

**ENERGY CHARTER
SECRETARIAT**

CCDEC 2023

14 BUD

Brussels, 20 November 2023

Related documents: CC 795 Rev

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Budget 2024-2025

The Energy Charter Conference at its 34th Statutory Meeting held on 20 November 2023 approved the attached Budget for 2024-2025 and requested the Budget Committee to discuss the comments proposed by a delegation and potential revision if needed.

DRAFT BUDGET 2024-2025

1. The draft budget for the biennium 2024-2025 has been prepared based on the outline of the budget 2024-2025 (CCDEC 202310, though some amounts initially estimated may have been updated) taking into account the following elements:

For 2024:

- The calculation of national contributions is based on 0% increase of the absolute Euro amount of the contributions of each individual country compared to 2023, and in accordance with the Financial Rules and Implementing Instructions, as well as continuation of application of the “rule of 22%”;
- A draw from the General Reserve Fund of up to 10% of its value as at the end of 2022, EUR 225 000, to compensate the lack of contributions due to withdrawals of France, Germany and Poland in the implementation of Budget Part I;
- No further compensation for withdrawal of Australia;
- The withdrawal of France, Germany, Poland and Luxembourg from the Energy Charter Treaty, and announcements of withdrawal intention from Netherlands, Slovenia and Spain;
- An update of the contributions as of 31 August 2023, based on the information available to the Secretariat as of such date regarding those Contracting Parties which have announced their withdrawal intentions but have not actually submitted notification to the Depository by such date, and covering 6 months out of 12 months of the contributions due from such Contracting Parties for the year 2024;
- The major items, 1 “Salaries and Allowances” and 2 “Benefits and Grants”, are based on estimated human resources necessary for the performance of the Programme of Work covering the activities from the Energy Charter Treaty and the outline budget (CCDEC 202310);
- The absence of additional voluntary contributions for 2024 - 2025;
- The availability of the Working Capital Funds for 2024;
- A review of all expenditure, including salaries, and renegotiation of contracts for goods and services:
 - The Secretariat has renegotiated its rental agreement to reduce rented space from 900 to 700 sq. m. Full renegotiation of rental space will be possible as of end of December 2025, at the end of the 9-years initial rental agreement.
 - The Secretariat has reviewed salaries by lowering grades and/or steps.
- The major items, “1 Salaries and Allowances” and “2 Benefits and Grants”, are based on estimated human resources as approved by document CCDEC 202310 on the structure of the Secretariat and include 9 positions in 2024 (4 A-grades, 5 B-grades and 0 C-Grades) vs 27 positions (10 A-grades, 6 B-grades and 11 C-Grades) in 2023;

For 2025:

- Additional announcements of intentions to withdraw of Contracting Parties, namely European Union, may materialise during 2024, therefore the 2025 budget needs to be reviewed in 2024 on a regular basis¹.
2. Due to pending announcements of withdrawals of Contracting Parties, it will be necessary to review the budget in 2024 to adjust based on the new information that may become available.

¹ If all announcements of intentions to withdraw were to materialize during or before 2024, the budget of the Secretariat for 2025 would decrease to a threshold where only operation expenditures (i.e. rent) could be covered and a more significant draw from the General Reserve Fund shall be considered to ensure payment of remuneration of an even more decreased number of staff.

DRAFT BUDGET 2024-2025
SUMMARY TABLE

The available resources to finance the budget of the Secretariat consists of:

A. Income of the year

- national contributions: EUR 2 031 485 excluding the contribution from the Russian Federation;
- voluntary contributions: EUR 0;
- subsidies, gifts, legacies or miscellaneous income: EUR 0;

B. Use of reserves

- General Reserve Fund: EUR 225 000;

These resources are divided into two categories: Budget Part I for national contributions and Budget Part II for all other resources. These resources are summarised in the table below:

All figures in Euros

Available budget (income of the year or use of reserves)	2024	2025
Budget Part I (income of the year)		
<i>National Contributions²</i>	2 031 485	2 031 485
Subtotal Budget Part I	2 031 485	2 031 485
Budget Part II		
<i>General Reserve Fund (use of reserves)</i>	225 000	225 000
<i>Voluntary Contributions</i>	-	-
<i>Working Capital Funds (use of reserves)</i>	-	-
<i>Financial Income (income of the year)</i>	-	-
Subtotal Budget Part II	225 000	225 000
Total available budget	2 256 485	2 256 485

² The amount contributions might change in 2025 since the United Nations' scale of assessments is valid for years 2022-2024 (see UN document [A/76/11](#) for the latest information on the scale of assessments).

The Secretariat plans to use these available resources in 2024 to finance:

All figures in Euros

<i>Expenditure</i>	<i>BP I</i>	<i>BP II</i>	<i>2024</i>
<i>1 Salaries and Allowances</i>	<i>1 069 181</i>		<i>1 069 181</i>
<i>2 Benefits and Grants</i>	<i>360 777</i>		<i>360 777</i>
<i>3 Removals, Travel and Missions</i>	<i>100 000</i>		<i>100 000</i>
<i>4 Meetings and Events</i>	<i>64 500</i>		<i>64 500</i>
<i>5 Representation</i>	<i>2 000</i>		<i>2 000</i>
<i>6 Operating Expenditure</i>	<i>350 000</i>		<i>350 000</i>
<i>7 Capital Expenditure</i>	<i>60 000</i>		<i>60 000</i>
<i>8 Miscellaneous</i>	<i>250 027</i>		<i>250 027</i>
<i>Total Income</i>	<i>2 256 485</i>		<i>2 256 485</i>

Based on the information available as of 1 August 2023, the Secretariat adopted the assumption that the level of budget available in 2025 will be similar to 2024.

However, if all announcements of intentions to withdraw were to materialise during or before 2024, the budget of the Secretariat for 2025 would decrease to an estimate of around EUR 350,000 of contributions, which, together with a potential 10% draw from the General Reserve Fund with a rough estimate of EUR 200,000, would be equal to a budget of roughly EUR 550,000. This is the threshold where only operating fixed expenditures (i.e. rent) could be covered. A more significant draw from the General Reserve Fund needs to be considered to ensure payment of remuneration of an even more decreased number of staff.

The Secretariat plans to use these available resources in 2025 ³ to finance:

All figures in Euros

Expenditure	BP I	BP II	2025
<i>1 Salaries and Allowances</i>	<i>1 069 181</i>		<i>1 069 181</i>
<i>2 Benefits and Grants</i>	<i>360 777</i>		<i>360 777</i>
<i>3 Removals, Travel and Missions</i>	<i>100 000</i>		<i>100 000</i>
<i>4 Meetings and Events</i>	<i>64 500</i>		<i>64 500</i>
<i>5 Representation</i>	<i>2 000</i>		<i>2 000</i>
<i>6 Operating Expenditure</i>	<i>350 000</i>		<i>350 000</i>
<i>7 Capital Expenditure</i>	<i>60 000</i>		<i>60 000</i>
<i>8 Miscellaneous</i>	<i>250 027</i>		<i>250 027</i>
Total Income	2 256 485		2 256 485

³ If all announcements of intentions to withdraw were to materialise during or before 2024, the budget of the Secretariat for 2025 would decrease to a threshold where only operation expenditures (i.e. rent) could be covered and a more significant draw from the General Reserve Fund need to be considered to ensure payment of remuneration of an even more decreased number of staff.

DRAFT BUDGET 2024-2025
BUDGET PART I

Budget Part I is financed by national contributions or voluntary contributions for general purpose. The total amount of Budget Part I has been fixed at EUR 2 256 485 (representing about half of the budget of the previous years) excluding the contribution of the Russian Federation and any voluntary contribution for general purpose (none offered). The Secretariat proposes the following use of these available resources:

All figures in Euros

<i>Budget Items⁴</i>	<i>2024</i>	<i>2025</i>
<i>1 Salaries and Allowances</i>	<i>1 069 181</i>	<i>1 069 181</i>
<i>2 Benefits and Grants</i>	<i>360 777</i>	<i>360 777</i>
<i>3 Removals, Travel and Missions</i>	<i>100 000</i>	<i>100 000</i>
<i>4 Meetings and Events</i>	<i>64 500</i>	<i>64 500</i>
<i>5 Representation</i>	<i>2 000</i>	<i>2 000</i>
<i>6 Operating Expenditure</i>	<i>350 000</i>	<i>350 000</i>
<i>7 Capital Expenditure</i>	<i>60 000</i>	<i>60 000</i>
<i>8 Miscellaneous</i>	<i>250 027</i>	<i>250 027</i>
<i>Total Budget Part I</i>	<i>2 256 485</i>	<i>2 256 485</i>

All items are detailed, when necessary, in the explanatory notes below.

⁴ Budget items shown are based on the same structure of the budget as 2022 – 2023 (see BC 360 rev 4).

Grading and Posting⁵

<i>Grading</i>	<i>2023</i>	<i>2024</i>	<i>2025</i>
<i>A-Grades</i>	<i>10</i>	<i>4</i>	<i>4</i>
<i>B-Grades</i>	<i>6</i>	<i>5</i>	<i>5</i>
<i>C-Grades</i>	<i>11</i>	<i>0</i>	<i>0</i>
<i>Total Positions</i>	<i>27</i>	<i>9</i>	<i>9</i>

<i>Posting^{6 7}</i>	<i>E/T⁸</i>	<i>2023</i>	<i>Posting⁹</i>	<i>E/T¹⁰</i>	<i>2024</i>	<i>2025</i>
<i>Secretary General's Office</i>		<i>2</i>	<i>Secretary General's Office</i>		<i>2</i>	<i>2</i>
<i>A6+/A7+ Secretary General</i>	<i>E</i>	<i>1</i>	<i>A6 Secretary General</i>	<i>E</i>	<i>1</i>	<i>1</i>
<i>B4/B5 Secretary</i>	<i>E</i>	<i>1</i>	<i>B3 Secretary</i>	<i>T</i>	<i>1</i>	<i>1</i>
<i>C4/C5 SG Office Coordinator</i>	<i>T</i>	<i>0</i>				
<i>Deputy Secretary General's Office</i>		<i>2</i>	<i>Deputy Secretary General's Office</i>		<i>1</i>	<i>1</i>
<i>A5/A6 Deputy Secretary General</i>	<i>E</i>	<i>1</i>	<i>A5 Deputy Secretary General</i>	<i>E</i>	<i>1</i>	<i>1</i>
<i>C5/C6 Secretary</i>	<i>E</i>	<i>1</i>				

⁵ See document GOV 17 rev 4 - on the structure of the Secretariat in 2023 and document CCDEC202310 - on the structure of the Secretariat in 2023

⁶ 2023 grading indicated in **bold** except when post is vacant or does not yet exist.

⁷ See document GOV 17 rev 4 - on the structure of the Secretariat in 2023 and document CCDEC202310 - on the structure of the Secretariat in 2023

⁸ Establishment table (E) or Temporary Officials (T) positions

⁹ See document GOV 17 rev 4 - on the structure of the Secretariat in 2023 and document CCDEC202310 - on the structure of the Secretariat in 2023

¹⁰ Establishment table (E) or Temporary Officials (T) positions

Posting^{6 7}	E/T⁸	2023	Posting⁹	E/T¹⁰	2024	2025
Legal Affairs Office		4	Legal Affairs Office		1	1
<i>A3/A4 General Counsel</i>	<i>E</i>	<i>1</i>	<i>A3 General Counsel</i>	<i>E</i>	<i>1</i>	<i>1</i>
<i>B4/B5 Legal Assistant</i>	<i>E</i>	<i>1</i>				
<i>C4/C5 Junior Legal Assistant</i>	<i>T</i>	<i>2</i>				
Administration and External Activities Unit		9	Administration External Activities and Implementation Unit		5	5
<i>A3/A4 Head of Unit</i>	<i>E</i>	<i>1</i>	<i>A3 Head of Unit</i>	<i>E</i>	<i>1</i>	<i>1</i>
<i>A2/A3 Expansion Official</i>	<i>E</i>	<i>1</i>	<i>B3 Investment Official</i>	<i>T</i>	<i>1</i>	<i>1</i>
<i>B5/B6 Administrative Assistant</i>	<i>E</i>	<i>1</i>	<i>B3 Transit & Climate Official</i>	<i>T</i>	<i>1</i>	<i>1</i>
<i>B4/B5 Administrative Assistant</i>	<i>E</i>	<i>2</i>	<i>B3 Energy Efficiency & Renewable Energy Official</i>	<i>T</i>	<i>1</i>	<i>1</i>
<i>B4/B5 Expansion & Outreach Assistant</i>	<i>E</i>	<i>1</i>	<i>B3 Treaty Implementation Official</i>	<i>T</i>	<i>1</i>	<i>1</i>
<i>C5/C6 Knowledge Centre Principal Coordinator</i>	<i>T</i>	<i>1</i>				
<i>C4/C5 Expansion & Outreach Coord.</i>	<i>T</i>	<i>1</i>				
<i>C4/C5 Knowledge Centre Coordinator</i>						
Implementation Unit		10				
<i>A3/A4 Head of Unit</i>	<i>Est.</i>	<i>1</i>				
<i>A3/A4 Senior Investment Official</i>	<i>Est.</i>	<i>1</i>				
<i>A2/A3 Investment Official</i>	<i>Est.</i>	<i>1</i>				
<i>C4/C5 Investment Coordinator</i>	<i>Temp</i>	<i>1</i>				
<i>C4/C5 Investment Coordinators</i>	<i>Temp</i>	<i>2</i>				
<i>A2/A3 Transit & Climate Official</i>	<i>Est.</i>	<i>1</i>				
<i>C4/C5 Transit & Climate Coordinator</i>	<i>Temp</i>	<i>1</i>				
<i>A2/A3 Energy Efficiency & Renewable Energy Official</i>	<i>Est.</i>	<i>1</i>				
<i>C4/C5 Energy Efficiency & Renewable Energy Coord.</i>	<i>Temp</i>	<i>1</i>				

<i>Posting</i> ^{6 7}	<i>E/T</i> ⁸	<i>2023</i>	<i>Posting</i> ⁹	<i>E/T</i> ¹⁰	<i>2024</i>	<i>2025</i>
<i>Total Positions including</i>		<i>27</i>	<i>Total Positions</i> ¹¹ <i>including</i>		<i>9</i>	<i>9</i>
- <i>Establishment table Officials</i>		<i>17</i>	- <i>Establishment table Officials</i>		<i>4</i>	<i>4</i>
- <i>Temporary Officials</i>		<i>10</i>	- <i>Temporary Officials</i>		<i>5</i>	<i>5</i>

Monthly basic salary scale as from 1 January 2023¹²

<i>EUR</i>	<i>STEPS</i>											
	<i>1</i>	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>	<i>11</i>	
<i>GRADES</i>	<i>C1</i>	3 143.53	3 237.79	3 332.05	3 426.31	3 520.57	3 614.83	3 709.09	3 803.35	3 897.61	3 991.87	4 086.13
	<i>C2</i>	3 321.05	3 420.69	3 520.33	3 619.97	3 719.61	3 819.25	3 918.89	4 018.53	4 118.17	4 217.81	4 317.45
	<i>C3</i>	3 472.29	3 576.43	3 680.57	3 784.71	3 888.85	3 992.99	4 097.13	4 201.27	4 305.41	4 409.55	4 513.69
	<i>C4</i>	3 688.82	3 799.43	3 910.04	4 020.65	4 131.26	4 241.87	4 352.48	4 463.09	4 573.70	4 684.31	4 794.92
	<i>C5</i>	3 937.21	4 055.33	4 173.45	4 291.57	4 409.69	4 527.81	4 645.93	4 764.05	4 882.17	5 000.29	5 118.41
	<i>C6</i>	4 309.01	4 438.30	4 567.59	4 696.88	4 826.17	4 955.46	5 084.75	5 214.04	5 343.33	5 472.62	5 601.91
	<i>B1</i>	3 276.88	3 385.01	3 493.14	3 601.27	3 709.40	3 817.53	3 925.66	4 033.79	4 141.92	4 250.05	4 358.18
	<i>B2</i>	3 563.44	3 681.06	3 798.68	3 916.30	4 033.92	4 151.54	4 269.16	4 386.78	4 504.40	4 622.02	4 739.64
	<i>B3</i>	3 957.52	4 088.11	4 218.70	4 349.29	4 479.88	4 610.47	4 741.06	4 871.65	5 002.24	5 132.83	5 263.42
	<i>B4</i>	4 455.93	4 602.99	4 750.05	4 897.11	5 044.17	5 191.23	5 338.29	5 485.35	5 632.41	5 779.47	5 926.53
	<i>B5</i>	5 043.02	5 209.44	5 375.86	5 542.28	5 708.70	5 875.12	6 041.54	6 207.96	6 374.38	6 540.80	6 707.22
	<i>B6</i>	5 762.36	5 952.52	6 142.68	6 332.84	6 523.00	6 713.16	6 903.32	7 093.48	7 283.64	7 473.80	7 663.96
	<i>A1</i>	4 926.85	5 075.08	5 223.31	5 371.54	5 519.77	5 668.00	5 890.35	6 112.70	6 335.05	6 557.40	6 779.75
	<i>A2</i>	6 296.17	6 465.15	6 634.13	6 803.11	6 972.09	7 141.07	7 394.58	7 648.09	7 901.60	8 155.11	8 408.62
	<i>A3</i>	7 768.59	7 987.32	8 206.05	8 424.78	8 643.51	8 862.24	9 190.33	9 518.42	9 846.51	10 174.60	10 502.69
	<i>A4</i>	9 027.68	9 262.67	9 497.66	9 732.65	9 967.64	10 202.63	10 555.11	10 907.59	11 260.07	11 612.55	11 965.03
	<i>A5</i>	10 455.12	10 747.74	11 040.36	11 332.98	11 625.60	11 918.22	12 357.07	12 795.92	13 234.77	13 673.62	14 112.47
<i>A6</i>	12 356.27	12 698.11	13 039.95	13 381.79	13 894.49	14 407.19	14 919.89	15 432.59				
<i>A7</i>	13 525.36	13 978.37	14 431.38	14 884.39	15 563.85	16 243.31						

* The advancement from one step to the next one is as follows :

Grades A6 to A7 : each year from step 1 to 5, two years for the higher steps

Grades A1 to A5 : each year from step 1 to 7, two years for the higher steps

Grades B and C : each year from step 1 to 8, two years for the higher steps

+ When a grade is suffixed with a +, the basic salary is increased by 5% (only applicable to the Secretary General)

<i>Other elements of remuneration</i>	
<i>Dependant Allowance</i>	326.05
<i>Household Allowance</i>	6%
<i>Expat. All. w/o household</i>	14%
<i>Expat. All. w. household</i>	18%

¹¹ Considering the high volatility of available information on the potential budget evolutions, and in line with prudent financial management principle, the Secretariat suggests minimizing the risk of exposure to additional financial liabilities by using mostly Temporary (one year) positions, where possible, and to transition to Temporary positions at the end of current contracts, where possible.

¹² A + attached to a grade denotes a supplement of 5% of the basic salary. So far, it has been used only for the Secretary-General.

Explanatory Notes

In these explanatory notes, all budget items have been included to allow for a better understanding of what is contained in each item¹³. Nevertheless, the budget is not necessarily given at all levels, but only at level of significance. The reporting on expenditure will be done at full level.

Given the substantial decrease of the budget the Secretariat plans to implement the following:

- A review of all expenditure, including salaries, and renegotiation of contracts for goods and services:
 - The Secretariat has renegotiating its rental agreement to reduce rented space from 900 to 700 sq. m. Full renegotiation of rental space will be possible as of end of December 2025, at the end of the 9-years initial rental agreement.
 - The Secretariat has reviewed salaries by lowering in grades and/or steps.
- No interns and fellows¹⁴:
interns receive a monthly allowance of EUR 800 and fellows receive a monthly allowance of EUR 2 000 and the reimbursement of their travel expenses from their place of origin to Brussels and back, if applicable, using the most economical route. In addition, if the fellow's final report is deemed by the Secretariat to be of good publishable quality, an additional lump sum of EUR 1 500 may be granted;
- No secondments¹⁵:
secondees receive a monthly allowance of EUR 2 500 and the reimbursement of their travel expenses from their place of origin to Brussels and back using the most economical route;
- All meetings of the Subsidiary Groups will take place on-line;
- Representation and Mission expenses will be limited to potential value-adding activities of promotion, cooperation and expansion, if pause is lifted;
- All possible savings wherever possible.

¹³ For more information on the content of the budget items, see document BC 360 rev 4 – Assessment and Review of the Structure of the Budget.

¹⁴ Unless cost is fully covered by voluntary contributions.

¹⁵ Unless cost is fully covered by voluntary contributions.

**1 Salaries and Allowances¹⁶ and
2 Benefits and Grants**

All figures in Euros

1 Salaries and Allowances	2024 outline¹⁷	2024 draft budget	2025 draft budget
1.1 Salaries	1 250 000	793 131	793 131
1.1.1 Established Officials		572 302	572 302
1.1.2 Temporary Officials		220 829	220 829
1.2 Allowances	180 000	276 050	276 050
1.2.1 Established Officials		203 114	203 114
1.2.2 Temporary Officials		72 936	72 936
1.2.3 Secondments		0	0
1.2.4 Internships		0	0
1.2.5 Fellowships		0	0
Subtotal Salaries and Allowances		1 069 181	1 069 181

¹⁶ If all announcements of intentions to withdraw were to materialise during or before 2024, the budget of the Secretariat for 2025 would decrease to a threshold where only operation expenditures (i.e. rent) could be covered and a more significant draw from the General Reserve Fund needs to be considered to ensure payment of remuneration of an even more decreased number of staff. The budget for 2025 will have to be reviewed accordingly.

¹⁷ Pro memoria, the Budget Lines “1.1 Salaries” and “1.2 Allowances” from the 2024 Outline budget covered the Budget Lines “1.1 Salaries and Allowances” and “2 Staff Benefits and Grants” from the Draft Budget 2024-2025.

2 Benefits and Grants	2024 outline¹⁸	2024 draft budget	2025 draft budget
2.1 Insurances		129 393	129 393
2.2 Terminal Allowances		231 384	231 384
2.3 Other		0	0
Subtotal Benefits and Grants		360 777	360 777
Total	1 430 000	1 429 948	1 429 948

All figures in Euros

3 Removals, Travel and Missions

All figures in Euros

3 Removals, Travel and Missions	2024 outline	2024 draft budget	2025 draft budget
3.1 Removals	50 000	50 000	50 000
3.2 Missions	50 000	50 000	50 000
3.2.1 Travel Expenses			
3.2.2 Allowances			

¹⁸ See footnote 17 above

3 Removals, Travel and Missions	2024 outline	2024 draft budget	2025 draft budget
<i>3.3 Other travel</i>	0	0	0
<i>3.3.1 Travel Expenses</i>			
<i>3.3.2 Allowances</i>			
Subtotal Removals, Travel and Missions	50 000	50 000	50 000

Considering the decrease in the number of officials, and their potential claims for removal costs, as per the Staff Manual, the Secretariat projected the above costs for removals.

4 Meetings and Events

All figures in Euros

4 Meetings and Events	2024 outline	2024 draft budget	2025 draft budget
4.1 Energy Charter Conference	8 000	8 000	8 000
<i>4.1.1 Premises</i>		<i>in kind</i>	<i>in kind</i>
<i>4.1.2 Catering</i>			
<i>4.1.3 Speakers, Chairs and Vice Chairs</i>	2 000	2 000	2 000
<i>4.1.3.1 Travel expenses</i>			
<i>4.1.3.2 Allowances</i>			
<i>4.1.4 Invited Experts</i>	3 000	3 000	3 000

4 Meetings and Events	2024 outline	2024 draft budget	2025 draft budget
<i>4.1.4.1 Travel Expenses</i>			
<i>4.1.4.2 Allowances</i>			
<i>4.1.5 Other</i>	<i>3 000</i>	<i>3 000</i>	<i>3 000</i>
4.2 Subsidiary Bodies Meetings	1 500	1 500	1 500
<i>4.2.1 Premises</i>			
<i>4.2.2 Catering</i>			
<i>4.2.3 Speakers, Chairs and Vice</i>			
<i>4.2.3.1 Travel expenses</i>			
<i>4.2.3.2 Allowances</i>			
<i>4.2.4 Invited Experts</i>			
<i>4.2.4.1 Travel Expenses</i>			
<i>4.2.4.2 Allowances</i>			
<i>4.2.5 Other</i>	<i>1 500</i>	<i>1 500</i>	<i>1 500</i>
4.3 Translations and Interpretations	50 000	50 000	50 000
4.4 Other Meetings and Events	5 000	5 000	5 000
<i>4.4.1 Premises</i>			

4 Meetings and Events	2024 outline	2024 draft budget	2025 draft budget
4.4.2 Catering			
4.4.3 Speakers, Chairs and Vice			
4.4.3.1 Travel expenses			
4.4.3.2 Allowances			
4.4.4 Other			
Subtotal Meetings and Events	64 500	64 500	64 500

The Secretariat plans to organise all possible meeting on-line and has, therefore, provided for minimum amount of money, in line with its statement and intention to reduce all possible costs.

The Secretariat will try to continue organising the translation of documents and the interpretation in English and Russian of all meetings of the Conference and its subsidiary bodies. Nevertheless, given (i) the number of meeting days, (ii) the number of documents being translated, and (iii) the budget planned by the Secretariat in its efforts to reduce costs, it should be envisaged to limit the translation of documents and/or the interpretation of meetings. The mandate on the modernisation of the ECT (CCDEC2019 10, point g) expressly requests that “negotiation meetings will take place (and negotiation drafts will be provided) in both English and Russian.”

5 Representation

All figures in Euros

5 Representation	2024 outline	2024 draft budget	2025 draft budget
5.1 Translations and Interpretations	0	0	0
5.2 Other Meetings and Events	2 000	2 000	2 000
Subtotal Representation	2 000	2 000	2 000

The budget for representation expenses has been sharply reduced to accommodate the Secretariat in its efforts to reduce costs.

6 Operating Expenditure

All figures in Euros

6 Operating Expenditure	2024 outline	2024 draft budget	2025 draft budget
6.1 Office Space	210 000	210 000	210 000
<i>6.1.1 Office Space Rental</i>			
<i>6.1.2 Office Space Charges, Taxes</i>			
6.2 Communications	30 000	30 000	30 000
<i>6.2.1 Postage and Courier</i>			
<i>6.2.2 Telephone</i>			
<i>6.2.3 Internet Services</i>			
<i>6.2.4 Other</i>			
6.3 Office Supplies	5 000	5 000	5 000
6.4 Library	5 000	5 000	5 000
6.5 Publications	5 000	5 000	5 000

6.6 Consultants	43 500	43 500	43 500
<i>6.6.1 Consultancy Fees</i>			
<i>6.6.2 Travel Expenses</i>			
<i>6.6.3 Other</i>			
6.7 External Auditors	19 000	19 000	20 000
6.8 Fees to Int. Organisations	9 000	9 000	9 000
6.9 Subscription to specific Services	3 500	3 500	3 500
6.10 Financial Services	20 000	20 000	20 000
<i>6.11 Other</i>			
Subtotal Operating Expenditure	350 000	350 000	350 000

In general terms, the budget item “6 Operating expenditure” has been reviewed to accommodate for efficient operations of the Secretariat taking into account the Secretariat’s efforts to reduce costs.

Budget items have been reduced where possible.

The budget item “6.6 Consultants” will cover additional expertise that may not be available within the Secretariat after the drastic reduction of staff members and therefore loss of expertise.

7 Capital Expenditure

All figures in Euros

7 Capital Expenditure	2024 outline	2024 draft budget	2025 draft budget
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7.1 Furniture

<i>7.2 IT Equipment and Software</i>	<i>60 000</i>	<i>60 000</i>	<i>60 000</i>
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7.3 Other

<i>Subtotal Capital Expenditure</i>	<i>60 000</i>	<i>60 000</i>	<i>60 000</i>
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Capital expenditure contains all expenses related to the purchase of furniture, equipment and leasehold improvements. These budget items are directly impacted by the conversion of the Secretariat accounts to International Public Sector Accounting Standards (IPSAS) standards made in 2020: all furniture, equipment and leasehold improvements are capitalised and amortised/depreciated depending on their nature on the following periods:

- 10 years for furniture;
- 6 years for transport assets;
- 4 years for equipment;
- Until the end of the lease contract for leasehold improvements.

The costs of cloud services and website hosting have been included in budget item “7.2 IT Equipment and Software” although they are not capital expenditure but operating expenditure (the Secretariat did not find any relevant budget sub-item to include it in “6 Operating Expenditure”).

8 Miscellaneous

All figures in Euros

<i>8 Miscellaneous</i>	<i>2024 outline</i>	<i>2024 draft budget</i>	<i>2025 draft budget</i>
<i>8.1 Unforeseen Activities</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>8.2 ILO AT costs</i>	<i>250 000</i>	<i>250 000</i>	<i>250 000</i>
<i>8.3 Other</i>		<i>0</i>	<i>0</i>
<i>Subtotal Miscellaneous</i>	<i>250 000</i>	<i>250 000</i>	<i>250 000</i>

As mentioned in document BC 440 Update on ILO AT procedures – there are several on-going claims from former officials and several current officials have expressed their intention to

submit claims, one official has expressed the intention to submit several. The budget item 8.2 “ILO AT costs” covers the costs of the ILO AT procedure and the potential liability of the Secretariat in one of the on-going cases, as per the evaluation of the Secretariat’s Legal.

Commitment Authority under Budget Part I

The issuance of employment contracts and their renewals are not considered as falling under the rules on Commitment Authority. These contracts are issued for an initial duration of:

- maximum 1 year for Temporary Officials, to terminate at the latest the last day of the approved budget (thus, the commitment authority does not apply) and are renewable by further periods of no more than one year;
- 5 years for the Secretary General with potential renewal of no more than 5 years, in line with [Procedural Rule XII](#) (Rules for Appointment of Secretary General);
- 4 years for the Deputy Secretary General with a potential renewal of no more than 4 years, in line with [Procedural Rule XIII](#) (Rules for Appointment of Deputy Secretary General);
- 3 years for all officials under the Establishment Table and are renewed by further periods of 1 (A-Grades) or 2 years (B and C-Grades) in line with [Staff Rule 10.1](#) (duration of appointment) of the Staff Regulations and Rules.

All these contracts are governed by the Staff Regulations and Rules (with some exceptions for the Secretary General and the Deputy Secretary General).

The conversion of the Secretariat’s accounts to IPSAS standards include:

- **Provisions for post-employment benefits:** when offering an employment contract, the Secretariat shall already plan for the departure of the official and potential payments to be made at the end of his/her employment contract (terminal allowance, removal, travel costs). The costs involved are not considered by the Secretariat as falling under the rules on Commitment Authority.
- **Capitalisation and depreciation/amortisation of assets** (4, 6, 9 or 10 years) which can be seen as a multi-annual commitment authority. For example, the purchase of IT equipment during year 1, will lead to the capitalisation of that asset during year 1 and its depreciation during years 1, 2, 3 and 4. The Secretariat considers that the capitalisation/depreciation of assets should not fall under the rules on Commitment Authority even though they have an impact on budgets beyond the approved budgets.

The Secretariat does not plan to enter in any other contractual obligations than the ones mentioned above in 2024.

National Contributions to finance Budget Part I

The calculation of national contributions is based the United Nations’ scale of assessments valid for years 2022-2024, on 0% increase of the absolute Euro amount of the contributions of each individual country compared to 2023, and in accordance with the Financial Rules, as well as continuation of application of the “rule of 22%”.

The calculation of national contributions is also based on the updated information of intended and notified withdrawals as of 31 August 2023, available to the Secretariat as of such date regarding those Contracting Parties which have announced their withdrawal intentions but have not actually submitted notification to the Depository by such date, and covering 6 months out of 12 months of the contributions due from such Contracting Parties for the year 2024.

The calculation of national contributions will have to be reviewed regularly to adjust to the information that will become available.

The indicative table of national contributions for 2024 is as follows:

<i>Country</i>	<i>Calculation 2024 - full year basis</i>	<i>Contrib. 2024 - Jun 2023</i>
<i>Afghanistan</i>	<i>611 €</i>	<i>611 €</i>
<i>Albania</i>	<i>815 €</i>	<i>815 €</i>
<i>Armenia</i>	<i>713 €</i>	<i>713 €</i>
<i>Austria</i>	<i>69,149 €</i>	<i>69,149 €</i>
<i>Azerbaijan</i>	<i>3,055 €</i>	<i>3,055 €</i>
<i>Belarus</i>	<i>0 €</i>	<i>0 €</i>
<i>Belgium</i>	<i>84,323 €</i>	<i>84,323 €</i>
<i>Bosnia & Herzegovina</i>	<i>1,222 €</i>	<i>1,222 €</i>
<i>Bulgaria</i>	<i>5,703 €</i>	<i>5,703 €</i>
<i>Croatia</i>	<i>9,267 €</i>	<i>9,267 €</i>
<i>Cyprus</i>	<i>3,666 €</i>	<i>3,666 €</i>
<i>Czech Republic</i>	<i>34,625 €</i>	<i>34,625 €</i>
<i>Denmark</i>	<i>56,317 €</i>	<i>56,317 €</i>
<i>Estonia</i>	<i>4,481 €</i>	<i>4,481 €</i>
<i>Finland</i>	<i>42,467 €</i>	<i>42,467 €</i>
<i>France</i>	<i>0 €</i>	<i>0 €</i>
<i>Georgia</i>	<i>815 €</i>	<i>815 €</i>
<i>Germany</i>	<i>0 €</i>	<i>0 €</i>
<i>Greece</i>	<i>33,098 €</i>	<i>33,098 €</i>
<i>Hungary</i>	<i>23,219 €</i>	<i>23,219 €</i>
<i>Iceland</i>	<i>3,666 €</i>	<i>3,666 €</i>
<i>Ireland</i>	<i>44,708 €</i>	<i>44,708 €</i>
<i>Japan</i>	<i>487,905 €</i>	<i>487,905 €</i>
<i>Jordan</i>	<i>2,240 €</i>	<i>2,240 €</i>

<i>Kazakhstan</i>	13,545 €	13,545 €
<i>Kyrgyzstan</i>	204 €	204 €
<i>Latvia</i>	5,092 €	5,092 €
<i>Liechtenstein</i>	1,018 €	1,018 €
<i>Lithuania</i>	7,842 €	7,842 €
<i>Luxembourg</i>	6,925 €	3,463 €
<i>Malta</i>	1,935 €	1,935 €
<i>Moldova</i>	509 €	509 €
<i>Mongolia</i>	407 €	407 €
<i>Montenegro</i>	407 €	407 €
<i>Netherlands</i>	140,233 €	70,117 €
<i>North Macedonia</i>	713 €	713 €
<i>Norway</i>	69,149 €	69,149 €
<i>Poland</i>	0 €	0 €
<i>Portugal</i>	35,949 €	35,949 €
<i>Romania</i>	31,774 €	31,774 €
<i>Slovak Republic</i>	15,785 €	15,785 €
<i>Slovenia</i>	8,045 €	4,023 €
<i>Spain</i>	217,325 €	108,663 €
<i>Sweden</i>	88,702 €	88,702 €
<i>Switzerland</i>	115,486 €	115,486 €
<i>Tajikistan</i>	306 €	306 €
<i>Turkey</i>	86,054 €	86,054 €
<i>Turkmenistan</i>	3,463 €	3,463 €
<i>Ukraine</i>	5,703 €	5,703 €
<i>United Kingdom</i>	445,548 €	445,548 €
<i>Uzbekistan</i>	2,750 €	2,750 €
<i>Yemen</i>	815 €	815 €
Total	2,217,749 €	2,031,485 €

In red, Contracting Parties who have expressed their intention and notified their withdrawal, as per the information available as of 31 August 2023.

In blue, Contracting Parties who have expressed their intention and have not notified their withdrawal, as per the information available as of 31 August 2023.

National contributions will have to be reviewed regularly, to incorporate adjustments based on the additional information that will become available.

DRAFT BUDGET 2022-2023 BUDGET PART II

Budget Part II is financed by the draw of the General Reserve Fund, voluntary contributions, subsidies, gifts, legacies or miscellaneous income.

All figures in Euros

<i>Budget Part II</i>	<i>2024 outline</i>	<i>2024 draft budget</i>	<i>2025 draft budget</i>
<i>9 General Reserve Fund</i>			
<i>10 Voluntary Contributions</i>			
<i>11 Other Resources</i>			
<i>Total Budget Part II</i>			

Explanatory Notes

As of the date of this document:

- No new voluntary contribution has been offered or received for 2024 or 2025;
- No subsidies, gifts or legacies are anticipated for 2024 or 2025.

General Reserve Fund

The Energy Charter Conference authorised the Secretariat to draw up to 10% of its value from the General Reserve Fund. This draw cannot be used to finance activities under Budget Part II¹⁹.

Given the status of implementation of the Budget for 2023²⁰ and pending the approval of the financial statements for 2023, the authorised draw from the General Reserve Fund has been estimated at EUR 225 000.

Per *mémoria*, the General Reserve Fund, as of 31 December 2022, holds a balance of EUR 2 570 334.

¹⁹ See Conference Decision [CCDEC202014](#), Budget Part II, Explanatory notes, Draw from the General Reserve Fund

²⁰ See document BC 433 rev 1 – Implementation of the Budget 2023

Voluntary Contributions

No new voluntary contribution is expected.

Other Resources

The Secretariat holds two Working Capital Funds to accommodate for the management of the Knowledge Centre (trainings) and Legal Affairs activities (trainings, conferences).

Per mémoria, the Working Capital Fund, as of 31 December 2022, holds a balance of EUR 67 482.

Financial Result

The Secretariat also receives income of a financial nature which appears in the Financial Statements under Budget Part II, Financial Result (until 2019). It consists of interests received (banks, loans granted to Staff), profit on currency exchange transactions, etc. and has been estimated at EUR 1 000.

At the same time, the Secretariat has to pay charges, interests and/or fees to its bank for its daily operations. The Secretariat will be using the financial income to cover (part of) the financial costs included in budget item “6.10 Financial Services”.

Voluntary Contributions in kind

No Voluntary Contribution in kind is expected.

Commitment Authority under Budget Part II

At this time, the Secretariat does not plan to enter in any contractual obligation necessitating a commitment authority under Budget Part II.