**DECISION OF THE ENERGY CHARTER CONFERENCE**

**Subject:** Reports and Notes considered by the 6th Meeting of the Provisional Energy Charter Conference

- [Report on Former Yugoslav Republic of Macedonia’s Accession to the Energy Charter Treaty (CC 77 and RD 8)]

The Chairman informed the Conference on progress of the Former Yugoslav Republic of Macedonia’s accession to the Energy Charter Treaty. After hearing the delegation of the Former Yugoslav Republic of Macedonia the Conference noted:

(i) that the terms for the Former Yugoslav Republic of Macedonia’s accession will be finalised in accordance with the Former Yugoslav Republic of Macedonia’s possibilities and submitted to the Conference for adoption in due time; and

(ii) that the Former Yugoslav Republic of Macedonia’s intention is to actively participate in 1997 negotiations and to contribute to the budget of the Charter Secretariat.

- Implementation of the 1996 Budget

  a) Statement of Expenditure to-date (Room Document 2)

  The Conference took note of the Statement of Expenditure to 31 December 1996 and the forecast of expenditure to year-end, amounting to BEF 130,1 million.

  b) National Contributions Received to-date (Room Document 3)

  The Secretariat reported that outstanding contributions for both 1995 and 1996 amounted to BEF 66.3 million. The Secretariat therefore faces serious cash-flow problems.

Keywords: Former Yugoslav Republic of Macedonia, Accession, Budget Implementation, Headquarters Agreement, Staff Rules, Working Group Reports, Ratification Progress, Legal Advisor Status
problems. The outstanding obligations to be honoured before the end of 1996 (i.e., for
salaries, rent, charges, charges to the European Commission and a pay-back
obligation of EU Commission loan) amount to BEF 73.5 million. Delegations whose
contributions had not yet been transferred were therefore urged to meet their financial
obligations under the Treaty as soon as possible. Several delegations confirmed that
their payments were imminent or had already been sent.

- **Issues Related to the Headquarters Agreement**
  a) Internal Taxation (Room Document 5)
     BC Chairman explained that talks with the Belgian Ministry of Finance will be
     finalised before 31 December 1996.
  b) Social Security (Room Document 6)
     BC Chairman welcomed that Belgium had shown some openness in BC
discussions and had confirmed that it was prepared to examine possible ways
of addressing the Secretariat’s needs under a “Welcome Agreement”. The
Conference noted these documents and the BC Chairman’s report.

- [The Conference noted doc. CC 80 on Staff Rules preparation.]

- **Reports from the Working Groups and Negotiations in 1997 (CC 69, 70, 71 and 72)**
  The Conference took note of the reports from the Working Group Chairmen.
  Based on the timing foreseen in the Treaty and progress in Working Groups it was
  concluded that negotiations could start at the level of the Conference. The first 1997
  Conference meeting, which will focus on negotiations, was fixed for 29 and 30 May 1997.
  In the meantime the Chairman would consult with delegations. The draft meeting
  schedule annexed to CC 72 would remain a tentative list.
  The Working Groups would meet prior to the May Meeting. The Conference Chairman
  would be in contact with the Working Group Chairmen.

- **Nuclear Instrument (CC 75)**
  Regarding the Russian proposal the European Union mentioned that it had not had
  enough time to reflect on the paper and it remained at the same position it stated during
  the June 1996 meeting.
  Kazakhstan, Armenia and Belarus supported the Russian request for a Nuclear Protocol.
  Japan reiterated its opposition to a legally binding Nuclear Protocol, but expressed
  support for the possibility of reaching agreement on a Declaration.
  The Chairman noted the willingness of the Russian Federation to set aside for now the
  issue of the legal nature of a Nuclear Instrument and its suggestion to discuss the text of
  such an Instrument.
  The Conference agreed not to take any further decision on this matter at this time. It
  agreed that the Chairman would consult with delegations on the Russian paper.

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Headquarters Agreement, Staff Rules, Working Group Reports, Ratification
Progress, Legal Advisor Status
• **Work on Electricity (CC 73) and Observers status for CIS Electric Power Council (CC 78)**

Some delegations did not support the CIS Power Council being given observer status. The Chairman invited the Secretary-General of the CIS Electric Council, Mr. Djangirov to participate as a guest in the Conference.

The European Union asked the Secretariat to prepare a document regarding organisations that may qualify for observer status.

The Conference invited the CIS Electric Power Council to transmit to the Secretariat the intergovernmental Agreement of 14 February 1992 that established the Council and other relevant documentation.

Kazakhstan, the Russian Federation, Ukraine, Belarus and Azerbaijan supported the continuation of work relating to increased co-operation in the electricity sector but recognised the difficulty of doing so under the present Budget restrictions.

The Conference agreed that the CIS States, through the CIS Electric Power Council, should consider continuing work in this area including possibly organizing a seminar and inform the Conference in due time.

• **Major Accidents (CC 74)**

Based on the guidelines in Part V of the Report on Major Accidents/Interruptions, the Conference invited the Secretariat to pursue examination of this issue, in co-operation with delegates, especially those which argued in favour of a protocol.

• **Progress on Ratification (Report from the Secretariat (Room Document 7))**

The Conference took note of the Secretary General's report. The Chairman reiterated that ratification was the first priority for the coming year.

The Conference took note that the Legal Adviser of the Secretariat will leave the Secretariat by 31 December 1996 but will continue his function of Chairman of the Legal Advisory Committee.