Brussels, 7 December 1999

Keywords: Transitional Arrangements, Armenia, Bosnia and Herzegovina, Bulgaria, Czech Republic, Kazakhstan, Russian Federation, Turkmenistan, Uzbekistan

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Transitional Arrangements

The Conference was informed about the review of transitional arrangements held on 8 November 1999. The review recommended that Armenia be granted an additional extension of its transitional period regarding Article 6(5) which had been considered necessary for the successful completion of its legislative process in this field.

The most important conclusion of the review was that outstanding transitional suspensions maintained by Contracting Parties/Signatories, except the Bulgarian one on Article 10(7), have either very limited impact on business in the energy sector or that compliance with the relevant provisions of the Treaty has been achieved. As a consequence, the review recommended that an annual review of transitional arrangements in the year 2000 would not be necessary and that the remaining transitional suspensions would be terminated before or no later than the dates included in Annex T of the Treaty or as granted by the Conference.

Based on this, the Conference adopted the Decision attached at [Annex], which in effect concludes the examination of transitional arrangements. The Conference also asked the remaining seven Signatories/Contracting Parties maintaining transitional arrangements, and in particular Bulgaria, to notify the actual phase-out dates to the Secretariat which will administer this process until its final target date of 1 July 2001.
Annex

Decision on Transitional Arrangements
[as adopted by the Energy Charter Conference at its 4th Meeting held on 7 December 1999]

The Energy Charter Conference,
considering notifications of Contracting Parties/Signatories and their progress in legislative field with respect to compliance with the relevant provisions of the Treaty for which they requested transitional suspensions

NOTED

1) the termination of transitional arrangements contained in Annex T for the following Signatory which have notified earlier than anticipated compliance

Belarus, regarding Article 9(1), as of 27 September 1999;

2) the termination of transitional arrangements granted by the Conference decisions for the following Signatory

Bosnia and Herzegovina, regarding Article 20(3), as of 24 September 1999;

AGREED

with the request of Armenia for the additional extension of the transitional period regarding Article 6(5) granting one year extension on condition that this prolongation will be final and terminated no later than 31 December 2000;

CONCLUDED

1) that outstanding transitional suspensions maintained by Contracting Parties/Signatories have either very limited impact on business in the energy sector or that compliance with the relevant provisions of the Treaty has been achieved;

2) that, as a consequence, the annual review of transitional arrangements in the year 2000 is not necessary; and

3) that the remaining transitional suspensions listed below will be terminated before or no later than the dates included in Annex T of the Treaty or as granted by the Conference:

<table>
<thead>
<tr>
<th>Country</th>
<th>Article(s)</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Armenia</td>
<td>regarding Article 6(5)</td>
<td>31 December 2000</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>regarding Articles 7(4) and 14(1)(d)</td>
<td>1 July 2001</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>regarding Article 22(3)</td>
<td>1 July 2001</td>
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<tr>
<td>Kazakhstan</td>
<td>regarding Article 20(3)</td>
<td>1 July 2001</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>regarding Article 6(2)</td>
<td>1 July 2001</td>
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<tr>
<td></td>
<td>regarding Article 20(3)</td>
<td>31 December 2000</td>
</tr>
<tr>
<td>Turkmenistan</td>
<td>regarding Article 6(2)</td>
<td>1 July 2001</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>regarding Articles 6(2) and 6(5)</td>
<td>1 July 2001</td>
</tr>
</tbody>
</table>
ASKED

1) Bulgaria to adopt any relevant measures allowing it to phase out its transitional suspension on Article 10(7) without delay and duly notify the Secretariat;

2) all Contracting Parties/Signatories maintaining outstanding transitional suspensions to
   a) take measures and make every effort to terminate their respective transitional suspensions if possible earlier than envisaged in point 3 above and in any case duly notify the Secretariat;
   b) inform directly the last Conference held in the year 2000 about the progress on termination of the remaining transitional arrangements;

3) the Secretariat to
   a) inform other Contracting Parties/Signatories about notifications with respect to termination of transitional suspensions;
   b) advise the Depositary on the status of transitional arrangements since the last review by the Charter Conference and on any other ensuing changes in this respect.