

**ENERGY CHARTER  
SECRETARIAT**

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Brussels, 6 December 2013

Related documents: CC 466, RD 1 (ECC of 5-6 12 2013)
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**DECISION OF THE ENERGY CHARTER CONFERENCE**

**Subject: Proposal concerning the conduct of the Review envisaged under Article 34 (7) of the Energy Charter Treaty**

The Energy Charter Conference at its 24<sup>th</sup> Meeting held on 5<sup>th</sup>/6<sup>th</sup> December 2013 **approved** (i) the list of Contracting Parties acting as Coordinators of the Review (RD 1) and (ii) the proposal (contained in CC 466) concerning the conduct of the next Review envisaged under Article 34 (7) of the Energy Charter Treaty.

List of Contracting Parties participating as coordinators in Art. 34(7) Review

Azerbaijan  
European Union  
Japan  
United Kingdom

Procedures and Timetable:

- The Secretariat shall be invited to send out to all delegations during the first quarter of 2014 a questionnaire requesting their views on a number of issues central to the Review process.

Such issues shall include, inter alia, an assessment of: progress in promoting implementation of the Treaty, PEEREA and Trade Amendment since the last Review was conducted in 2009; the status of development of further legal

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instruments under the Charter's auspices, and prospects for their completion; the implementation of the Rome Statement (2009) and of the Roadmap for the Modernisation of the Energy Charter Process (2010); the functioning of the Charter Conference and its subsidiary bodies as mechanisms for promoting policy dialogue on how the principles of the European Energy Charter and the Treaty can be implemented; the potential institutional development of the Energy Charter Conference; and the extent to which the recommendations from the last review in 2009 have been implemented.

The questionnaire will be prepared by the Secretariat with the approval of the Contracting Parties acting as coordinators of the Review.

- Delegations will be asked to respond to this questionnaire by no later than the end of May 2014. In parallel the Secretariat may consult with observer-states, relevant international organisations and the business community to solicit their views on the issues raised in the questionnaire, and may also consider engaging an external consultant to assist with the preparation of selected parts of the review.
- Based on the responses received, the Secretariat will prepare a preliminary draft report on the Review and, after approval of the Contracting Parties acting as coordinators of the Review, will circulate it to delegations by no later than the end of July 2014.
- During the autumn of 2014, an ad-hoc expert group, chaired by the Contracting Parties acting as coordinators of the Review and open for participation by all delegations, will be convened to discuss the preliminary draft report on the Review in more detail.
- Based on the outcome of this discussion, the Secretariat together with the Contracting Parties acting as coordinators of the Review will prepare a final version of the report as well as draft Conclusions of the Review for submission to the delegates before the 25<sup>th</sup> Meeting of the Energy Charter Conference. The Charter Conference will be invited to take note of the report and to approve the Conclusions.
- The Contracting Parties acting as coordinators of the Review will decide how to organise among them. They shall make every effort to reach agreement by consensus on any matter to be decided by them (e.g. approval of the questionnaire, the preliminary report and the final version of the report). Exceptionally, and only if consensus cannot be reached, decisions can be taken if supported by the majority of the Contracting Parties acting as coordinators of the Review.

#### Terms of Reference:

- The primary purpose of the Review is to assess the functions provided for in the Treaty, in the light of the extent to which its provisions, and those of PEEREA, have been implemented. It is understood that this task requires an assessment not only of relevant developments in Contracting Parties/Signatories in the area of national legislation, but also of the functioning of the Energy Charter *process* as a

whole, in terms of its wider role as a forum for promoting international energy cooperation in accordance with the fundamental principles enshrined in the Treaty.

- It is therefore understood that the Review should aim to address in particular the following issues:
  - An overall assessment of the contribution of the Energy Charter process to fostering international cooperation and promoting open, competitive energy markets
  - How the Treaty, PEEREA and the Trade Amendment are being implemented, and what more could be done to ensure that energy cooperation among Contracting Parties/Signatories develops in line with their respective provisions
  - How to achieve completion of the process of ratification of the Treaty, the Trade Amendment and PEEREA by all Signatory States
  - Consideration of the balance to be observed in the future work of the Energy Charter process between the implementation of existing commitments and the deepening of commitments by means of development and completion of further legally-binding instruments and the promotion of cooperation on the basis of developing policy dialogue and non-binding instruments (recommendations, best-practice guidelines, etc.), both in general and in relation to specific areas (e.g. electricity issues)
  - the implementation of the Rome Statement (2009) and of the Roadmap for the Modernisation of the Energy Charter Process (2010)
  - The potential for and direction of a further geographical expansion of the Energy Charter process
  - The functioning of the Energy Charter Conference and its subsidiary bodies, including consideration of their role in promoting policy dialogue regarding implementation of the Treaty's principles in specific areas
  - The relationship of the Energy Charter process with other international organisations, possible institutional development of the Energy Charter Conference, and its interaction with the business community.
  
- The Review process should aim to develop specific conclusions with regard to the above points, which the Charter Conference will be invited to approve in December 2014. Such conclusions may *inter alia* deal with the future structure of the work of the Charter Conference and its subsidiary bodies, and also the future priorities to be pursued by the Secretariat in terms of resource allocation.