rules, internal rules of procedure are established to permit financial reporting on all activities of the Secretariat to ensure that financial information provided is the most accurate and relevant.
- c) Value for Money
- d) Market risk
- e) Foreign currency exchange risk
- f) Interest rate risk
- g) Credit risk
- h) Liquidity risk

2) Deliverables:

- a) impact on the expected deliverables
- b) required unexpected deliverables

3) Operational:

- a) Delay or acceleration of applicable operations
- b) Inadequate project management

- c) Lack of forward-planning

4) Organisational:

- a) Governance
- b) Accountability
- c) Human resources: effect of the organisation’s actions on the personnel
- d) Internal control

5) Compliance:

- a) Fraud and Corruption
In accordance with Instruction 14 of the Financial Rules, internal control procedures are established to ensure sound financial management, including preventive, detective and corrective internal controls in relation to the legality and regularity of the operations, to the prevention of fraud and conflict of interests and to the safeguarding of the Organisation’s interests.
- b) Changes in the regulatory framework within the country of operation;
- c) Changes in the international regulatory framework, including principles of international civil service
- d) Deviation from rules and regulations applicable within the Organisation
- e) Privacy breaches
- f) Compliance with the Manual on Data Protection and international best practices.
- g) Process risk
- h) Compliance with established procedure and standard process.

6) Strategic:

- a) Code of conduct and ethics
- b) Public opinion and media
- c) Stakeholder relations
- d) Reputation

7) Safeguarding and valuation of assets:

- a) Ensure permanent inventory of the movable and immovable property constituting the assets of the Secretariat in accordance with Article 24(2)(d) of the Financial Rules;
- b) Maintain detailed records of all assets and liabilities of the Secretariat in accordance with Article 25 of the Financial Rules.

12. Each identified risk is assigned to a category and recorded in the **Risk Register** (the template of a risk register is presented in Annex 1).

13. **Risk analysis** requires an assessment of the **likelihood** of a risk and its potential **impact** on the objectives to be determined based on available information:

Likelihood	1	2	3
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Likelihood	1	2	3
Description	Low chance of materialising (<30%)	Moderate chance of materialising (30% - 70%)	High chance of materialising (>70%)

Impact	1	2	3
Financial	<15% deviation from the approved budget	15-45% deviation from approved budget	>45% deviation from approved budget
Deliverables	<20% of expected deliverables were impacted negatively or positively and/or Negligible or no negative or positive impact of the expected deliverables	20-50% of expected deliverables were impacted negatively or positively and/or Moderate negative or positive impact on the expected deliverables	>50% of expected deliverables were impacted negatively or positively and/or Significant negative or positive impact on the expected deliverables
Operational	Delay or acceleration functioning by less than 2 weeks	Delay or acceleration of applicable operations by 2 to 6 weeks	Delay or acceleration of applicable operations by more than 6 weeks
Compliance	Negligible deviation from applicable rules and regulations	Moderate deviation from applicable rules and regulations	Significant deviation from applicable rules and regulations
Safety and Security	Almost none or little effect on the personnel	Moderately injurious or traumatic effect on the personnel and/or Moderately injurious or traumatic effect directly or indirectly caused by the organisation's actions	Severe psychological/physical effect on the personnel and/or severe psychological/physical effect caused by the organisation's actions
Reputation	Isolated and/or several negative or positive comments from external stakeholders	Negative or positive reports/articles in national, regional and/or international media	Negative or positive reports/articles in several national, regional and/or international media for a significant period, and/or criticism from key stakeholders

14. Based on the likelihood and impact as presented above, the **risk level** (high, moderate or low) is determined:

Likelihood

3			
2			
1			
	1	2	3

Impact



Low



Moderate



High

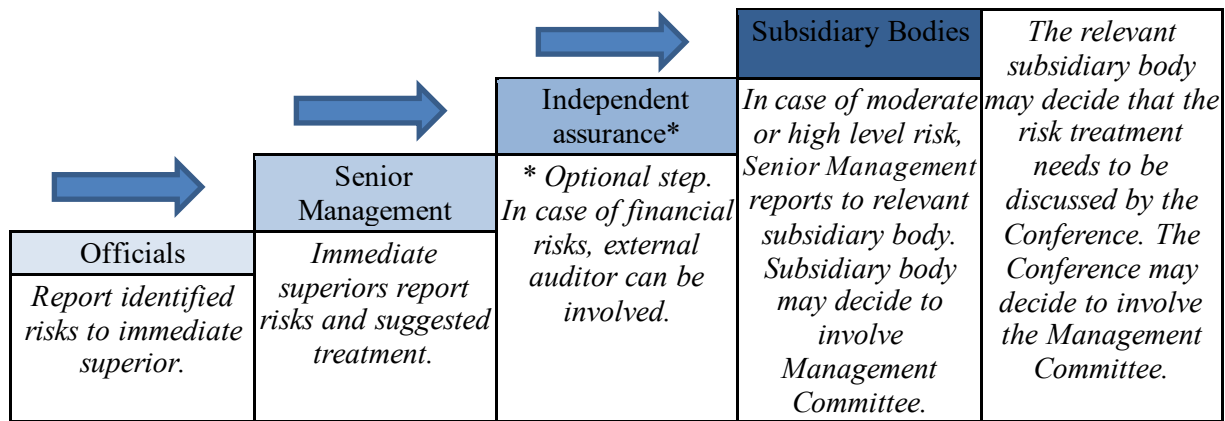
15. High-Level Risks: require further in-depth risk analysis, as well as analysis of treatment and monitoring measures, and of any necessary budget in case of its materialisation. The analysis needs to include the precautions to eliminate unnecessary damage on the Organisation, including its staff members.
16. Moderate-Level Risks: require analysis of treatment and monitoring measures, as well as appropriate budgeting in case of its materialisation.
17. Low-Level Risks: do not require further analysis or treatment.
18. Based on the above analysis, an **evaluation** is made in order to determine which risks can be assumed and which risks require a priority response.

D) Treatment

19. Selecting the most appropriate treatment option(s) involves balancing the potential benefits derived from the achievement of the deliverables set in the Programme of Work against the disadvantages of implementing some measures.
20. For example, according to draft Article 19(3) of the Financial Rules, if the risk of budget over-expenditure is identified, the Deputy Secretary-General may suspend the use of appropriations or of specific commitments of appropriations for which no legal commitments exist.
21. Risks could be considered as potential threats, but also as opportunities. A low level of risk is usually tolerated (in order to achieve the mandate and strategic objectives) and doesn't require particular treatment. On the contrary, for each High or Moderate level risk, specific risk measures must be identified.
 - In case of threats to organisational objectives, risk treatment may be to:
 - o **Terminate**: seeking to eliminate the activity that triggers such a risk
 - o **Transfer**: passing the ownership and/or liability to a third party
 - o **Mitigate**: reducing the likelihood and/or impact of the risk below the threshold of acceptability
 - o **Tolerate**: enduring the risk
 - In case of opportunities, risk treatment may be to:
 - o **Exploit**: making the opportunity happen to benefit from it
 - o **Experiment**: testing new solutions in uncertain contexts
 - o **Enhance**: increase the likelihood or impact through reinforcing the trigger condition or increasing the exposure
 - o **Accept**: no proactive actions
22. Following the appropriate level of reporting, the identified risks could be escalated. Since not all risks could be managed at the level where they are identified, depending on the circumstances and the measures to be adopted, the discussion could be escalated to a higher decision-maker. In this case, management of risks shall be escalated in accordance with the table below:



Conference



E) Monitoring and Review

23. Regular risk **monitoring and review** should be conducted on all levels and categories of risk within the Organisation to inform management decisions and its results should be recorded in the risk register and reported as appropriate. The risk register needs to be updated if new information becomes available that affects the identification, analysis, evaluation and treatment measures. Real-time monitoring of opportunities and threats should be considered in rapidly changing contexts to provide an early-warning mechanism and enable proactive response. In addition, the status and effectiveness of the treatment measures adopted also need to be monitored.

F) Recording and Reporting

24. While all identified risks are recorded in a risk register, **risk reporting** ensures that relevant risk information is available across all levels of the organisation in a timely manner to provide the necessary basis for risk-informed decision making.
25. Risk reporting is organised in accordance with steps applicable to the escalation of risk treatment. Only Moderate and High level risks are to be reported to the Contracting Parties during a meeting of the subsidiary groups.
26. Any revision to the present Protocol is to be discussed by the Budget Committee.

GOVERNANCE

27. The Organisation is governed in accordance with five lines of defence as presented below⁴⁴.
- **First line of defence:** Immediate superior’s responsibility and daily control of risks
28. All officials of the Organisation have a role to play in risk management.
29. Identified risks and breaches shall be immediately reported to the competent authority in line with the Staff Manual (in most of the cases, this would mean the immediate superior).
30. Consequently, immediate superiors oversee risk management by providing fair leadership, ensuring the effective operation of controls, proper communication of such risk and taking responsibility for the actions or inactions of their subordinates.
- **Second line of defence:** Hierarchical control and oversight

⁴⁴ Originally, three lines of defence: 2014 The Institute of Internal Auditors *The Three Lines of Defence in Effective Risk Management and Control, IIA Position Paper.*

31. In line with the hierarchy of the Organisation, the Secretary-General is accountable for the adequacy of the Secretariat's risk management. In this task, the Secretary-General is assisted by the Deputy Secretary-General, Senior Management and different internal bodies of the Secretariat.
- **Third line of defence: Independent assurance***
32. * Optional element. In case of financial risks, the external auditors could be involved in line with the existing provisions of the Organisation. The external auditor is responsible for providing the Conference with a reasonable assurance that the organisation is managed on a sound economic and efficient basis, as well as reasonable assurance standard that financial statements give a true and fair view of the Secretariat's net equity and financial position. The external auditor performs its statutory duties in accordance with the Financial Rules, Implementing instructions and Terms of Reference of the External Auditors.
- **Fourth line of defence: Subsidiary Bodies of the Conference**
33. In line with their Terms of Reference, the relevant subsidiary body of the Conference will address possible risks and their mitigation at one of its meetings. A subsidiary body may decide to discuss the issue with the Management Committee.
- **Fifth line of defence: The Energy Charter Conference**
34. As the governing and decision-making body of the Organisation, the Energy Charter Conference will receive, if needed, relevant reports from the subsidiary bodies with respect to Risk Management in the organisation. The Conference may decide to authorise the Management Committee to address specific risks, in line with the latter's Terms of Reference.

CULTURE AND CAPACITY BUILDING

35. The Organisation recognises that the mindsets and behaviours of individuals and groups inside the organisation play a crucial role in the effective execution of Risk Management. A mature risk management culture is characterised by the following:
- Risk-informed decision making at all levels, including flexibility for adaptive management and course correction.
 - Responsible risk-taking and innovation is rewarded.
 - ‘Failures’ are acknowledged and recognised as part of the learning curve, particularly while operating in complex contexts.
 - Continuous learning for strengthened risk management capacities.
 - Key stakeholders are involved in all stages of the risk management process.
 - Absence of approaching risk management purely as a compliance issue.
 - Open communication on all risk management issues and lessons learned and a culture of “working out loud.”
 - Adequate budget allocations for risk management at all levels.
 - Secretariat’s personnel are enabled to ‘stay and deliver’ at an acceptable level of security risk.
36. The Deputy Secretary-General is to consider annual training on risk management for officials of the Secretariat and officers of the Conference.

ANNEX 1 DRAFT RISK REGISTER – TEMPLATE

N°	Description	Category	Risk Level: Impact/Likelihood	Risk Treatment	Responsible
	<i>Brief description of the risk</i>	Financial Deliverables Operational Organisational Regulatory Strategic	<i>Potential effect if future event occurs.</i> <i>Risk Level (High, Moderate or Low) based on Likelihood (1-2-3) and Impact (1-2-3)</i>	<i>Action(s) taken</i>	<i>The person or organ in charge</i>