

**ENERGY CHARTER
SECRETARIAT**

CCDEC 2010

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Brussels, 24 November 2010

Related documents: CC 398, CC 407

DECISION OF THE ENERGY CHARTER CONFERENCE

Subject: Energy Charter Public Statement on Supporting the Extractive Industries Transparency Initiative (EITI) and Strengthening Transparency in the Energy Sector of the ECT Constituency

The Energy Charter Conference at its 21st Meeting held on 24th November 2010 *endorsed* the Public Statement on Supporting Extractive Industries Transparency Initiative and Strengthening Transparency in the Energy Sector of the ECT Constituency proposed by the Investment Group, as contained in CC 398 [attached at Annex], with the reservation made by the Ukrainian Delegation.

[The reservation of the Ukrainian Delegation:]

- The Ukrainian Delegation expressed a reservation concerning the Ukrainian vote for endorsement of the Public Statement and asked for additional time to confirm the official position of Ukraine regarding Point 5 of this Statement. The Delegation further clarified that Ukraine did not wish to impede the Public Statement endorsement process.

Keywords: Extractive Industries Transparency Initiative, Public Statement, Ukraine

The Energy Charter Conference Public Statement

Supporting the Extractive Industries Transparency Initiative (EITI) and Strengthening Transparency in the Energy Sector of the ECT Constituency

The Energy Charter Conference at its meeting in Brussels on November 24, 2010,

Having regard to the European Energy Charter and to its basic principles related to transparency of legal and regulatory frameworks; and in particular to the ECT Article 20 on Transparency;

Whereas affirming a shared commitment to multilateral cooperation as the foundation of mutually beneficial energy relations and development;

Whereas recalling the Principles of Extractive Industry Transparency Initiative as agreed at the Lancaster House Conference in June 2003;

Noting the efforts of ECT' countries to improve transparency and accountability in the energy sector, including the Extractive Industries Transparency Initiative and to share their experience with interested Member States;

Noting the recommendation of the Industry Advisory Panel of the Energy Charter given in Stavanger, Norway on September 6, 2010 to support the principles enshrined in the Extractive Industry Transparency Initiative;

Convinced that it is important to ensure adequate transparency in all segments of energy supply chain, including hydrocarbon development, transportation and realization;

Convinced that greater transparency will promote greater accountability, effectiveness and efficiency in the management and regulation of energy markets;

THE ENERGY CHARTER CONFERENCE

1. Supports the Extractive Industries Transparency Initiative to improve governance and reduce corruption in the energy sector.
2. Emphasizes that transparency and accountability are objectives that should be embraced and promoted by all Member States, regardless of their size, level of development or resource endowment.
3. Encourages the energy business sector, including national and transnational corporations engaged in the extractive industries to promote principles of honesty,

transparency and accountability, in order to maximize private sector's contribution to the realization of social and sustainable development.

4. Calls on the member countries to strengthen corporate governance and transparency, by improving company law, advancing judicial reform, reforming the public administration and creating a level playing field for all private investors.
5. Stands ready to provide assistance and to make a contribution to consultations in elaborating specific approaches in case of extending the Extractive Industries Transparency Initiative to energy transit area.