INTERNATIONAL ENERGY CHARTER

MAIN INTERNAL PROVISIONS, RULES AND DECISIONS OF THE ORGANISATION

ENERGY CHARTER SECRETARIAT

2023

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Energy Charter Treaty

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ARTICLE 34
ENERGY CHARTER CONFERENCE

[UNDERSTANDING. With respect to Article 34

(a) The provisional Secretary-General should make immediate contact with other international bodies in order to discover the terms on which they might be willing to undertake tasks arising from the Treaty and the Charter. The provisional Secretary-General might report back to the provisional Charter Conference at the meeting which Article 45(4) requires to be convened not later than 180 days after the opening date for signature of the Treaty.

(b) The Charter Conference should adopt the annual budget before the beginning of the financial year.] [1]

(1) The Contracting Parties shall meet periodically in the Energy Charter Conference (referred to herein as the "Charter Conference") at which each Contracting Party shall be entitled to have one representative. Ordinary meetings shall be held at intervals determined by the Charter Conference.

(2) Extraordinary meetings of the Charter Conference may be held at such times as may be determined by the Charter Conference, or at the written request of any Contracting Party, provided that, within six weeks of the request being communicated to the Contracting Parties by the Secretariat, it is supported by at least one-third of the Contracting Parties.

(3) The functions of the Charter Conference shall be to:

(a) carry out the duties assigned to it by this Treaty and any Protocols;

(b) keep under review and facilitate the implementation of the principles of the Charter and of the provisions of this Treaty and the Protocols;

(c) facilitate in accordance with this Treaty and the Protocols the coordination of appropriate general measures to carry out the principles of the Charter;

(d) consider and adopt programmes of work to be carried out by the Secretariat;

(e) consider and approve the annual accounts and budget of the Secretariat;

(f) consider and approve or adopt the terms of any headquarters or other agreement, including privileges and immunities considered necessary for the Charter Conference and the Secretariat;

(g) encourage cooperative efforts aimed at facilitating and promoting market-oriented reforms and modernization of energy sectors in those countries of Central and Eastern Europe and the former Union of Soviet Socialist Republics undergoing economic transition;

(h) authorize and approve the terms of reference for the negotiation of Protocols, and consider and adopt the texts thereof and of amendments thereto;

(i) authorize the negotiation of Declarations, and approve their issuance;

(j) decide on accessions to this Treaty;

[The provisional Charter Conference and the Charter Conference provided for in the Treaty shall henceforth be responsible for making decisions on requests to sign the Concluding Document of the Hague Conference on the European Energy Charter and the European Energy Charter adopted thereby.] [2]

(k) authorize the negotiation of and consider and approve or adopt association agreements;

[1] Final Act of the European Energy Charter Conference, Understanding 20.
[2] Final Act of the European Energy Charter Conference, VIII.

(l) consider and adopt texts of amendments to this Treaty;

(m) consider and approve modifications of and technical changes to the Annexes to this Treaty;

[UNDERSTANDING. With respect to Article 34(3)(m)

The technical changes to Annexes might for instance include, the listing of non-signatories or of signatories that have evinced their intention not to ratify, or additions to Annexes N and VC. It is intended that the Secretariat would propose such changes to the Charter Conference when appropriate.] [3]

(n) consider and approve the listing of signatories in Annexes BR or BRQ or in both these Annexes; [4]

[DECISION A signatory which does not apply the Amendment adopted on 24 April 1998 provisionally may at the time that it takes action to apply that Amendment, whether on a definitive or a provisional basis, notify the Secretariat in writing that until it is listed in Annexes BR and BRQ, it will apply the Amendment as if all items of Energy Materials and Products and of Energy-Related Equipment continued to be listed in Annexes EM I and EQ I .

The Amendment shall apply accordingly to such a signatory.

Any signatory may at any time withdraw the notification referred to above in writing to the Secretariat.] [5]

[CHAIRMAN'S STATEMENT AT THE ADOPTION SESSION ON 24 APRIL 1998

"On the issue of future listing of countries on Annexes BR and BRQ, I conclude that all delegations are aware of the long standing positions of those delegations which like Australia, Hungary and Japan have repeatedly underlined that they support legally binding tariff commitments provided their commitments under the Energy Charter Treaty reflect their commitments in the WTO. This also reflects the position of other delegations, and there is a general acceptance among delegations that they will give positive consideration to that position at the time when the decision on legally binding tariff commitments is taken."] [6]

(o) consider and approve the addition of items to Annex EM II from Annex EM I with the corresponding deletion of those items from Annex EM I and consider and approve the addition of items to Annex EQ II from Annex EQ I with the corresponding deletion of those items from Annex EQ I; [7]

[DECISION A signatory which does not apply the Amendment adopted on 24 April 1998 provisionally may at the time that it takes action to apply that Amendment, whether on a definitive or a provisional basis, notify the Secretariat in writing that until it is listed in Annexes BR and BRQ, it will apply the Amendment as if all items of Energy Materials and Products and of Energy-Related Equipment continued to be listed in Annexes EM I and EQ I .

The Amendment shall apply accordingly to such a signatory.

Any signatory may at any time withdraw the notification referred to above in writing to the Secretariat.] [8]

[Understanding with respect to Article 29(7):

In the case of a signatory, not a member of the WTO, which is listed in Annexes BR or BRQ or both, any concession offered formally in the process of its accession to the WTO with respect to Energy Materials or

[3] Final Act of the European Energy Charter Conference, Understanding 21.
[4] Modification due to the Amendment to the Trade-Related Provisions of the Energy Charter Treaty.
[5] Decision 1 in Connection with the Adoption of the Amendment to the Trade-Related Provisions of the Energy Charter Treaty (Annex 2 to the Final Act)
[6] Editor's note: Document CS(98) 338 CC 124, point 6, of 24 May 1998 (not published). This Statement was read out by the Chairman to the Adoption Session on 24 April 1998 and also circulated in written form. This Statement, which reflected the outcome of informal consultations, replaced a draft Declaration on the issue of listing on Annexes BR and BRQ, the text of which was consequently deleted from the text for adoption
[7] Modification due to the Amendment to the Trade-Related Provisions of the Energy Charter Treaty.
[8] Decision 1 in Connection with the Adoption of the Amendment to the Trade-Related Provisions of the Energy Charter Treaty (Annex 2 to the Final Act).

Products listed in Annex EM II or Energy-Related Equipment listed in Annex EQ II shall, for the purpose of this Article, be regarded as a commitment under the WTO.][9]

(p)[10]appoint the Secretary-General and take all decisions necessary for the establishment and functioning of the Secretariat including the structure, staff levels and standard terms of employment of officials and employees.

(4) In the performance of its duties, the Charter Conference, through the Secretariat, shall cooperate with and make as full a use as possible, consistently with economy and efficiency, of the services and programmes of other institutions and organizations with established competence in matters related to the objectives of this Treaty.

(5) The Charter Conference may establish such subsidiary bodies as it considers appropriate for the performance of its duties.

(6) The Charter Conference shall consider and adopt rules of procedure and financial rules.

(7) In 1999 and thereafter at intervals (of not more than five years) to be determined by the Charter Conference, the Charter Conference shall thoroughly review the functions provided for in this Treaty in the light of the extent to which the provisions of the Treaty and Protocols have been implemented. At the conclusion of each review the Charter Conference may amend or abolish the functions specified in paragraph (3) and may discharge the Secretariat.

ARTICLE 35
SECRETARIAT

(1) In carrying out its duties, the Charter Conference shall have a Secretariat which shall be composed of a Secretary-General and such staff as are the minimum consistent with efficient performance.

(2) The Secretary-General shall be appointed by the Charter Conference. The first such appointment shall be for a maximum period of five years.

(3) In the performance of its duties the Secretariat shall be responsible to and report to the Charter Conference.

(4) The Secretariat shall provide the Charter Conference with all necessary assistance for the performance of its duties and shall carry out the functions assigned to it in this Treaty or in any Protocol and any other functions assigned to it by the Charter Conference.

(5) The Secretariat may enter into such administrative and contractual arrangements as may be required for the effective discharge of its functions.

ARTICLE 36
VOTING

(1) Unanimity of the Contracting Parties Present and Voting at the meeting of the Charter Conference where such matters fall to be decided shall be required for decisions by the Charter Conference to:

(a) adopt amendments to this Treaty other than amendments to Articles 34 and 35 and Annex T;

(b) approve accessions to this Treaty under Article 41 by states or Regional Economic Integration Organizations which were not signatories to the Charter as of 16 June 1995;

(c) authorize the negotiation of and approve or adopt the text of association agreements;

(d) approve modifications to Annexes EM, NI, W[11] and B;

(e) approve technical changes to the Annexes to this Treaty; and

[9] Final Act in respect of the Amendment to the Trade-Related Provisions of the Energy Charter Treaty, Understanding 2.
[10] Originally, (n) (modification due to the Amendment to the Trade-Related Provisions of the Energy Charter Treaty).
[11] Originally G (modification based on Art. 2 of the Amendment to the Trade-Related Provisions of the Energy Charter Treaty).

(f) approve the Secretary-General's nominations of panelists under Annex D, paragraph (7).

(g) approve the addition of items to Annex EM II from Annex EM I with the corresponding deletion of those items from Annex EM I and approve the addition of items to Annex EQ II from Annex EQ I with the corresponding deletion of those items from Annex EQ I.[12]

The Contracting Parties shall make every effort to reach agreement by consensus on any other matter requiring their decision under this Treaty. If agreement cannot be reached by consensus, paragraphs (2) to (5) shall apply.

(2) Decisions on budgetary matters referred to in Article 34(3)(e) shall be taken by a qualified majority of Contracting Parties whose assessed contributions as specified in Annex B represent, in combination, at least three-fourths of the total assessed contributions specified therein.

(3) Decisions on matters referred to in Article 34(7) shall be taken by a three-fourths majority of the Contracting Parties.

(4) Except in cases specified in subparagraphs (1)(a) to (g),[13] paragraphs (2) and (3), and subject to paragraph (6), decisions provided for in this Treaty shall be taken by a three-fourths majority of the Contracting Parties Present and Voting at the meeting of the Charter Conference at which such matters fall to be decided.

(5) For purposes of this Article, “Contracting Parties Present and Voting" means Contracting Parties present and casting affirmative or negative votes, provided that the Charter Conference may decide upon rules of procedure to enable such decisions to be taken by Contracting Parties by correspondence.

(6) Except as provided in paragraph (2), no decision referred to in this Article shall be valid unless it has the support of a simple majority of the Contracting Parties.

(7) A Regional Economic Integration Organization shall, when voting, have a number of votes equal to the number of its member states which are Contracting Parties to this Treaty; provided that such an Organization shall not exercise its right to vote if its member states exercise theirs, and vice versa.

(8) In the event of persistent arrears in a Contracting Party's discharge of financial obligations under this Treaty, the Charter Conference may suspend that Contracting Party's voting rights in whole or in part.

ARTICLE 37
FUNDING PRINCIPLES

(1) Each Contracting Party shall bear its own costs of representation at meetings of the Charter Conference and any subsidiary bodies.

(2) The cost of meetings of the Charter Conference and any subsidiary bodies shall be regarded as a cost of the Secretariat.

(3) The costs of the Secretariat shall be met by the Contracting Parties assessed according to their capacity to pay, determined as specified in Annex B, the provisions of which may be modified in accordance with Article 36(1)(d).

(4) A Protocol shall contain provisions to assure that any costs of the Secretariat arising from that Protocol are borne by the parties thereto.

(5) The Charter Conference may in addition accept voluntary contributions from one or more Contracting Parties or from other sources. Costs met from such contributions shall not be considered costs of the Secretariat for the purposes of paragraph (3).

[12] Modification based on Art. 2 of the Amendment to the Trade-Related Provisions of the Energy Charter Treaty.
[13] Originally (f), modification based on Art. 2 of the Amendment to the Trade-Related Provisions of the Energy Charter Treaty.

Annex B

Formula for Allocating Charter Costs
(In accordance with Article 37(3))

(1) Contributions payable by Contracting Parties shall be determined by the Secretariat annually on the basis of their percentage contributions required under the latest available United Nations Regular Budget Scale of Assessment (supplemented by information on theoretical contributions for any Contracting Parties which are not UN members).

(2) The contributions shall be adjusted as necessary to ensure that the total of all Contracting Parties' contributions is 100%.

Energy Charter Protocol on Energy Efficiency and Related Environmental Aspects, Part IV

ARTICLE 10
ROLE OF THE CHARTER CONFERENCE

(1) All decisions made by the Charter Conference in accordance with this Protocol shall be made by only those Contracting Parties to the Energy Charter Treaty who are Contracting Parties to this Protocol.

(2) The Charter Conference shall endeavour to adopt, within 180 days after the entry into force of this Protocol, procedures for keeping under review and facilitating the implementation of its provisions, including reporting requirements, as well as for identifying areas of co-operation in accordance with Article 9.

ARTICLE 11
SECRETARIAT AND FINANCING

(1) The Secretariat established under Article 35 of the Energy Charter Treaty shall provide the Charter Conference with all necessary assistance for the performance of its duties under this Protocol and provide such other services in support of the Protocol as may be required from time to time, subject to approval by the Charter Conference.

(2) The costs of the Secretariat and Charter Conference arising from this Protocol shall be met by the Contracting Parties to this Protocol according to their capacity to pay, determined according to the formula specified in Annex B to the Energy Charter Treaty.

ARTICLE 12
VOTING

(1) Unanimity of Contracting Parties Present and Voting at the meeting of the Charter Conference where such matters fall to be decided shall be required for decisions to:

(a) adopt amendments to this Protocol; and

(b) approve accessions to this Protocol under Article 16.

Contracting Parties shall make every effort to reach agreement by consensus on any other matter requiring their decision under this Protocol. If agreement cannot be reached by consensus, decisions on non-budgetary matters shall be taken by a three-fourths majority of Contracting Parties Present and Voting at the meeting of the Charter Conference at which such matters fall to be decided.

Decisions on budgetary matters shall be taken by a qualified majority of Contracting Parties whose assessed contributions under Article 11(2) represent, in combination, at least three-fourths of the total assessed contributions.

(2) For purposes of this Article, "Contracting Parties Present and Voting" means Contracting Parties to this Protocol present and casting affirmative or negative votes, provided that the Charter Conference may decide upon rules of procedure to enable such decisions to be taken by Contracting Parties by correspondence.

(3) Except as provided in paragraph (1) in relation to budgetary matters, no decision referred to in this Article shall be valid unless it has the support of a simple majority of Contracting Parties.

(4) A Regional Economic Integration Organization shall, when voting, have a number of votes equal to the number of its member states which are Contracting Parties to this Protocol; provided that such an Organization shall not exercise its right to vote if its member states exercise theirs, and vice versa.

(5) In the event of persistent arrears in a Contracting Party's discharge of financial obligations under this Protocol, the Charter Conference may suspend that Contracting Party's voting rights in whole or in part.

ARTICLE 13
RELATION TO THE ENERGY CHARTER TREATY

(1) In the event of inconsistency between the provisions of this Protocol and the provisions of the Energy Charter Treaty, the provisions of the Energy Charter Treaty shall, to the extent of the inconsistency, prevail.

(2) Article 10(1) and Article 12(1) to (3) shall not apply to votes in the Charter Conference on amendments to this Protocol which assign duties or functions to the Charter Conference or the Secretariat, the establishment of which is provided for in the Energy Charter Treaty.

Energy Charter Secretariat's domestic legal capacity and location

ENERGY CHARTER SECRETARIAT'S DOMESTIC LEGAL CAPACITY

CCDEC 1995 10 GEN, 5-6 April 1995

The Conference, whilst noting the authority provided to the Charter Secretariat in Article 35(5) of the Energy Charter Treaty, and with the support of the Belgian delegation, adopted the following Decision:

The Charter Secretariat shall henceforward enjoy in Belgium the domestic legal capacity which may be necessary for the exercise of its functions and the fulfilment of the purposes of the Conference.

ENERGY CHARTER SECRETARIAT'S LOCATION

CCDEC 1995 17 GEN, 21-22 September 1995

The Provisional Charter Conference and Secretariat are located in Brussels.

All delegations agreed that this Decision will continue to apply after entry into force of the Treaty, subject to the following Declaration:

The decision taken on the location of the Secretariat is a political decision. Keeping Article 34(4) in mind, if at any time in the future there were substantially changed circumstances, another political decision can be taken by the Conference.

Agreement Between
The Kingdom of Belgium
And
The Energy Charter Conference

AGREEMENT
BETWEEN
THE KINGDOM OF BELGIUM
AND
THE ENERGY CHARTER CONFERENCE

THE KINGDOM OF BELGIUM

and

THE ENERGY CHARTER CONFERENCE, represented by and acting through the Energy Charter Secretariat,

Having regard to the Energy Charter Treaty, signed in Lisbon on 17th December 1994

Having regard to the decision to establish the Energy Charter Secretariat in Brussels,

Desirous to conclude an Agreement defining the privileges and immunities necessary for the exercise of the functions of the Energy Charter Conference in Belgium,

Have agreed as follows:

CHAPTER I

Privileges and immunities of the Energy Charter Conference

Article 1

The Energy Charter Conference shall possess the widest juridical personality accorded to legal persons. Its property and assets, used exclusively for the exercise of its official functions, shall enjoy immunity from jurisdiction, except insofar as it has expressly waived such immunity in a particular case. A separate waiver is necessary for each measure of enforcement.

Article 2

The premises used for the exercise of the official functions of the Energy Charter Conference shall be inviolable.

The consent of the Energy Charter Conference shall be required for access to its premises.

However, this consent shall be presumed to have been given in the case of fire or another incident requiring immediate protective measures.

Belgium shall take all appropriate measures to prevent the premises of the Energy Charter Conference from being occupied or damaged, the peace of the Energy Charter Conference being disturbed or its dignity diminished.

Article 3

Except to the extent that a measure is necessary for investigations which may be called for following an accident caused by a vehicle belonging to the Energy Charter Conference or being used on its behalf, or in the case of infringement of traffic rules or accidents caused by that vehicle, the property and assets of the Energy Charter Conference shall not be subject to any kind of requisition, confiscation, seizure or other form of interference, even for the purpose of national defence or in the public interest.

Should an expropriation be necessary for these purposes, all appropriate measures shall be taken in order to prevent any obstacle to the functioning of the Energy Charter Conference and to ensure that a prompt and full indemnity be awarded to it.

Belgium shall accord its assistance for the installation or reinstallation of the Energy Charter 'Conference.

Article 4

The archives of the Energy Charter Conference and, in general, all the documents belonging to the Energy Charter Conference or held by it or by one of its officials shall be inviolable wherever located.

Article 5

1. The Energy Charter Conference may hold funds, and keep accounts, in all currencies, to the extent necessary for the execution of operations corresponding to its objectives.

2. Belgium undertakes to accord to the Energy Charter Conference the authorization necessary to realize, according to the modalities laid down in national rules and international agreements, any transfer of funds in connection with the establishment and activities of the Energy Charter Conference, including the issuing of loans if this has been authorized by Belgium.

Article 6

The Energy Charter Conference, its assets, income and other property intended for its official use shall be exempt from all direct taxes.

No direct tax exemption shall be granted on the Energy Charter Conference income arising out of industrial or commercial activity engaged in by the Energy Charter Conference or by one of its members on behalf of the Energy Charter Conference or on behalf of one of its Contracting Parties.

Article 7

When the Energy Charter Conference makes sizeable purchases of immovable or movable property or has sizeable work, strictly necessary for the exercise of its official activities, carried out for it, and when the price thereof includes indirect taxes or purchase tax, appropriate measures shall be taken, whenever possible, to deduct or reimburse the amount of these taxes.

Article 8

Without prejudice to the obligations incumbent on Belgium under Community law and the application of rules and regulations of a prohibitive or restrictive character concerning public order or security, public health or morality, the Energy Charter Conference shall be allowed to import all property and publications for its official use.

Article 9

The Energy Charter Conference shall be exempt from all indirect taxes including the import duties in relation to property imported, acquired or exported by it or in its name for its official use.

Article 10

The Energy Charter Conference shall be exempt from all indirect taxes in relation to official publications which are addressed to it or sent abroad by it.

Article 11

Property belonging to the Energy Charter Conference shall not be transferred in Belgium, except under conditions laid down by Belgian Law and by the Minister of Finance.

Article 12

The Energy Charter Conference shall not request exemption from taxes and charges that constitute merely the remuneration for the provision of services by the public utilities.

Article 13

Belgium guarantees the Energy Charter Conference freedom of communication for its official purposes.

The official correspondence of the Energy Charter Conference shall be inviolable.

CHAPTER II

Representatives participating in the work of the Energy Charter Conference

Article 14

The representatives of the Contracting Parties to the Energy Charter Treaty participating in the work of the Energy Charter Conference, their advisers and technical experts, the official participants as well as the officials of the Energy Charter Conference residing or having their centre of activity outside Belgium, shall enjoy the customary privileges, immunities and facilities during the exercise of their duties.

CHAPTER III

Statute of the staff

Article 15

The Secretary General of the Energy Charter Conference and his Deputy shall enjoy diplomatic privileges and immunities.

Article 16

1. All the officials of the Energy Charter Conference shall enjoy:

a) exemption from all taxes on the salaries, emoluments and indemnities paid to them by the Energy Charter Conference, from the day when this income is subject to a tax in favour of the Energy Charter Conference, provided that Belgium recognizes the internal tax system.

Belgium reserves the possibility of taking these salaries, emoluments and indemnities into account for the purpose of determining the amount of tax payable on income from other sources;

b) the facilities granted to officials of international organizations in respect of monetary or exchange regulations.

2. The officials of the Energy Charter Conference who do not enjoy the privileges and immunities of Article 15 shall enjoy:

a) immunity from legal process in respect of acts carried out by them in the performance of their official duties, including words spoken or written; this immunity shall continue even after the completion of their functions;

b) inviolability for all their official papers and documents.

3. The officials of the Energy Charter Conference as well as the dependant members of their families shall not be subject to rules limiting immigration, or to the registration formalities applied to aliens.

4. The Energy Charter Conference shall notify the arrival and departure of its officials to the Ministry of Foreign Affairs. The Energy Charter Conference shall also notify the information specified hereafter in respect of its officials:
1. name and forename
2. place and date of birth
3. sex
4. nationality
5. principal residence (municipality, street, number)
6. civil status
7. composition of household.

Any changes concerning that information shall be notified monthly. The officials and dependant members of their families shall have the right to a special identity card.

Article 17

The provisions of Article 16(1)(a) are not applicable to pensions paid by the Energy Charter Conference to former officials in Belgium or to holders of those rights, or to salaries, emoluments and indemnities paid by the Energy Charter Conference to its local agents.

Article 18

The officials of the Energy Charter Conference who do not exercise any gainful occupation in Belgium other than the one resulting from their functions in the Energy Charter Conference, as well as their dependant family members who do not exercise any private gainful occupation in Belgium, are not subject to Belgian legislation in the field of foreign labour and in the field of independent professional activities of foreigners.

Article 19

As far as social security is concerned, officials of the Energy Charter Conference in Belgium who are neither nationals nor permanent residents in Belgium and who are not engaged in Belgium in a gainful private occupation other than that involved in their official duties may choose, with the previous agreement of the Energy Charter Conference, to be subject to Belgian law.

This choice may be exercised only once and must be made within three months from the date on which duties are taken up in Belgium.

The Energy Charter Conference shall apply the Belgian social security regulations to those persons who 'have opted in favour of the Belgian social security scheme.

The Energy Charter Conference must ensure that persons who have chosen not to opt in favour of the Belgian scheme are actually covered by an adequate social security scheme and Belgium may obtain from the Energy Charter Conference the reimbursement of the costs incurred in respect of any assistance of a social nature.

Article 20

1. Without prejudice to the obligations incumbent upon Belgium arising from the provisions of the treaty establishing the European Economic Community and the application of legal provisions, the officials of the Energy Charter Conference enjoy the right, during a period of twelve months following their first taking up employment in Belgium, to import or acquire, free of duties, furniture and a car for their personal use.

2. The Minister of Finance of the Government of Belgium shall determine the limits on and conditions of the application of the present Article.

Article 21

Belgium is not required to accord to its own nationals or permanent residents the advantages, benefits, privileges and immunities, with the exception of those mentioned in Article I 6.1.(a) of this Agreement.

However, they shall enjoy immunity from jurisdiction for acts carried out in the performance of their official duties, including words spoken and written.

CHAPTER IV

General provisions

Article 22

The above privileges and immunities are accorded to officials solely in the interests of the Energy Charter Conference and not for their personal benefit. The Secretary General of the Energy Charter Conference shall have the right and duty to waive immunity in all cases where this immunity would hinder the course of justice and where it is possible to waive such immunity without prejudice to the interests of the Energy Charter Conference.

Article 23

Belgium shall reserve the right to take all appropriate measures in the interests of its own security.

Article 24

The persons mentioned in Article 16 shall not enjoy any immunity from jurisdiction in the case of infringement of regulations concerning the circulation of motor vehicles or damage caused by such vehicles.

Article 25

The Energy Charter Conference and the officials of the Energy Charter Conference in Belgium are required to comply with all obligations imposed by Belgian Law with respect to civil liability insurance for the use of motor vehicles.

Article 26

The officials of the Energy Charter Conference shall co-operate at all times with the competent Belgian authorities with a view to facilitating the dispensing of justice, to ensuring the observance of police regulations and to preventing any abuse of privileges, immunities and facilities provided for in the present Agreement.

Article 27

The Energy Charter Conference shall provide all beneficiaries before the first of March of every year with a certificate mentioning their name and address as well as the amount of the salaries, emoluments, indemnities, pensions or annuities paid during the previous year. . With regard to salary, emoluments and indemnities subject to tax in favour of The Energy Charter Conference, the statement shall also mention the amount of this tax.

A certificate duplicate shall be handed over directly by the Energy Charter Conference before the same date to the competent Belgian fiscal administration.

Article 28

The Energy Charter Conference, its officials and its local agents shall be required to respect Belgian Law.

Article 29

Belgium shall not, on account of the Energy Charter Conference activities on its territory, assume any international responsibility for the acts or omissions of the Energy Charter Conference or for those of its officials in their particular fields.

Article 30

1. Any difference of opinion concerning the application or interpretation of this Agreement which cannot be settled by direct consultations between the Parties may be referred by either Party to an arbitration tribunal composed of three members.

2. The Belgian Government and the Energy Charter Conference shall each designate one member of the arbitration tribunal.

3. The members so designated shall choose their President.

4. In the case of disagreement between the members with regard to the choice of the President, the latter shall be designated by the President of the International Court of Justice, at the request of the members of the arbitration tribunal.

5. The arbitration tribunal shall be seized on the request of either Party.

6. The arbitration tribunal shall lay down its own procedure.

CHAPTER V

Final provisions

Article 31

Each Party shall notify the other when it has complied with the procedures required by its legislation or statutes for the entry into force of the present Agreement.

The Agreement shall remain in force either during the period of the validity of the Energy Charter Conference or until the expiry of a period of one year calculated from the date when one Party informs the other Party of its intention to withdraw from the Agreement.

In witness whereof, the respective representatives of the Kingdom of Belgium and the Energy Charter Conference have signed the present Agreement.

Done at Brussels, the 26th of October 1995, in two copies in the French, Dutch and English, languages, all three languages being equally authentic.

FOR THE KINGDOM
OF BELGIUM:

Erik DERYCKE,
Minister of Foreign Affaires

FOR THE ENERGY CHARTER
CONFERENCE:

Charles RUTTEN,
Chairman of the Conference

Clive JONES,
Secretary General

Financial Rules and Implementing Instructions and Terms of Reference Governing the External Auditor

FINANCIAL RULES

CCDEC 1995 28 BUD, 22-23 November 1995
Amended by CCDEC 2016 27 BUD, 31 October 2016
Amended by CCDEC 2022 14 BUD, 25 August 2022

PART I SCOPE AND APPLICATION

ARTICLE 1

(1) The purpose of these Rules is to establish the financial system and the implementing instructions for the administration of the finances of the Energy Charter Secretariat (hereinafter referred to as the "Secretariat").

(2) The financial resources of the Secretariat shall be employed in conformity with principles of economy and sound financial administration.

ARTICLE 2

(1) The financial year of the Secretariat shall be the period beginning on 1 January and ending on 31 December.

(2) The Programme of Work for Part I of the Budget shall cover two financial years (hereinafter referred to as a "biennium"). Programmes of Work for Part II of the Budget shall also cover two financial years, unless the Conference decides otherwise.

PART II STRUCTURE OF THE BUDGET

ARTICLE 3

The Budget of the Secretariat (hereinafter referred to as the "Budget") is the act whereby the Energy Charter Conference (hereinafter referred to as the "Conference") accords the necessary commitment authority and makes the necessary appropriations for the functioning of the Conference and the Secretariat and the carrying out of their activities, and by which it determines the amount of contributions to be furnished by Signatories to the Energy Charter Treaty (hereinafter referred to as the "Treaty") and parties which have acceded to that Treaty (hereinafter referred to collectively as the "Signatories"). The Signatories are committed to making contributions in respect of appropriations only.

ARTICLE 4

(1) For the purposes of the present Rules, the term "commitment authority" means the authority conferred upon the Secretary-General to enter into obligations in the name of the Secretariat in the course of the financial year.

(2) The term "appropriation" means the sum of money which the Conference authorises the Secretary-General to disburse in the course of the financial year in respect of the expenses to which such appropriation relates.

ARTICLE 5

(1) The Secretariat's "normal resources" take the form of annual contributions payable:

(a) in the case of general expenses, by the Signatories according to funding principles as specified in Article 37(3) of the Treaty;

(b) in the case of Protocols, by the parties thereto as specified in Article 37(4) of the Treaty.

(2) Contributions are payable as a single sum at the beginning of each year, but not later than six months from the Secretary-General's notification of the amount of the Signatories' contributions in accordance with Article 18 below.

(3) The Secretary-General may, before the end of each financial year, invite Signatories to make advance payments in respect of their contribution liability for the succeeding year.

(4) Annual contributions are calculated and assessed in Euro and must be paid in that currency, unless the Secretary-General comes to an agreement with a given country to receive an annual contribution in another currency.

(5) The Deputy Secretary-General shall, not later than in May and October each year (and at other times if appropriate), present to the Conference up-to-date reports on the recovery of contributions.

(6) Any party acceding to the Treaty shall be expected to pay a contribution for the year of accession of an amount approved by the Conference on the basis of Article 37 of the Treaty and taking into account the provisions of Articles 41, 45(6) and (7) of the Treaty. Considering the rules for the calculation of the National Contribution of Acceding Countries and their inclusion in the Budget:

   (a) The date from which an acceding country shall pay its contribution to the Budget of the Energy Charter Secretariat shall be the date of entry into force of the Energy Charter Treaty for that country.

   (b) The amount of the contribution to be paid for the year of accession shall be calculated pro-rata from the date referred to in paragraph (a) applied to the contribution due if the country would have been a Contracting Party at the beginning of the financial year, and without impacting the contributions of other Contracting Parties.

   (c) The amount of the contribution of the new Contracting Party, its inclusion and use in the Budget, shall be decided on a case by case basis by the Energy Charter Conference after consideration and recommendation by the Budget Committee.

ARTICLE 6

"Other resources" of the Secretariat include:

(1) contributions to the cost of negotiations and relevant Working Groups of any signatory to the European Energy Charter or the International Energy Charter, as the case may be, which has not signed the Treaty and which participates in such negotiations (in accordance with rule 7(b) of the Rules of Procedure);

(2) contributions to supplementary Budgets;

(3) draw(s) from the General Reserve Fund;

(4) voluntary contributions and in-kind voluntary contributions from Signatories;

(5) voluntary contributions and in-kind voluntary contributions from observers to the Conference or from other sources

(6) subsidies, gifts, participation fees, publication revenues and legacies of any nature;

(7) miscellaneous income, including without limitation income which has not previously been taken into account, balances recoverable and any adjustments in respect of estimated income previously credited.

ARTICLE 7

The draft Budget shall consist of:

(1) an explanatory memorandum by the Secretary-General setting out the considerations which have guided the preparation of the Budget, together with a summary table showing the proposed appropriations apportioned by the major items of the Secretariat's expenditure;

(2) the decisions relating to the Budget submitted to the Conference, including the Establishment Table and estimated temporary officials of the Secretariat. Officials in the Establishment Table and the estimated temporary officials can be appointed only to positions approved for the year of their appointment.

(3) a Table drawn up in conformity with a model prepared by the Secretary-General showing:

(a) for the Budget financed from normal resources:

(i) proposed appropriations to be made under each item compared with the corresponding appropriations authorised for the current biennium and the year preceding the start of the biennium and probable and real expenditures to be made for these two periods;

(ii) a corresponding statement of income required to finance proposed appropriations;

(iii) estimates for commitment authority as referred to in Article 11 below;

(b) for the Budget financed from other resources:

(i) conditional funding from other resources;

(ii) proposed appropriations to be made under relevant expenditure Items;

(iii) a corresponding statement of the source, amount and use to be made of other resources;

(iv) estimates for commitment authority as referred to in Article 11 below;

(v) specific arrangements, if any, applicable to the disbursement of voluntary contributions.

ARTICLE 8

The Table specified in Article 7(3) above, together with the Establishment Table, after adoption by the Conference, constitutes the Budget of Income and Expenditure for the biennium and each year of the biennium. It shall be divided into two Parts and each Part into items.

(1) Part I shall include general expenses that are financed from normal resources and from other resources referred to in Article 6(1) and (3) above, as well as general expenses that are financed from other resources referred to in Article 6(4) to (7) above, provided, in the latter case, that such resources are available for general use.

(2) Except expenses referred to in paragraph (1) above, Part II shall include all expenditures other than general expenses that are financed from other resources referred to in Article 6(3) to (7) above, including:

(a) expenditure which is of interest to one or to a limited number of Signatories;

(b) expenditure relating to special sectors of activity not covered by Part I.

PART III PREPARATION AND ADOPTION OF THE PROGRAMME OF WORK AND THE BUDGET

ARTICLE 9

The Secretary-General shall prepare the draft Programme of Work over the biennium not later than 6 months before the start of the biennium as well as the initial Budget for the first year of that biennium and the provisional Budget for the second year in conformity with the provisions of these Rules and with the procedures laid down by the Conference.

ARTICLE 10

The Secretary-General shall submit the draft Budget for the first year of that biennium and the provisional Budget for the second year to the Budget Committee, after consultation with the Management Committee, not later than two months before the opening of the last scheduled Conference meeting of the biennium, in order to obtain its views. He or she shall then submit the draft Budget and the comments of the Budget Committee to the Conference not later than two weeks before such Conference meeting.

ARTICLE 11

(1) If it is necessary to undertake commitments to be carried out after the end of the financial year, the Conference may accord the necessary commitment authority.

(2) The commitment authority shall be accompanied by a table indicating, for each commitment, the amount of appropriations foreseen in the Budget for the current and subsequent years.

(3) Such commitments shall be undertaken in the course of the financial year for which they were authorised.

(4) Multiannual commitments regarding Establishment Table posts are considered as approved by the Conference once the Conference approves the Establishment table, including the start and duration of the current contracts.

ARTICLE 12

Should circumstances so require, the Secretary-General may prepare one or more supplementary Budgets drawn up in the same manner as the draft annual Budget.

ARTICLE 13

(1) The Conference shall approve the biennial draft programme of work, the draft Budget for the first financial year and the provisional Budget for the second financial year of the biennium before the first day of the first financial year of the biennium after consideration and report by the Budget Committee.

(2) The provisional Budget for the second financial year of the biennium shall be approved as draft Budget for the second financial year of the biennium before and with effect from 1st January of that financial year.

ARTICLE 14

(1) If it has not been possible to approve the draft Budget before the first day of the financial year:

(a) unless the Conference has decided otherwise, the Secretary-General may, having informed the Budget Committee beforehand, undertake and make payments until the Budget is adopted for unavoidable expenditure authorised under each item in the Budget for the preceding year, and collect the corresponding contributions;

(b) commitments for other expenditures shall be authorised by the Conference.

(2) If there is urgent expenditure, for which the necessary appropriations have not been included in the annual Budget, the Secretary-General shall examine whether savings in the budget can cover the extra costs; if this is not the case, the Conference may authorise the Secretary-General to call on Signatories to make advance contributions to cover such expenditure until such time as a supplementary Budget has been prepared and approved.

(3) Any proposal to adjust the provisional Budget for the subsequent financial year should be issued by the Secretary-General not later than two months before the opening of the last scheduled Conference meeting of the current financial year. Consideration of these adjustments shall follow the same procedure and calendar as applicable to the approval of the Programme of Work and Budget.

PART IV ADMINISTRATION OF THE BUDGET

ARTICLE 15

(1) Approval of the Budget by the Conference shall empower the Secretary-General, subject to any special conditions established by the Conference:

(a) to commit and authorise expenditures and to make all payments to be borne by the Secretariat, for the purposes assigned to and within the limits of the appropriations and the commitment authority, as the case may be;

(b) to receive the income entered in the Budget;

(c) to make short-term money borrowing as necessary to make any unavoidable payments for which there are insufficient funds available, after authorisation by the Budget Committee.

(2) (a) Except as otherwise provided in this paragraph (2), approval of the Conference shall be required prior to the Secretary-General's acceptance of other resources, as defined in Article 6 above.

(b) Such other resources which have been accepted shall be the object of an appropriation by the Conference equal to their amount.

(c) The Secretary-General is authorised to accept, on the approval of the Budget Committee any such other resources not exceeding Euro 50 000 provided that it is for an activity included in an approved programme of work of the Secretariat and shall inform the Conference in due time. In cases of in-kind contributions, the amount of appropriations shall be considered as equal to the full cost not borne by the Secretariat for an equivalent solution. In cases of voluntary contributions involving co-financing from Budget Part I, the Secretariat shall preliminarily consult with the Budget Committee and seek approval by the Budget Committee and the Conference regardless the size of the contribution.

(d) (i) The Secretary-General is authorised to obtain the approval of the Conference for his or her acceptance of a voluntary contribution referred to in Article 6(3) above of up to Euro 50 000 and an appropriation by the Conference equal to its amount, through the written procedure provided for in Rule 19 of the Rules of Procedure as applied to decisions taken under Article 36(2) of the Treaty, which the Secretary-General may employ whenever it would in his or her judgement cause inconvenience to await the next meeting of the Conference for such approval and appropriation.

(ii) The Secretary-General shall in initiating this procedure circulate to all Signatories information on the source, amount, purpose and proposed use of any offer of a voluntary contribution together with his or her proposal to accept it.

ARTICLE 16

(1) The Secretary-General may make transfers between items within a particular Part of the Budget. The Budget Committee shall approve these transfers beforehand.

(2) The Secretary-General may make transfers relating to capital expenditure, only:

(a) on the approval of the Budget Committee for transfers of amounts less than Euro-250 000;

(b) with the approval of the Conference, on the advice of the Budget Committee for transfers of amounts in excess of Euro 250 000.

(3) The transfers of appropriations mentioned in paragraphs (1) and (2) above shall be summarised in a document submitted to the Budget Committee at the closing of accounts.

(4) Notwithstanding the provisions of Article 15(1)(a) above, transfers may be made for regularisation purposes in order to adjust the amount of appropriations to actual expenditure recorded at the closing of accounts.

ARTICLE 17

(1) Budget appropriations committed but for which no payment has been made by the end of the financial year or by the expiry date of the complementary period, shall be carried over to the following financial year.

(2) Budget appropriations, in respect of which no commitment has been entered into before the end of the financial year, may, subject to the approval of the Budget Committee, be carried over to the following financial year. Such appropriations shall be paid into the following funds, which shall be established as and when necessary by the Secretary-General:

(i) the general reserve fund if they are related to general expenses of Part I of the Budget; or

(ii) trust funds or a working capital fund if they are related to Part II of the Budget.

ARTICLE 18

After the Conference approves the Budget for the following financial year, the Secretary-General shall, within two months, notify Signatories of the amount of their contributions calculated as of 1 January each year.

ARTICLE 19

(1) The Deputy Secretary-General shall establish a system of internal financial management and budgetary control. The detailed Implementing Instructions shall be submitted to the Budget Committee for approval.

(2) Officials to whom the responsibility of a budget is entrusted shall ensure due regard to accountability and the principle of segregation of duties in line with Instruction 2. The measures put in place to control the Organisation's expenditures shall provide, in addition to requirements of Instruction 1(d), the reasonable assurance that

(a) the expenditure relates to, or is useful for, the implementation of the programme of work;

(b) the expenditure represents the best value for the organisation;

(c) the expenditure envisaged can be carried out in conformity with the Financial Rules, Implementing Instructions or other rules applicable to the organisation;

(d) sufficient resources are available to pay for the proposed expenditure; and

(e) the supporting documentation required for the expenditure is available and appropriate.

(3) If the risk of budget over-expenditure is identified, in consultation with the Budget Committee, the Deputy Secretary-General may suspend the use of appropriations or of specific commitments of appropriations for which no legal commitments exist. The Secretariat shall establish a system of budget control to periodically forecast the budget results and unforeseen expenditure for the financial period.

ARTICLE 20

The Secretary-General shall, subject to approval by the Conference, designate one or more independent External Auditors to carry out the annual audit of the Secretariat, the Terms of Reference for which shall also be approved by the Conference. The independent External Auditors shall be appointed for a 4-year period with the possibility of a 2-year extension. The same External Auditors shall not be selected nor appointed during the following 4-year period. The term of service of the External Auditors is renewable every year, unless otherwise specified by the Conference.

ARTICLE 21

(1) The External Auditors shall submit to the Conference and the Budget Committee a report, together with the statement of assets and liabilities and certified accounts, not later than eight months after the end of the financial year to which they relate.

(2) The Secretary-General shall make such observations as he or she considers appropriate on the External Auditors' report.

ARTICLE 22

The Deputy Secretary-General shall establish Implementing Instructions governing contracting, invitations to tender and the procurement of equipment, supplies and services.

PART V ACCOUNTS

ARTICLE 23

The accounts and annual financial statements of the Secretariat shall be kept and presented in Euro in accordance with the International Public Sector Accounting Standards (IPSAS).

ARTICLE 24

(1) An official designated by the Deputy Secretary-General shall be responsible for prescribing and maintaining the necessary accounts and subsidiary records and shall institute systems and procedures which will permit financial reporting on all activities of the Secretariat.

(2) The official shall keep the accounts of the Secretariat which shall comprise:

(a) the Budget accounts, which shall show:

(i) income: collection orders issued and receipts collected;

(ii) expenditure:

- commitments undertaken;
- available appropriations, account being taken of any transfers made and supplementary appropriations authorised;
- payment authorisations issued;

(b) the general accounts, which shall be kept on the double-entry system. They shall show the whole of the income and expenditure, and movements and availability of funds. All payments shall be made on the basis of supporting receipts and related accounting records. Book entries shall be made in accordance with the methods of accounting adopted by the Secretariat;

(c) appropriate separate accounts which shall be maintained in respect of all trust funds, reserves, working capital funds and special purpose accounts;

(d) a permanent inventory of the movable and immovable property constituting the assets of the Secretariat. Any acquisition of movable or immovable property shall be entered into the permanent inventory. The types of items included in the permanent inventory as well as the conditions for removing from the permanent inventory any property transferred, written off or missing, shall be governed by the Implementing Instructions established with regard to internal financial control.

(3) At the end of the financial year, the books shall be closed and a detailed statement of assets, liabilities and accounts shall be drawn up, which shall be submitted to the External Auditors not later than four months after the end of the financial year.

ARTICLE 25

(1) The accounting system shall consist of a general ledger and the relevant sub-ledgers or subsidiary records necessary to maintain detailed records of all assets and liabilities of the Secretariat and its income and expenses.

(2) Annual Financial Statements summarizing the accounts shall be issued in accordance with stated accounting policies, the International Public Sector Accounting Standards (IPSAS), and procedures contained in the Implementing Instructions and shall comprise the following:

(a) a detailed statement of assets, liabilities and accounts, subdivided into relevant categories;

(b) an income statement subdivided into income and expense categories;

(c) notes to the financial statements disclosing significant accounting policies and disclosure of contingent liabilities, commitments, and other information necessary to report the current financial condition of the Secretariat.

(3) The annual Financial Statements shall include corresponding figures for the preceding financial year. If a change in an accounting policy is made which has a material effect on the Financial Statements, it is necessary to disclose that a change has been made and to quantify the effect.

(4) In accordance with IPSAS 1 (in particular 1.25 and 1.26) and IPSAS 24, the annual accounts shall include (i) the financial statements and (ii) the budget implementation report.

ARTICLE 26

The Secretary-General shall designate the bank or banks in which the funds in the custody of the Secretariat shall be deposited.

ARTICLE 27

(1) The Secretary-General is authorised to carry out cash management operations which are necessary in the interests of the Secretariat and, in particular, to invest on a short-term basis funds not immediately required. For this purpose, he or she may perform any administrative act of disposal and, in particular, may purchase and transfer securities and grant Staff loans.

(2) The Deputy Secretary-General shall inform the Budget Committee of the investments made and shall take account of any proposals made to him or her on such occasions.

ARTICLE 28

(1) Cash disbursements shall normally be avoided, but a petty cash imprest fund for defined purposes may be held by one of the Staff designated by the Secretary-General. Officials to whom such funds are issued shall be personally responsible for them and for their proper use.

(2) The purposes of cash payments as described in paragraph (1) above shall be described in Instruction 10 b).

(3) The Budget Committee shall be informed of all cash disbursements made during the financial year.

ARTICLE 29

The Secretary-General may, on the advice of the Budget Committee, authorise the writing off of any loss of assets up to the amounts and subject to the conditions set forth in the Implementing Instructions established pursuant to Article 19 above. A full statement of all such amounts written off shall be attached as an annex to the annual Financial Statements.

PART VI FOREIGN EXCHANGE TRANSACTIONS

ARTICLE 30

The Deputy Secretary-General shall arrange for any foreign exchange transactions necessary for the requirements of the Secretariat.

ARTICLE 31

The Deputy Secretary-General shall report to the Budget Committee every year on the foreign exchange transactions carried out during the preceding year.

PART VII AUDIT OF THE ACCOUNTS

ARTICLE 32

(1) The External Auditors shall conduct such audits as deemed necessary, in accordance with their Terms of Reference, the present Financial Rules and any Implementing Instructions promulgated in accordance with Article 19 above. The External Auditors shall, in particular, check the accuracy of the books, statement of assets, liabilities, and accounts specified in Article 24 above.

(2) The External Auditors shall as a part of the annual audit, review the internal control structure of the Secretariat and may make observations, if necessary, with respect to the effectiveness of the financial systems, the accounting procedures, the internal financial controls, and the financial management and administration of the Secretariat.

(3) The External Auditors shall submit an audit report and certified accounts including the financial statements and the budget implementation report, to the Conference so that they may be available to the Budget Committee not later than eight months after the end of the financial year to which the accounts relate. The Budget Committee shall make to the Conference such observations on the Auditors' report as it may consider appropriate.

(4) On the basis of this report, the Conference shall discharge the Secretary-General from his or her management and administrative responsibility in respect of the Budget.

PART VIII MISCELLANEOUS PROVISIONS

ARTICLE 33

The Secretary-General shall submit to the Conference for approval, after consideration and report by the Budget Committee, any proposed substantive revisions to the Financial Rules.

ARTICLE 34

The Secretary-General shall submit to the Conference, through the Budget Committee, an estimate of the cost involved in the carrying out of all supplementary Budget decisions. No decisions involving additional expenditure shall be deemed to be approved by the Conference until the Conference has approved an estimate of the additional expenditure involved.

ARTICLE 35

There shall be a Budget Committee composed of representatives of all Signatories; its Terms of Reference shall be established by the Conference.

ARTICLE 36

(1) The Secretary-General may delegate to the Deputy Secretary-General or, if the post falls vacant, to the Head of Unit in charge of Finances such authority as he or she considers necessary for the effective implementation of these Financial Rules.

(2) In the absence or incapacity of an official expressly authorised to act by the Financial Regulations or Implementing Instructions, or should the post in question be vacant, the following post in the sequence of Secretary-General, Deputy Secretary-General, Head of Unit in charge of Finances, shall be authorised to so act. In addition, should the post in question be vacant, the preceding post in the sequence of Secretary-General, Deputy Secretary-General, Head of Unit in charge of Finances may also confer these functions on another official, in writing, on an interim basis.

ARTICLE 37

The Secretary-General shall issue a statement of assurance of management, representation of performance and compliance to the Conference.

IMPLEMENTING INSTRUCTIONS TO THE FINANCIAL RULES

SECTION I BASIC PRINCIPLES

INSTRUCTION 1

a) These Instructions lay down the procedures for the financial management, and budgetary control of the operations of the Secretariat as required under Articles 19 to 22 of the Financial Rules.

b) Any legal instrument committing the Secretariat vis-à-vis third parties and necessarily entailing expenditure, income or loss of income for the Secretariat or necessarily affecting the state of its assets shall be signed by the member of the Staff duly authorised for that purpose:
   i) by express provision of these Instructions and in accordance with the conditions laid therein; or
   ii) under some express provision of the Staff Regulations applicable to the various categories of the Staff of the Secretariat; or
   iii) by special written authorisation from the Secretary-General.

c) The Head of Unit in charge of Finances shall be responsible for prescribing and maintaining the necessary accounts and subsidiary records and shall institute systems and procedures which will permit the Deputy Secretary-General to report accurately and timely to the Budget Committee on the financing of all activities of the Secretariat so it can ensure that the programme of work is carried out through its approved annual budget and closely monitor its execution and expenditure.

d) When carrying out the financial function of the Secretariat, the following shall be given due consideration:
   i) economy, efficiency and effectiveness;
   ii) the overall interests of the Secretariat; and
   iii) prior budgetary approval and the availability of funds.

INSTRUCTION 2

a) The system of internal financial management and budgetary control specified in Article 19 of the Financial Rules shall comprise of financial and budgetary control by the Deputy Secretary-General over expenditure commitments and payments, by reference to supporting receipts and over income and the covering of supplementary budget expenditure.

b) The operations and financial management of the Secretariat shall be subject to the internal control and review procedures required to ensure compliance with the Rules and Instructions in force.

c) Verification of compliance with the Rules and Instructions in force shall be performed by individuals independent from those originally responsible for initiating the transactions. The Deputy Secretary-General shall ensure the compliance with these Rules and Instructions for transactions initiated by the Secretary-General or other staff members. The compliance of transactions initiated by the Deputy Secretary-General shall be ensured by the Secretary-General.

SECTION II EXPENDITURE COMMITMENTS

INSTRUCTION 3

a) Expenditure may be made out of budgetary appropriations only after a previously authorised commitment.

b) All requests to enter into commitments over Euro 1 500 shall be submitted to the Secretary-General, or upon delegation to the Deputy Secretary-General for approval.

c) Representation expenses over Euro 500 are subject to approval by the Secretary-General.

d) Except for representation expenses under Euro 500 all commitment and payment requests of less than Euro 1 500 shall be submitted to the Head of Unit in charge of Finances for approval.

e) The Deputy Secretary-General is responsible for the budgetary control, accounting and reporting of all commitments.

INSTRUCTION 4

a) All requests to enter into commitments, accompanied by the appropriate supporting receipts and explanations, shall be submitted to the Deputy Secretary-General who shall ensure that the expenditure proposed is in accordance with the purposes specified in the Budget and other financial provisions adopted by the Conference, Budget Committee or by the Secretary-General, and that appropriations are available under the relevant heading of the Budget to cover the expenditure envisaged.

b) Requests to enter into commitments under Euro 1 500, accompanied by the appropriate supporting receipts and explanations, can be submitted to the Head of the Unit requesting the commitment who shall ensure that the expenditure proposed is in accordance with the purposes specified in the Budget and other financial provisions adopted by the Conference, Budget Committee or by the Secretary-General, and that appropriations are available under the relevant Budget item to cover the expenditure envisaged. The Head of the Unit shall report the commitment and all supporting documents to the Deputy Secretary-General in due time.

c) The Deputy Secretary-General shall record the expenditure which will result from the commitment requests.

SECTION III PAYMENTS FROM APPROPRIATIONS

INSTRUCTION 5

a) Before approving payment against a budgetary appropriation, the Deputy Secretary-General or the Head of Unit in charge of Finances shall check the request for payment against the corresponding commitments to ensure:
   i) that the invoicing corresponds with the purchase order, contract or agreement;
   ii) that it has been duly certified that the goods have been received or the service rendered.

All the supporting receipts for payments shall be forwarded to the Deputy Secretary-General and to the Head of Unit in charge of Finances.

b) Notwithstanding the provisions of paragraph a) above, purchases of goods or services not exceeding Euro 1 000 may be made by purchase order without prior commitment. Such purchase of goods or services without prior commitment shall be related to the implementation of the programme or work or task related to the daily work of the Secretariat. A copy of all purchase orders shall be forwarded to the Head of Unit in charge of Finances.

SECTION IV CONTROL OF INCOME AND EXPENDITURES

INSTRUCTION 6

In the case of income, the Secretary-General shall ensure that the Secretariat's rights are safeguarded and that contributions, income and all resources are received. Collection orders shall be issued in respect of budgetary income and recorded in the accounts.

INSTRUCTION 7

The following funds may be set up in the accounts of the Secretariat:

a) general reserve fund for general expenses consisting of annual budget surpluses from Items of Part I of the Budget;

b) trust fund, constituted as a reserve for the Signatory concerned, if need be;

c) working capital fund for other than general expenses consisting of surpluses established annually at the final closure of programmes of Part II of the Budget.

INSTRUCTION 8

a) The Conference on advice of the Budget Committee shall determine the amount and the use of reserve and working capital funds pursuant to proposals from the Secretary-General.

b) The Secretary-General may use up to 10% of the total amount of the General Reserve Fund at 31 December of the preceding financial year after submission of the certified accounts by the External Auditors in a financial sustainable manner. The chair of the Budget Committee shall be provided with the justification of use of that amount. The Secretary-General shall report to the Budget Committee of the use made from the General Reserve Fund including justification. The General Reserve Fund is supplementary to Budget Part I.

c) Trust funds may be used only with the prior agreement of the Contracting Party or Signatory concerned.

d) Income from the general reserve fund and trust funds shall be paid into these funds annually.

INSTRUCTION 9

The Secretary-General authorises payments in respect of eventual supplementary budget expenditure and shall ensure that they are made within the limits of the corresponding amounts of income available, and after receipt of the appropriate supporting receipts from the unit requesting the expenditure.

SECTION V PAYMENT ORDERS

INSTRUCTION 10

a) As a general rule, payments in respect of budgetary or supplementary budget expenditure shall be made by direct transfer, standing order or credit card. All payment orders shall be signed by two officials authorised to do so by the Secretary-General. Payment orders, the amount of which exceeds Euro 1 500 shall be submitted to the Secretary-General for approval prior to signature. An official holding a credit card is responsible for obtaining and archiving approvals following the same procedure as for other payments in accordance with the above described procedure.

b) In exceptional cases, payments in cash are authorised, but limited to the payment of allowances or reimbursement of costs to individuals who do not own a bank account in the Eurozone and whose payments to foreign accounts would prove inefficient. This is, in particular, the case of the financial assistance to invited experts as described in Instruction ~~29~~31 b) and c) below, as well as the payment of allowances and travel expenses to secondees, fellows and interns visiting the Secretariat for a short period.

SECTION VI ACCOUNTING, CONTROL AND FINANCIAL REPORTING

INSTRUCTION 11

The Head of Unit in charge of Finances shall, in line with Article 25:

a) keep the budget accounts of expenditure and income referred to in Article 24(2)(a) of the Financial Rules;

b) keep the general accounts specified in Article 24(2)(b) and separate accounts specified in Article 24 (2)(c) of the Financial Rules;

c) keep the accounts of the terminal allowance, if this function is not contracted out;

d) draw up, at the end of the financial year, the detailed statement of financial position and accounts specified in Article 24(3) of the Financial Rules;

e) Prepare annual financial statements that include corresponding figures for the preceding financial year. If a change in an accounting policy is made which has a material effect on the financial statements, it is necessary to disclose that a change has been made and to quantify the effect; and

f) be responsible for inventories of movable and immovable property and record the value of such acquisitions and removals taking into account annual depreciation charges.

INSTRUCTION 12

The Deputy Secretary-General shall take all necessary action to preserve the assets of the Secretariat; to that end, he or she shall be responsible for:

a) the short-term investments of funds referred to in Article 27 of the Financial Rules;

b) any foreign exchange transactions referred to in Article 30 of the Financial Rules;

c) the preparation of the periodic reports to the Budget Committee on the short-term investments of funds and the annual report on the foreign exchange transactions carried out in the preceding year as required under Articles 27 and 31 of the Financial Rules.

INSTRUCTION 13

The Deputy Secretary-General shall:

a) be in charge of designing the internal control procedures and their eventual revisions, if necessary, as well as monitoring their implementation and reporting to the Budget Committee;

b) verify compliance of financial transactions initiated by the Secretary-General and Heads of Units with the Financial Rules and Implementing Instructions in force;

c) exercise financial and budgetary control and financial reporting on all commitments to the Budget Committee;

d) suspend the use of appropriations or of specific commitments for which no legal commitments exists in case of risk of budget over-expenditure.

INSTRUCTION 14

a) The internal control procedures, to encompass sound financial management (effectiveness, efficiency and economy of operations), reliability of reporting, safeguarding of assets and information, prevention, detection and follow-up of irregularities and adequate management of risks relating to legality, regularity and technicality of the underlying transactions, based on best international practices, have to be approved by the Budget/Management Committee.

b) Such internal control procedures shall be reviewed annually.

c) Reporting shall be done regularly to the Budget Committee and to the Management Committee at its request.

d) The internal control procedures in place must be sufficient to ensure that:
   i) transactions are supported by appropriate documentation;
   ii) recorded transactions are valid;
   iii) transactions are properly authorised;
   iv) existing transactions are recorded;
   v) transactions are properly valued;
   vi) transactions are recorded at the proper time;
   vii) transactions are properly posted in subsidiary records and correctly summarised.

e) Depending on the nature of the asset or record, one or more of the following elements, if practicable, shall be employed:
   i) adequate storing facilities, such as fireproof safes or safe deposit vaults, to store important assets, records, EDP material, and documents;
   ii) dual custody of negotiable instruments; and
   iii) sufficient insurance coverage.

f) An effective system of risk management shall be established to identify and address internal and external risks to the Organisation, on an ongoing basis throughout the year, and bring them to the attention of the Budget Committee and to the Management Committee at its request in a timely manner. The reports shall be consistent with the presentation of the Budget. The reports shall, *inter alia*, compare the budget results to the approved Budget and shall include information on the use of the budget appropriations, the financing of appropriations, and a summary of transfers of appropriations. The final budget result report for a financial period shall also present a table outlining all income offsetting expenditure in the budget accounts, comparative analyses with prior year expenditure, a summary of all carry-forwards of appropriations, as well as a table regarding voluntary contributions and grants. The Budget Committee shall review reporting requirements periodically or upon a proposal from the Secretary-General.

g) Financial reporting shall be presented periodically to the Budget Committee in line with the relevant Financial Rules and Implementing Instructions. The reports shall contain:
   i) Financial statements and notes disclosing significant accounting policies and disclosure of contingent liabilities, commitments, and other information necessary to report the current financial condition of the Secretariat in line with Article 25(2)(c) and Instruction 3;
   ii) Information on the short-term investments of funds in line with Article 27;
   iii) Information on foreign exchange transactions carried out during the preceding year in line with Article 31;
   iv) The use made of the General Reserve Fund and its justification in line with Instruction 8;

v) Detailed statement of assets and liabilities and accounts specified in Article 24(3) and Instruction 11d).

h) The Deputy Secretary-General shall be in charge of reporting on internal control, budgetary and financial matters and shall be responsible for ensuring that accounting and financial records, including financial statements, are kept for ten years and supporting receipts for income or expenditure for five years after approval of accounts by the Conference.

SECTION VII ORDERS AND CONTRACTS

INSTRUCTION 15

a) For purchase of goods (including equipment, furniture and supplies) ~~or~~ and services (including works, installation, maintenance and insurance) of an amount over Euro 6 000 but not exceeding Euro 25 000 shall be subject of a formal contract.

b) The Budget Committee should be informed of the purchase of goods and services exceeding Euro 6 000 threshold.

c) For the purchase of goods (including equipment, furniture and supplies) and services (including works, installation, maintenance and insurance) of an amount over Euro 25 000 but not exceeding Euro 130 000 at least three suppliers have to submit price quotations in writing.

d) For the purchase of goods and services amounting to over Euro 130 000 shall be subject to an invitation to tender with at least three invited suppliers or contractors.

e) Invitations to tender shall show, in addition to the proposed quantities and specifications of goods and services, the terms of delivery or performance and the closing date for lodging tenders. In all cases, suppliers or contractors shall be asked to state their prices, delivery or performance dates, and the time during which their offers remain open.

f) The closing date for lodging tenders under paragraph b) above shall be determined so as to enable suppliers or contractors located in distant Signatory countries to tender. The Deputy Secretary-General shall inform Signatories of international invitations to tender.

g) Invitations to tender shall be drafted in identical terms for all bidders. Any further information or particulars given to one bidder shall be communicated in writing to all bidders.

h) The confidentiality of tenders shall be observed.

i) Tenders shall be opened under the responsibility of the Deputy Secretary-General, assisted by one colleague.

j) All suppliers or contractors who have tendered shall be informed of the results of their tenders.

k) The amounts referred to in paragraphs a) and b) of this Instruction shall be reviewed annually by the Secretary-General having regard to changes in the number and average size of contracts entered into by the Secretariat and to the evolution of the cost of goods and services. Any subsequent proposed revisions will be subject to approval by the Budget Committee.

INSTRUCTION 16

a) In the following cases, derogations from the tender or price quotation procedure as described under Instruction 15 above shall be possible:

i) by special written decision of the Secretary-General on the grounds of urgency or other practical considerations of the Secretariat justify an exception;

ii) by decision of the Contracts Committee when the procedure under Instruction 15 above cannot be followed because of the special nature of the supplies or services concerned; or

iii) when it is in the best interest of the Secretariat to place an order or conclude a contract within a period which by reason of overriding urgency or unforeseeable circumstances is too short to enable an invitation to tender to be put out or for several suppliers or contractors to be consulted.

b) In such cases an order shall be placed or a contract entered into directly.

c) Requests for derogation shall be submitted, together with the necessary supporting documents, to the Contracts Committee.

INSTRUCTION 17

a) Unless strong reasons exist to the contrary, purchase orders shall be placed, or contracts entered into, with the supplier or contractor who has submitted the most advantageous offer. If an offer other than the lowest offer is selected, the choice shall be subject to particular justification, supported by the appropriate documentation.

b) The Budget Committee shall be kept informed by the Secretary-General of cases where there was a derogation from the tender procedures or where an offer other than the most advantageous was selected.

INSTRUCTION 18

Goods or services for an amount not exceeding Euro 6 000 may be procured by simple purchase order. Procurement above this amount shall be the subject of a formal contract.

INSTRUCTION 19

a) The Contracts Committee shall, prior to any decision by the competent authority, examine:

i) the draft of any contract or other legal instruments referred to in Instruction 1 when the sums involved exceed Euro 25 000 and any supplementary clauses to such contracts; however, the Committee may, where the Secretary-General so requests, exempt ex officio from such examination the first two renewals, after the first year, on the same terms, including financial terms, of a contract;

ii) the draft of any clause supplementary to an order or a contract involving expenditure of up to Euro 25 000 where such supplementary clauses have the effect of bringing the overall maximum amount of the contract to more than Euro 25 000;

iii) the draft of any repeat orders or contracts which will bring the total sum of expenditure for the same type of goods or services amount to more than Euro 25 000 in the course of the financial year;

iv) derogations from the provisions of Instruction 15 above, in the cases referred to in Instructions 16 and 17 above.

b) The provisions of this Instruction shall not apply to the appointment of members of the Staff of the Secretariat nor to seconded experts, fellows and interns.

INSTRUCTION 20

The Contracts Committee shall consist of:

- the Secretary-General or in his or her absence, the Deputy Secretary-General, as the Chairman;
- the Deputy Secretary-General; and
- the General Counsel.

The Secretary-General shall nominate an official of the Secretariat to be the Secretary to the Contracts Committee. The Secretary to the Contracts Committee is not member of the Contracts Committee. In case of absence of a member, a senior official should be nominated by the Chairman.

INSTRUCTION 21

a) The Contracts Committee shall be convened by the Chairman; its proceedings shall be valid if three members are present, the Chairman being present.

b) Papers shall be submitted to the Committee at least three working days before the appointed date of the meeting.

c) After considering offers by suppliers, draft specifications, orders or contracts, having satisfied itself that the expenditure commitment relating to the order or contract proposed has been approved in accordance with the provisions of Instruction 4 above, the Committee shall give its opinion, by the majority of those members present.

d) Minutes shall be kept of meetings, setting forth minority opinions whenever pertinent.

e) All relevant extracts from the Minutes of the meetings shall be included in the file relating to each item of business considered, which file shall be kept by the Secretary to the Committee.

f) The Committee may give its opinion under a written procedure. The provisions set out in the foregoing paragraphs shall apply mutatis mutandis. However, the Chairman of the Committee may decide, on grounds of urgency, that the opinion of the Committee shall be deemed favourable, unless objections have been raised within two working days after reception of the papers to be considered by the members of the Committee.

INSTRUCTION 22

a) Orders, contracts and other legal instruments committing the Secretariat for an amount of up to Euro 20 000 shall be signed by the Deputy Secretary-General.

b) Contracts and other legal instruments committing the Secretariat for an amount over Euro 20 000 shall be signed by the Secretary-General or, in his or her absence, by the Deputy Secretary-General. The Deputy Secretary-General shall verify compliance of the commitment with the Financial Rules and Implementing Instructions in force.

c) The provisions of this Instruction shall not apply to the appointment of members of the Staff of the Secretariat.

SECTION VIII ASSETS, TRANSFER OF PROPERTY AND LOSSES

INSTRUCTION 23

a) All assets of a value per unit of Euro 200 or more shall be included in the permanent inventory of the movable and immovable property constituting the assets of the Secretariat.

b) All assets of an acquisition value per unit of Euro 500 or more shall be capitalised. These assets shall be further depreciated over their estimated useful lives:

- Furniture & fixtures 10 years
- IT equipment 4 years
- Leasehold improvements over the remaining lease term
- Transport equipment 6 years
- Other 4 years

c) The Budget Committee shall be informed of the inventory list once a year.

INSTRUCTION 24

Based on proper justification that furniture, equipment and other assets of the inventory of the Secretariat proposed for disposal are of no use to the Secretariat, or disposal is in the best interest of the Secretariat, the Secretary-General may approve, in consultation with the Deputy Secretary-General, arrangements for the sale under the best terms of the goods. If the market value of the goods is higher than the book value, the former shall be considered as the best terms to the Secretariat.

INSTRUCTION 25

a) The Secretary-General may authorise the writing off up to Euro 2 500 annually of any loss of assets or irrevocable book debts.

b) Above these amounts, the writing off shall be subject to the favourable opinion of the Budget Committee.

INSTRUCTION 26

The Deputy Secretary-General shall be responsible for drawing up a statement of losses of assets which are written off as provided for in Article 29 of the Financial Rules. This statement is submitted annually to the Budget Committee with the Annual Accounts.

SECTION IX REPRESENTATION EXPENSES

INSTRUCTION 27

The allocation of total appropriations for representation expenses of the Secretariat shall be made each year in the Budget of the Secretariat.

INSTRUCTION 28

a) Officials to whom an authorisation is given by the Secretary- General and including the Secretary-General herself/himself, may be repaid the cost of official representation (including gifts, taxis, parking fees) in the limits indicated below:

   i) for lunch/dinner in their own homes:
      - Euro 15 per person, including the host and hostess, for receptions;
      - Euro 45 per person, including the host and hostess, for lunches and dinners;

   ii) for lunch/dinner in outside places:
      - Euro 18 per person, including the host and hostess, for receptions;
      - Euro 65 per person, including the host and hostess, for lunches and dinners.

   The Secretary-General's representation costs shall be approved by the Deputy Secretary-General.

b) The amounts fixed above shall be updated every year by decision of the Secretary-General, on the basis of a local consumer price index.

c) The maximum amount for gifts per official should be limited to Euro 50 for officials and Euro 150 for the Secretary-General and the Deputy Secretary-General.

INSTRUCTION 29

a) Repayment claims shall be sent to the Deputy Secretary-General, accompanied by supporting receipts and the list of the guests.

b) No repayment shall be made in respect of the representation solely of members of the Secretariat, except in special cases previously authorised by the Secretary-General for administrative reasons.

INSTRUCTION 30

The Deputy Secretary-General shall periodically submit to the Secretary-General a detailed account of the state of the appropriation for representation expenses.

SECTION X PARTICIPATION IN CONFERENCES, SEMINARS, MEETINGS OR OTHER EVENTS

INSTRUCTION 31

a) Experts or other participants shall be designated either by the Secretary-General or by Signatories at the request of the Secretary-General to attend conferences, seminars, meetings or other events related to the Charter activities.

b) The fees, travel expenses and daily subsistence of experts and other participants designated by the Secretary-General shall be paid by the Secretariat. As a general rule, fees, travel expenses and daily allowances of experts or other participants designated by the Signatories will be paid by the parties which designated them.

c) Financial assistance for travel and subsistence expenses for attendance at meetings of maximum one invited expert per transition country shall be based on the procedures established by the Secretary-General in consultations with the Budget Committee.

d) The financial assistance may be provided to experts:

   i) from least developed countries, other low income countries, and lower middle income countries and territories of the latest OECD's "Development Assistance Committee (DAC) list of Official Development Assistance (ODA)[14] recipients

   ii) from observer countries in the context of the policy on CONEXO and as an option at the discretion of the Secretary-General upon the confirmation of the availability of resources by the Head of Unit in charge of Finances.

e) The financial assistance cannot be provided to experts from countries with arrears of contributions in accordance with Article 36 of the Energy Charter Treaty.

INSTRUCTION 32

Any document or other material collected or produced in connection with such activities shall be freely available to the Secretariat.

INSTRUCTION 33

Expenditure on assistance from consultants and organisations could, if so decided, include the payment of fees and expenses for Chairmen who were not government officials.

SECTION XI MISCELLANEOUS PROVISIONS

INSTRUCTION 34

The present Implementing Instructions shall take effect as of 25 August 2022 and shall cancel all contrary provisions in force prior to that date.

[14] Latest version available at https://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/daclist.htm

TERMS OF REFERENCE GOVERNING THE EXTERNAL AUDITOR

CCDEC 1996 02 BUD, 5 June 1996
Amended by CCDEC 2022 14 BUD, 25 August 2022

ARTICLE 1

The External Auditors (hereinafter called the Auditor(s)) shall perform such financial Audit of the financial statements of the Secretariat based on the International Public Sector Accounting Standards (IPSAS), comprised of the balance sheet, the statement of income and expenditure and the notes in order to issue an opinion on the financial statements of the Secretariat.

In addition to the financial Audit, the Auditor(s) shall report on the compliance of the Secretariat's financial management and administration with the Financial Rules and Implementing Instructions of the Secretariat.

ARTICLE 2

The Auditor(s) shall be the sole judge as to the acceptance in whole or in part of certifications and representations by the Secretariat and may proceed to such detailed examination and verification as required.

ARTICLE 3

The Auditor(s) shall have free access at all convenient times to all books and records and other documentation, and staff of the Secretariat which are, in the opinion of the Auditor(s), necessary for the performance of the Audit. The Auditor(s) shall respect the privileged and confidential nature of any classified information, and shall not make use of such information, except in direct connection with the performance of the Audit.

ARTICLE 4

The Auditor(s) shall verify the annual financial transactions of the Secretariat as regards income, expenditures, receipts and disbursement and shall perform such audits as they deem necessary to certify that:

(1) The financial statements give a true and fair view of the Energy Charter Secretariat's net equity and financial position as at 31 December 20xx, and of its Income and Expenditure for the year then ended, prepared in accordance with the Financial Rules and their Implementing Instructions, International Public Sector Accounting Standards (IPSAS) and with the Accounting Policies which are described in Note 2 to the financial statements of the Energy Charter Secretariat.

(2) The financial management and administration of the Secretariat has been carried out on a sound, economical and efficient basis, i.e. in compliance with the Financial Rules and Implementing Instructions of the Secretariat based on reasonable assurance standard.

ARTICLE 5

The Report of the Auditor(s) should comply with the International Standards on Auditing (ISA) (for (1) above) and the International Standards on Assurance Engagements (ISAE) (for (2) above).

ARTICLE 6

The Auditor(s) shall be completely independent of the Secretariat and solely responsible for the Audit.

ARTICLE 7

The Secretary-General shall give the Auditor(s) such assistance and furnish them with such facilities as they may need for the proper discharge of their duties.

ARTICLE 8

(1) Each year the Auditor(s) shall prepare an audit report in compliance with the abovementioned standards. They can also report any observations and recommendations as they deem necessary on the economy and efficiency of financial procedures, the accounting system and internal control, including review of the internal structure of the Secretariat in a separate letter of recommendations as annex to the Report

(2) Such observations that, in the professional judgement of the Auditor(s), need not be brought to the attention of the Conference shall be attached as an addendum for consideration by the Budget Committee.

ARTICLE 9

The audit report shall be submitted to the Budget Committee not later than eight months after the financial period to which the accounts refer. The draft report shall be transmitted to the Secretary-General beforehand, so that opportunity is given to furnish within 30 days such explanations and justifications as may be required.

ARTICLE 10

The Budget Committee shall transmit the audit report to the Conference, together with the explanations of the Secretary-General and, if necessary, with its own observations.

Confirmation of Decisions of the Provisional Energy Charter Conference

CONFIRMATION OF DECISIONS OF THE PROVISIONAL ENERGY CHARTER CONFERENCE

CCDEC1998 07 GEN, 23-24 April 1998

The Conference agreed that Decisions taken by the Provisional Charter Conference would be applicable after entry into force of the Energy Charter Treaty, including the decision relating to the request for the Governing Body of the ILO to agree to extend the jurisdiction of the ILO Appeal Tribunal to disputes involving the staff of the Secretariat.

De-restriction of CCDEC documents and change in the default setting of CC documents

DE-RESTRICTION OF CCDEC DOCUMENTS AND CHANGE IN THE DEFAULT SETTING OF CC DOCUMENTS

CCDEC 2013 08 STR, 25 November 2013

The Energy Charter Conference noted that the documents with the acronym 'CCDEC' (the 'CCDEC documents') are to be prepared by the Energy Charter Secretariat (the 'Secretariat') in the following manner:

(a) The Secretariat will prepare a draft summary record of the annual meeting of the Conference within two months of that meeting.

(b) With the draft summary record, the Secretariat will also prepare a series of new CCDEC documents for the same year, based on:
- all decisions of the Conference adopted during that year by correspondence;
- all documents submitted to the latest meeting of the Conference; and
- the draft summary record of that meeting, reflecting the Conference's final action (including, but not limited to, adoption, approval or taking note of) taken there.

The list of new CCDEC documents will be made available on the restricted part of the Secretariat's website.

(c) The Secretariat will then submit the draft summary record of the meeting of the Conference for adoption by correspondence. The annex to the draft summary record will contain the list of new CCDEC documents prepared.

(d) Following the adoption by correspondence of the summary record (together with its annex), the Secretariat will make the new list of CCDEC documents available on its public website.

Against this background, the Conference decided:

(i) All the CCDEC documents listed in the Annex II to document CC 463 shall be derestricted as of the date of this decision;

(ii) Except for the case mentioned in (iii) below, no CCDEC document prepared after the date of adoption of this decision shall be restricted;

(iii) If a CCDEC document is prepared based on any CC-numbered document that is restricted pursuant to (v) below, such CCDEC document shall remain restricted until the relevant CC-numbered document is de-restricted;

(iv) Except for the case mentioned in (v) below, all the CC-numbered documents prepared after the date of adoption of this decision shall be de-restricted upon final action by the Conference, including, but not limited to, adoption, approval or taking note of; and

(v) If any Contracting Party is of the view that a certain CC-numbered document should remain restricted, even after the final action by the Conference, such Contracting Party shall request such restriction before the Conference takes its final action, either by a notification to the Secretariat or by a statement at the Meeting of the Conference. Where there is any such request, the relevant document shall remain restricted until the requesting Contracting Party cancels its request.

Approval of the new logo and new informal working name

APPROVAL OF THE NEW LOGO

CCDEC 2015 36 STR, 3 December 2015

The Energy Charter Conference approved the new logo offered by The Netherlands. As explained by Minister Kamp at the opening of the Ministerial Conference on the International Energy Charter, the logo is composed of five honeycombs, which symbolise the five continents working together to create a powerful energy partnership. The logo's colours show the transition from traditional energy sources, in blue, by way of sustainable energy sources, in green, to the energy sources of the future, in yellow. The opening between the honeycombs symbolises the open market in energy that the Charter aims to promote.

The Energy Charter Conference confirmed that 2016 will be a transition year using both logos (the old logo and the new one). As of 2017, only the new logo will be used.

INFORMAL WORKING NAME

CCDEC 2016 08 STR, 4 July 2016

The Conference was invited to adopt an informal working name to better reflect the global nature of the organisation and for clarity in presentation to third parties. As discussed at the Strategy Group meeting of 15 June 2016, the decision does not affect the status under international law of either the Energy Charter Conference or the Energy Charter Secretariat.

The Energy Charter Conference approved the use of an informal working name, 'International Energy Charter', to refer to the Energy Charter Conference and its subsidiary bodies, as well as the Energy Charter Secretariat. Such name will be used as of the date of approval of this decision for any public communications, except for those documents that require the use of the official name of the relevant institution according to the Energy Charter Treaty (e.g. Conference decisions would still refer to the Energy Charter Conference). This decision does not require any amendment of the Energy Charter Treaty since the Energy Charter Conference will keep its official name.

Rules of Procedure of the Energy Charter Conference

RULES OF PROCEDURE OF THE ENERGY CHARTER CONFERENCE

CCDEC 1995 30 GEN, 22-23 November 1995
Amended by CCDEC 2015 20 GEN, 25 November 2015
Amended by CCDEC 2016 11 GEN, 31 October 2016
Amended by CCDEC 2018 06 GEN, 14 November 2018
Amended by CCDEC 2022 05 GEN, 8 June 2022
Amended by CCDEC 2022 17 GEN, 10 October 2022
Amended by CCDEC 2023 03 GEN, 12 March 2023
Amended by CCDEC 2023 08 GEN, 9 May 2023

Considering the statements that have been made in particular by Japan and the EC, and bearing in mind Article 50 of the ECT, the Charter Conference, by approving the Rules of Procedure, accepts to continue the application of the existing linguistic regime which is based on English, French, German, Italian, Russian and Spanish.

The Charter Conference acknowledges that the European Communities provided substantial financial support to the European Energy Charter negotiations, since they started in July 1991.

The Charter Conference takes note that the European Communities indicated their willingness to consider additional support for the organisation of further Conference meetings notably if the cost of the linguistic regime creates budgetary problems to the Charter Secretariat.

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RULES OF PROCEDURE OF THE ENERGY CHARTER CONFERENCE

(Article 34(6) of the Energy Charter Treaty)

I. MEETINGS

Rule 1

(a) Ordinary meetings of the Conference shall be held at intervals determined by the Conference. The date of each ordinary meeting shall be fixed by the Conference at a previous meeting. Any ordinary meeting may, however, be rescheduled by the Chairperson of the Conference in consultation with the Secretariat if necessary for reasons unforeseen by the Conference. Notice of rescheduling of a meeting shall be given at least 15 days in advance of the date for the rescheduled meeting.

(b) Extraordinary meetings of the Conference may, as provided in Article 34(2) of the Energy Charter Treaty, be held at such times as are determined by the Conference, or at the written request of any Contracting Party or Signatory to the Energy Charter Treaty (hereinafter referred to as 'Contracting Party' or 'Signatory') provided that, within six weeks of the request being communicated in writing to the other Contracting Parties and Signatories by the Secretariat, it is supported in writing by at least one-third of the Contracting Parties and Signatories. Notice of extraordinary meetings shall be given at least 15 days in advance of the date of the extraordinary meeting. In exceptional circumstances, the Chairperson may, upon request and or at his/her discretion, shorten the notice, unless there is an objection of a Contracting Party.

Rule 2

Meetings of subsidiary bodies shall be held when convened by their Chairperson in accordance with any relevant decisions of the Conference, or when requested in writing by one-third of their members.

Rule 3

(a) Meetings of the Conference and of its subsidiary bodies normally shall be held in Brussels. However, the Conference or a subsidiary body may decide to meet elsewhere.

(b) Each year, within two weeks of the annual conference, the Secretariat will produce a schedule of planned and proposed meetings and activities for the following year. Meetings will be confirmed upon the specific invitation, and uploaded on the delegates' website. As a rule, specific invitations should be uploaded one month before the

meeting.

(c) If the meeting room is provided with a videoconference system, the Secretariat may offer the opportunity to participate via teleconference or videoconference.

II. AGENDA

Rule 4

(a) The Secretariat, in consultation with the relevant Chairpersons, shall draw up and transmit to all Contracting Parties and Signatories the proposed agenda for each meeting of the Conference and of the subsidiary bodies. The Chairperson of the Conference and the Vice-Chairperson of the outgoing Chairmanship shall prepare the draft Agenda of the meeting of the Management Committee to be approved by the latter in line with the Rules of Procedure.

(a bis) The Secretariat, in consultation with the Chairmanship, shall draw up a draft agenda for the annual meeting of the Conference to be discussed by the Management Committee at least six months before the meeting. Any items of an important and urgent character, proposed by a Contracting Party less than two months before the meeting, shall be sent to the Secretariat and, upon consultation and approval of the Chairmanship and the Management Committee included as supplementary items.

(b) In notifying the Contracting Parties and Signatories of the date of a meeting the Secretariat shall communicate to them any available information about the proposed agenda. The proposed agenda together with any available documents for the meeting shall be uploaded on the Energy Charter Secretariat webpage at least 15 days in advance of the meeting.

(c) As a general rule, each day a document has been uploaded, a dissemination message confirming the upload will be sent to delegates. The deadline mentioned in the previous paragraph refers to the date of the upload, not of the dissemination message.

(d) Restricted documents are not to be shared outside the Secretariat and delegations by any technical, computer-based, paper-based, telematic or any other means.

Rule 5

The first item of business at each meeting shall be the consideration and approval of the agenda.

Rule 6

The Conference or a subsidiary body may amend its agenda or give priority to certain items.

III. OBSERVERS

Rule 7

A. General rules

(a) States and international organisations which sign the European Energy Charter or the International Energy Charter shall thereby obtain observer status to the Energy Charter Conference. They may be invited by the Conference or its subsidiary bodies, where appropriate, to attend meetings, or part of meetings, of the Conference, or of the subsidiary bodies, as observers without the right to vote.

(b) The Conference may also invite representatives of international organisations to be represented as observers without a right to vote at meetings, or parts of meetings, of the Conference or of its subsidiary bodies.

(c) At a meeting, the Chairperson may, at his or her own initiative or upon request, invite an observer to make a statement on a particular issue.

(d) The Secretariat shall notify the observers of the dates of meetings or parts of meeting of the Conference or of its subsidiary bodies which they may attend and shall provide them with the agenda and other documents thereof as if the observers were Contracting Parties or Signatories for the purposes of Rule 4.

(e) The Conference may, by consensus, suspend or withdraw the Observer status of a country or international organisation in case of

- a persistent or serious breach of the principles of the European Energy Charter or the International Energy Charter, whichever was signed by that country or international organisation, or
- persistent failure to comply with financial obligations it may have towards the International Energy Charter.

If consensus cannot be reached, the decision of the Conference under this subparagraph shall be taken by a three-fourths majority of the Contracting Parties Present and Voting at the meeting of the Conference, as far as they represent a simple majority of the Contracting Parties.

(f) Upon request of a Contracting Party and considering relevant underlying circumstances, the Conference may reconsider the Observer status of an international organisation obtained by invitation. In case of suspension or withdrawal of the Observer status by invitation, the voting rules in subparagraph (e) apply.

B. Specific rules regarding signatories of the European Energy Charter

(a) Any signatory to the European Energy Charter which has not signed the Energy Charter Treaty may participate in the negotiations referred to in Articles 10(4) and 33 of the Energy Charter Treaty.

(b) Signatories to the European Energy Charter which have not signed the Energy Charter Treaty are admitted to such negotiations upon notification to the Secretariat of their intention to participate and their decision to contribute to the costs of the negotiations.

IV. REPRESENTATIVES

Rule 8

The names of representatives of Contracting Parties, Signatories and observers attending meetings of the Conference and of its subsidiary bodies shall be communicated to the Secretariat.

V. INSTITUTIONAL STRUCTURE – BODIES OF THE INTERNATIONAL ENERGY CHARTER

Rule 9

The informal working name of the Organisation is “International Energy Charter”. The Organisation consists of the following: the Conference, the Management Committee, the subsidiary bodies and any of their subgroups, and the Secretariat.

Rule 10 - The Energy Charter Conference

(1) The Contracting Parties meet periodically in the Energy Charter Conference at which each of them shall be entitled to have one representative.

(2) Unless otherwise provided in the Rules of Procedure, these Rules shall also apply to the Management Committee and the subsidiary bodies of the Conference.

(3) The functions of the Conference are established in Article 34(3) of the Energy Charter Treaty (hereafter – “Treaty”):

(a) carry out the duties assigned to it by the Treaty and any Protocols;

(b) keep under review and facilitate the implementation of the principles of the Charter and of the provisions of the Treaty and the Protocols;
(c) facilitate in accordance with the Treaty and the Protocols the coordination of appropriate general measures to carry out the principles of the Charter;
(d) consider and adopt programmes of work to be carried out by the Secretariat;
(e) consider and approve the annual accounts and budget of the Secretariat;
(f) consider and approve or adopt the terms of any headquarters or other agreement, including privileges and immunities considered necessary for the Charter Conference and the Secretariat;
(g) encourage cooperative efforts aimed at facilitating and promoting market-oriented reforms and modernisation of energy sectors in those countries of Central and Eastern Europe and the former Union of Soviet Socialist Republics;
(h) authorise and approve the terms of reference for the negotiation of Protocols, and consider and adopt the texts thereof and of amendments thereto;
(i) authorise the negotiation of Declarations, and approve their issuance;
(j) decide on accessions to the Treaty;
(k) authorise the negotiation of and consider and approve or adopt association agreements;
(l) consider and adopt texts of amendments to the Treaty;
(m) consider and approve modifications of and technical changes to the Annexes to the Treaty;
(n)* consider and approve the listing of signatories in Annexes BR or BRQ or in both these Annexes;
(o)* consider and approve the addition of items to Annex EM II from Annex EM I with the corresponding deletion of those items from Annex EM I and consider and approve the addition of items to Annex EQ II from Annex EQ I with the corresponding deletion of those items from Annex EQ I;
(p)* appoint the Secretary General and take all decisions necessary for the establishment and functioning of the Secretariat including the structure, staff levels and standard terms of employment of officials and employees.

(4) At intervals (of not more than five years) to be determined by the Conference, the Conference shall thoroughly review its functions provided for in the Energy Charter Treaty in the light of the extent to which the provisions of the Treaty and its Protocols have been implemented. At the conclusion of each review the Conference may amend or abolish the functions specified in paragraph (3) and may discharge the Secretariat.

Rule 11 - Management Committee

(a) The Management Committee should be composed of:

- The Chairperson of the Conference;
- One representative of each the outgoing and incoming Chairmanships as Vice-Chairpersons;
- The Chairpersons of the subsidiary groups;
- Two representatives from the EU and a representative from each non-EU Contracting Party that contributes more than 10% of the budget;
- In addition, up to five Contracting Parties (CP's) allowing different geographical representation. CP's could nominate their representative to this body who will be confirmed/elected by the Conference by consensus for a 3 years term. The composition should take into account regional balances in order to maintain and raise the awareness of all CP's toward ECT, and ensure the effectiveness of the Committee's work;

Except for the Chairpersons of the subsidiary groups, members and alternates of the Management Committee can nominate another representative to participate on their behalf in case they are not available on the day of a meeting of the Management Committee.

(b) The Management Committee shall exercise the functions provided in Article 1 of its terms of reference.

(c) The Management Committee shall be assisted by the Secretariat as needed. Exceptionally, any other member of the Conference may be invited on an ad hoc basis to participate, upon agreement of the Management Committee

* For Contracting Party which has not ratified the Amendment to the Trade-related Provisions of the Energy Charter Treaty sub-paragraphs (o)-(p) do not apply, and sub-paragraph (n) reads as follows: *"(n) appoint the Secretary-General and take all decisions necessary for the establishment and functioning of the Secretariat including the structure, staff levels and standard terms of employment of officials and employees."*

and acceptance by the country invited by the Chairperson of the Conference and the Vice-Chairperson of outgoing Chairmanship.

(d) The Management Committee has an advisory role. It shall provide its opinion and/or proposal and/or recommendation to the Conference and Chairmanship on any issue within its competence and proceed with any tasks assigned to it by the Conference, its Chairmanship and Subsidiary Bodies, as appropriate.

(e) The Management Committee shall meet periodically (at least 3 times per year) at the invitation of the Chairperson and outgoing Chairmanship of the Conference. The Secretary General or at least two Contracting Parties or Signatories of the ECT could request the Chairperson and outgoing Chairmanship of the Conference to convene a meeting of the Management Committee. Such request should include the topic to be discussed and the reasons for the consultation with the Management Committee.

(f) The Members of the Conference shall be informed of the main conclusions reached at the meetings of the Management Committee.

Rule 12 – Subsidiary bodies and sub-groups

(a) The Conference may, as provided in Article 34(5) of the Energy Charter Treaty, establish such subsidiary bodies as it considers appropriate for the performance of its duties. Such subsidiary bodies shall be either 'Standing Groups' established to deal with issues of a regular nature or 'Working Groups' established to carry out negotiations or other work of a temporary nature.

(b) The Conference shall determine the terms of reference for and the membership of subsidiary bodies.

(c) The Conference or subsidiary bodies may set up temporary sub-groups to assist them in their work.

(d) A subsidiary body shall address such issues as it is instructed to do by the Conference.

(e) A subsidiary body may decide to address any matter related to the issues within its competence.

(f) At any time, the Conference may subject a subsidiary group to an in-depth evaluation and decide that the work undertaken by a subsidiary body should not be carried further or revise its mandate.

(g) A subsidiary body shall through its Chairperson report to the Conference.

(h) Recommendations submitted by the Chairperson of a subsidiary body to the Conference shall call attention to differences in the views of Signatories.

(i) A sub-group shall through its Chairperson report to the body which set it up, which shall give it the necessary guidance for carrying out its work.

(j) A subsidiary body may submit to the Management Committee any topic on issues of its competence.

Rule 12 bis – ToR/Mandates of subsidiary bodies and sub-groups

(a) The mandates of subsidiary groups should be reviewed during the review under Article 34(7) ECT, unless otherwise specified in group's mandate/ToR approved by the Conference.

(b) The ToRs/mandates of sub-groups are defined by the relevant subsidiary group (or subsidiary groups in the case of a joint sub-group) and the Conference should be notified accordingly. In practice, the Secretariat should transmit this notification to the Conference as early as possible and no later than one month from the decision of establishment. Unless there are objections within the following twenty days, the establishment of the sub-group is confirmed to be approved by the Conference.

(c) The mandates of the sub-groups are reviewed within the framework of the evaluation of the continuing relevance of its substructure by a subsidiary body prior to renewal of its mandate, using the results of the in-depth evaluation process when these are available.

Rule 13 – Bureaus

(a) Each subsidiary body, including their sub-groups, may establish by consensus a Bureau. Bureau shall be designated yearly by the respective subsidiary body through a transparent and fair process and approved by the Conference. Each Bureau consists of the Chairperson and Vice-Chairpersons of the relevant body.

(b) The Bureau is responsible for:
- ensuring that the draft Agenda is properly set up;
- assisting the Chairperson in the preparation of the conduct of the meetings;
- ensuring the continuity of the work between meetings, in accordance with the working methods defined by the body;
- foster coordination between its members in preparation of the meetings.

Rule 14 – The Secretariat

(a) In carrying out its duties, the Conference shall have a Secretariat which shall be composed of a Secretary General and such staff as are the minimum consistent with efficient performance.

(b) In the performance of its duties the Secretariat shall be responsible to and report to the Charter Conference. The Secretariat shall provide the Charter Conference with all necessary assistance for the performance of its duties and shall carry out the functions assigned to it in the Energy Charter Treaty or in any Protocol and any other functions assigned to it by the Charter Conference.

(c) The Secretariat may enter into such administrative and contractual arrangements as may be required for the effective discharge of its functions.

VI. OFFICERS

Rule 15

A. Conference

(a) The Chairmanship of the Conference shall be held for a term of one calendar year. Each year, the Conference shall approve by consensus a list of future Chairmanships of the Conference covering at least the following three years and on the basis of equitable geographical rotation. The Conference shall consider only nominations received by the Secretariat before the 1st of July of each year. In the case there are more than one candidate for a particular year, the Conference shall make every effort to reach agreement by consensus. If agreement cannot be reached by consensus, the decision should be taken by a simple majority of the Contracting Parties whose representatives are present and voting by secret ballot in the Conference. In case there are no nominations to cover the following three years or if the only nomination(s) arrive(s) on or after 1 July, the Conference will decide how to proceed.

(a *bis*) If there is no approved Chairmanship for a particular year or the approved Chairmanship is not able to perform its role (or waives its position), the Conference may approve an acting Chairmanship for the whole calendar year or part thereof. The outgoing and upcoming Chairmanships are encouraged to volunteer for the acting Chairmanship, but any other Contracting Party may also volunteer for the position. If there are no nominations for the acting Chairmanship or there are more than one, the Conference will decide how to proceed.

(a *ter*) The Contracting Party appointed as the acting Chairmanship shall nominate a representative as the acting Chairperson. The acting Chairmanship and the acting Chairperson shall have the same powers and duties as the Chairmanship and the Chairperson.

(b) As a rule, the minister in charge of Energy Charter issues of the Contracting Party holding the Chairmanship shall be designated as Chairperson of the Conference. The Contracting Party holding the Chairmanship may also nominate a representative other than the minister as the Chairperson. In performing such duties, the Chairperson shall act in accordance with the Energy Charter Treaty, Protocols, Declarations and Conference decisions. The Chairperson shall be assisted by Vice-Chairpersons.

(c) Contracting Parties may nominate themselves for the office of Chairmanship by letter to the Secretariat, indicating

their preference for the year they wish to assume this role. The Secretariat shall immediately make such letter available to all delegations.

(d) If for any reason the Chairperson can no longer perform the functions of the office, the Chairmanship shall nominate an official of the relevant government office as replacement. The Conference shall then, without delay, designate the replacement as new Chairperson.

(e) Three positions of Vice-Chairpersons shall be reserved for the current, the outgoing and the incoming Chairmanships. The Vice-Chairperson representing the acting Chairmanship shall act as first Vice-Chairperson, while the Vice-Chairpersons representing the outgoing and incoming Chairmanships shall rank second and third respectively. Additional Vice-Chairpersons, if any, shall be ranked taking into account the date of their first appointment.

(f) As part of the change of Chairperson under paragraph (d), the Chairmanship may re-nominate a Vice-Chairperson for designation by the Conference without delay.

(g) The incoming Chairmanship should consult its priorities and expected outcomes with the Management Committee and subsidiary bodies during the first 6 months of the year prior to its Chairmanship.

B. Management Committee and subsidiary bodies

(a) The Chairpersons and Vice-Chairpersons of subsidiary bodies shall be designated each year by the Conference. As a general rule, no person can be Chairperson or Vice-Chairperson of the same subsidiary body for more than three consecutive years. As a general rule, no person can be Chairperson of multiple bodies of the International Energy Charter.

(b) The Chairpersons and Vice-Chairpersons of the subsidiary bodies shall be designated on a volunteer basis, taking into account the principle of equitable geographical distribution among the Contracting Parties and Signatories.

(c) If there is no volunteer or if the Conference is not able to take a decision, the Chairmanship of the Conference shall act as interim Chairperson until a volunteer is confirmed by the Conference.

(d) If a Chairperson is absent from any meeting or part thereof, a Vice-Chairperson shall perform the functions of the Chairperson. If a Vice-Chairperson is not present, the Contracting Parties and Signatories attending the meeting shall elect an interim Chairperson for that meeting or that part of the meeting.

(e) If necessary, any interim Chairperson should remain in office until the next meeting of the relevant group.

VII. CONDUCT OF BUSINESS

Rule 16

(a) In addition to exercising the powers conferred upon him or her elsewhere in these Rules, the relevant Chairperson shall declare the opening and closing of each meeting, shall direct the discussion, shall ensure the observance of these Rules, and shall accord the right to speak, put questions to the vote, and announce decisions. The relevant Chairperson also may call a speaker to order if his or her remarks are not relevant to the subject under discussion. The relevant Chairperson should not take any decisions, especially with budgetary implications, before the discussion and approval by the Working/Standing Group he/she chairs.

(b) During the discussion of any matter in the Conference or in a subsidiary body a member thereof may raise a point of order. In this case the relevant Chairperson shall immediately state his or her ruling. If the ruling is challenged by a member, the Chairperson shall forthwith submit his or her ruling for decision by the body in which the matter is under discussion, and it shall stand unless overruled.

VIII. VOTING

Rule 17

(a) Decisions on strictly procedural matters not provided for in the Energy Charter Treaty shall, except as otherwise provided in these Rules, be taken by a majority of the Contracting Parties and Signatories whose representatives are present and voting in the Conference, or in the case of a subsidiary body, by a majority of the Contracting Parties and Signatories which are members of that body whose representatives are present and voting.

(b) Every effort shall be made to reach consensus on recommendations to the Conference by subsidiary bodies. If a decision cannot be reached by consensus, such recommendations shall be decided by a three-fourths majority of the Contracting Parties and Signatories which are members of that body whose representatives are present and voting.

(c) Each Contracting Party and Signatory (when applicable) shall be entitled to one vote provided that is not in arrears in the payment of its financial contributions to the budget of the Energy Charter Secretariat in the amount which equals or exceeds the amount of the contributions due from them for the preceding two full years.

(d) A Regional Economic Integration Organisation shall vote in line with Article 36(7) of the Energy Charter Treaty, taking into account if any of its member states has lost its voting rights due to persistent arrears.

IX. REQUEST FOR DISTRIBUTION OF DOCUMENTS

Rule 18

For the information of the Conference, Contracting Parties and Signatories may request the distribution of messages and documents. Such documents shall be distributed as soon as possible to representatives of all Contracting Parties, Signatories and observers as appropriate.

X. PUBLICITY OF MEETINGS

Rule 19

(a) Meetings of the Conference and of its subsidiary bodies shall not be public, unless the Conference or the relevant subsidiary body decides otherwise.

(b) After a meeting has been held, the Chairperson of the Conference may issue a communiqué to the press.

(c) Upon request, representatives of Contracting Parties and Signatories can listen, at the Secretariat's office, to the audio recordings of the meetings, for which their delegation registered, of the subsidiary bodies and the Conference without making recordings or copies of those recordings.

XI. RULES FOR DECISIONS BY CORRESPONDENCE

Rule 20

(a) Decisions of the Conference may, in the intervals between the meetings of the Conference, be taken by correspondence.

(b) Where the Chairperson of the Conference, upon request by a Contracting Party or a Signatory or upon his/her own initiative, and after consultation with the Management Committee, decides that a decision should be taken by correspondence, he or she shall instruct the Secretariat to upload a message on the Energy Charter Secretariat webpage, containing such information as the Chairperson considers necessary to an informed decision. A subsidiary group may also recommend the Conference to take a decision by correspondence.

(c) The Chairperson of the Conference shall determine the date and hour by which any opposition must be received, which shall in no case be earlier than 20 days from the date of upload of the message referred to in paragraph (b). In exceptional circumstances, the Chairperson may, upon request and at his or her discretion, extend the time limit.

Subject to no objections being received within the time limit, the Conference decision will be considered as approved with immediate effect and a confirmation message will be uploaded.

(d) The states or Regional Economic Integration Organisation entitled to participate in decisions by correspondence are those which are Contracting Parties or Signatories on the date of upload of the message referred to in paragraph (b).

(e) A subsidiary body may adopt rules for decisions of that body to be taken by correspondence.

(f) For information purposes, a dissemination message will be sent to delegates each time a Conference decision by correspondence is initiated.

XII. RULES FOR APPOINTMENT OF SECRETARY-GENERAL

Rule 21.1: Scope of Application

(a) These Rules shall apply only to the procedure for appointment of the Secretary-General of the Energy Charter Secretariat. These Rules shall not define or interpret any term or provision in the Energy Charter Treaty, any Annex or Protocol thereto, or the Rules of Procedure of the Energy Charter Conference.

(b) These Rules shall replace the Procedures to Be Followed in Appointing the Secretary-General of the Energy Charter Secretariat (CC 164 Annex 1). These rules enter into force as of 1 January 2017.

(c) The selection process under these Rules, including the informal sounding of preferences set out in Rule 7, shall be deemed part of the 'effort to reach agreement by consensus' required by Article 36(1) of the Energy Charter Treaty.

Rule 21.2: Start of Procedure

(a) The Energy Charter Conference shall be invited to decide on the basis of the applicable rules, on whether or not to re-appoint the serving Secretary-General for a second mandate at least twelve months before the expiration of his or her contract.

(b) Irrespective of the decision under paragraph (a) above, Contracting Parties may propose candidates for the post of Secretary-General more than twelve months before the expiration of the contract of the serving Secretary-General.

(c) In the case of a decision by the Energy Charter Conference not to re-appoint the serving Secretary-General, or in cases where the serving Secretary-General indicates to the Conference Chairperson in writing that he or she is not ready to accept a second mandate, the procedure outlined in these Rules shall be applied.

(d) The serving Secretary-General may reapply for the position of Secretary-General only once, for the term set out in Rule 21.10.

Rule 21.3: Candidacy

(a) Within one month of the date of the decision by the Energy Charter Conference not to reappoint the serving Secretary-General, or of the date on which the Conference Chairperson receives a written indication from the serving Secretary-General that he or she is not ready to accept a second mandate, or in case one or more Contracting Parties have proposed another candidate(s) as allowed in Rule 21.2.b, all Contracting Parties and Signatories shall be informed, via a letter to Ministers from the Conference Chairperson, of the timetable for nominating candidates, or additional candidates, for the post of Secretary-General and the procedure to be followed. This letter shall be sent at least ten months prior to the date of the Energy Charter Conference's meeting where the appointment is expected to take place and indicate a deadline for the nomination.

(b) Desirable qualifications include broad experience in international affairs, as well as in leadership and organisational management, in government, international organisations and/or industry.

(c) Each nomination shall be accompanied by the candidate's curriculum vitae and a mission statement of the candidate.

(d) The deadline for submission of candidatures shall be at least nine months prior to the date of the Energy Charter Conference's meeting where the appointment is expected to take place.

Rule 21.4: Nationality of Candidates

(a) Only Contracting Parties which are not in arrears in the payment of their financial contributions to the budget of the Energy Charter Secretariat in the amount which equals or exceeds the amount of the contributions due from them for the preceding two full years, shall have the right to nominate a candidate for the post of Secretary-General, provided that any candidate shall have the nationality of one of the Contracting Parties.

(b) Any candidate shall not necessarily be a national of the Contracting Party which proposes their candidacy.

Rule 21.5: Interview

(a) All eligible candidates shall be interviewed by the Contracting Parties and Signatories. Such interview shall be chaired by the Conference Chairmanship and shall be open to all Contracting Parties and Signatories who wish to attend. If one of the candidates has the nationality of the Chairmanship, the Vice-Chairpersons representing the outgoing and incoming Chairmanships shall chair the interview in that order. In the event that there are also candidates of the nationality of the outgoing and incoming Chairmanships, the delegates attending the interview shall elect two representatives of Contracting Parties present to chair the interview. All candidacies shall be reviewed on an equal and non-discriminatory basis.

(b) The interview of candidates shall be completed no later than six months prior to the date of the Energy Charter Conference's meeting where the appointment is expected to take place.

Rule 21.6: Procedure in case there is only one candidate

The Conference Chairperson shall submit the name of the single candidate to the Energy Charter Conference. The Conference Chairperson shall invite the Energy Charter Conference to appoint such candidate, by consensus, as the Secretary-General.

Rule 21.7: Informal Sounding of Preferences

(a) When more than one candidate have been nominated, the Conference Chairmanship shall hold an informal sounding and invite the Energy Charter Conference to appoint, by consensus, as the Secretary-General, the single preferred candidate identified through such informal sounding consensus.

(b) If an informal sounding is held, it shall be governed by the Conference Chairperson and past practice. Appendix I will collect those past practices to be considered by the Conference Chairperson.

(c) Participation in the informal sounding is limited to those Contracting Parties and Signatories that are not in arrears in the payment of their financial contributions to the budget of the Energy Charter Secretariat in the amount which equals or exceeds the amount of the contributions due from them for the preceding two full years.

Rule 21.8: Appointment by the Energy Charter Conference

(a) The submission of the candidate's name to the Energy Charter Conference shall be completed as a rule no later than three months prior to the expiry of the contract of the serving Secretary-General.

(b) In line with Articles 34(3)(n), 35(2) and 36(1) of the Energy Charter Treaty, the Energy Charter Conference shall take the final decision on the appointment of the Secretary-General.

(c) The term of initial appointment shall be no longer than five years.

Rule 21.9: Lack of Appointment of the Secretary-General

In the event that the procedure set out in these Rules does not lead to the appointment of the Secretary-General on the date of the Energy Charter Conference's meeting where the appointment was expected to take place, the Conference Chairperson may propose to the Energy Charter Conference either: (1) the designation of, as a rule, the Deputy Secretary-General as Acting Secretary-General; or (2), in case the post of the Deputy-Secretary General is vacant, the prolongation of the appointment of the serving Secretary-General.

Rule 21.10: Reappointment by the Energy Charter Conference

(a) In case the Energy Charter Conference decides to reappoint the incumbent Secretary-General, it shall also decide on the term of reappointment.

(b) The term of reappointment shall not be longer than five years.

Rule 21.11: Early Departure of the Serving Secretary-General

(a) In cases where the serving Secretary-General tenders his or her resignation before the expiry of his or her existing contract, or in the case of a decision by the Energy Charter Conference to terminate the serving Secretary-General's appointment, or in any other case not foreseen in the above which entail the departure of the serving Secretary-General before the expiry of his or her existing contract, the Conference Chairperson shall inform all Contracting Parties and Signatories as soon as possible, via a letter to Ministers, of the measures that he or she proposes to take in order to ensure a timely replacement of the Secretary-General. In the meantime, the serving Deputy-Secretary General will serve as acting Secretary-General. In the case where the post of the Deputy-Secretary General is vacant, the Chairmanship of the Conference in consultation with the Contracting Parties and Signatories will designate, within 14 actual days from the departure of the serving Secretary-General, an acting Secretary-General to be selected from the existing staff of the Energy Charter Secretariat for a temporary period until a new Secretary-General is appointed.

(b) The measures set out in paragraph (a) for the timely replacement of the Secretary-General shall be based on the procedures outlined in these Rules.

XIII. RULES FOR APPOINTMENT OF DEPUTY SECRETARY-GENERAL

Rule 22.1: Scope of Application

(a) These Rules should apply only to the procedure for the appointment of the Deputy Secretary-General of the Energy Charter Secretariat.

(b) For the purpose of these Rules, the term 'Contracting Party' and 'Signatory' refer to any Contracting Party, and Signatory that is not in arrears in the payment of their financial contributions to the budget of the Energy Charter Secretariat in the amount which equals or exceeds the amount of the contributions due from it for the preceding two full years

(c) A candidate can be appointed as the Deputy Secretary-General only if he or she is a national of a Contracting Party or of a Signatory.

Rule 22.2: Start of Procedure

(a) The Secretariat should ensure that all Members of the Conference are informed, via a Message uploaded on delegates' website, of the future vacancy, no later than three months prior to the expiry of the contract of the serving Deputy Secretary-General or, as referred in Rule 22.5, at least two months before the early departure of the Deputy Secretary-General.

(b) The call for interest shall include a full description of the qualifications and experience required for the post.

The applications should be sent to the Secretariat at least one month before the expiry of the contract of the serving Deputy Secretary-General, or in case of an unexpected departure, within one month from the date where the call for interest has been uploaded.

(c) The Secretary-General may draw up a short-list of candidates of up to four candidates if the number of applications warrants it. Within one month from the application deadline, the Secretariat shall upload to the delegates website the list of candidates and, if relevant, the short list prepared on as wide a geographical basis as possible.

Rule 22.3: Selection Process by Contracting Parties and Signatories

(a) All the shortlisted candidates will be interviewed by the Contracting Parties and Signatories at a single meeting within a maximum of one month period after the expiry of the contract of the serving Deputy Secretary General or her/his early departure. Such interviews shall be chaired by the Secretary-General and shall be open to Contracting Parties and Signatories. All candidacies shall be reviewed on an equal and non-discriminatory basis.

(b) Within one month following the last interview, the Conference Chairmanship will coordinate an informal sounding of preferences with all Contracting Parties and Signatories in order to reach a consensus on a list of maximum three candidacies. The Conference Chairmanship shall make the results of the informal sounding available to the Conference through a summary report.

Rule 22.4: Appointment

(a) Within one month from the reception of the informal sounding result, the Secretary-General, considering the preferences of the Contracting Parties and Signatories, shall propose a candidate for her/his appointment by the Conference. In case of a negative decision by the Conference, the Conference Chairmanship will propose to the Conference how to proceed.

(b) The term of the initial appointment of the Deputy Secretary-General shall be no longer than four years. The Deputy Secretary-General may run for a second appointment, which shall not be longer than four years.

(c) The Conference can decide, after consultation with the Secretary-General, on the termination of the appointment of the Deputy Secretary-General. The Secretary-General can recommend for approval to the Conference the termination of the appointment of the Deputy Secretary-General.

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Rule 22.5: Early Departure of the Serving Deputy Secretary-General

(a) In case where the serving Deputy Secretary-General resigns before the expiry of his or her existing contract, or in any other case which entails the departure of the serving Deputy Secretary-General before the expiry of his or her existing contract, the Secretary-General shall inform all Contracting Parties and Signatories as soon as possible via a message uploaded on delegates' website.

(b) Not later than three weeks after the departure of the serving Deputy Secretary-General for any of the reasons referred to in the previous paragraph, the Secretary-General will upload a notice concerning the early departure of the Deputy Secretary-General and the existing vacancy as mentioned in Rule 22.2.

(c) The serving Deputy Secretary-General may resign with three months notice.

XIV. REVISION

Rule 23

The Conference may decide at any time to revise these Rules or any part of them.

APPENDIX I - Past Practice regarding informal sounding

(i) An informal sounding is held by correspondence and preferences are kept confidential.

(ii) The name of the candidate supported by three quarters of the Present and Participating Contracting Parties and Signatories is submitted to the Energy Charter Conference in accordance with Rule 21.6. The Conference Chairperson invites the Energy Charter Conference to appoint such candidate, by consensus, as the Secretary-General.

(iii) In the event that, after the first round of informal sounding, no candidate has achieved a three-quarter majority, the informal sounding proceeds to the second round.

(iv) The second round is conducted between the two best-placed candidates of the first round.

(v) The name of the better-placed candidate at the second round is submitted to the Energy Charter Conference in accordance with Rule 21.6. The Conference Chairperson invites the Energy Charter Conference to appoint such candidate, by consensus, as the Secretary-General.

(vi) In the event that the second round of informal sounding indicates the same level of support for the two candidates, the Conference Chairperson will call for reflection by the Contracting Parties and Signatories, and may hold a discussion session. Thereafter, additional round(s) of informal sounding are conducted between the same two candidates in order to establish the single candidate to be recommended to the Energy Charter Conference in accordance with Rule 21.6.

Supporting Mechanism for the Chair of the Conference:
Terms of Reference of the Management Committee

SUPPORTING MECHANISM FOR THE CHAIR OF THE CONFERENCE: TERMS OF REFERENCE OF THE MANAGEMENT COMMITTEE

CCDEC 2021 16 STR, 30 September 2021

Article 1 - Functions

The Management Committee shall:

- Enhance the governance of the organisation and seek to prevent failures.

- Identify the overall direction of the Energy Charter process, and particular issues and initiatives and form an opinion to the Conference and Chairmanship.

- Identify new challenges in the energy sector and consider in which way the Energy Charter process and its instruments can most efficiently respond to such challenges and form an opinion to the Conference and Chairmanship.

- Provide support and political guidance as well as to facilitate the discussion of important/sensitive topics to Conference and Chairmanship in the fulfilment of the tasks in between Conference Meetings or in case of a crisis in the Energy Charter Process.

- Discuss the specific and political topics submitted to it by the Conference and/or its Chairmanship (or the Secretary General through the Chairmanship), including issues provided by the Subsidiary Bodies, Staff Committee, Contracts Committee, Advisory Board and Industry Advisory Panel (IAP).

- Perform any other function/task assigned to it by the Conference.

- Deal with any question relevant to the International / European Energy Charters and the Energy Charter Treaty (ECT), as well as decisions of the Energy Charter Conference directly addressed to the Management Committee.

- Prepare the work of the Conference; agenda, participation, invitations, supporting documents, outcomes.

- Implement the decisions and policies of the Energy Charter Conference directly addressed to the Management Committee; advice and facilitate its work.

- Report directly to the Conference on the execution of its duties and on the situation and prospects of the Energy Charter in short reports focused on the strategies, visions as well as on expenditures of budget, and annually on the activities of the International Energy Charter. The reports and proposals prepared by the Management Committee shall call, when appropriate, attention to the different views of the members.

- Take measures, if so empowered by the Conference and ensure implementation and respective report to the Conference.

- Serve as a selection board/Committee for the implementation of the selection processes for the appointment of the SG and DSG.

- The Management Committee should examine the programme of work and the corresponding budget estimates submitted to it by the Budget Committee and ensure that the programme of work is carried out through its approved annual budget and closely monitor its execution and expenditure.

- Submit, upon the request of the Conference or upon its own initiative, other communications to the Conference.

- Consult, cooperate and collaborate with the IAP, Knowledge Centre and Subsidiary bodies on the areas of their competence defined in their ToRs, and request their opinion on topics concerned.

- Take account of the work done by other international Organisations concerned, and may cooperate with them, in the performance of its duties.

- Receive regular reports by the Staff Committee, Advisory Board, and Contracts Committee on relative issues. It is up to the Staff Committee, Advisory Board and Contract Committee to consider the content of those reports.

- Establish such individual groups, if deemed necessary, to assist it in the performance of its duties and entrust them with the execution of any task relevant to the purpose of the International Energy Charter.

- Any other functions assigned to the Management Committee by the Rules of Procedure of the Conference or any other internal document of the organisation.

Article 2 – Composition

The Management Committee restricted composition should allow a more focused debate on sensitive topics, in preparation for the Conference. The Chair of the Conference and the Vice-Chair of the outgoing Chairmanship will co-Chair the meetings.

The Management Committee should be composed of:

- The Chair of the Conference;
- One representative of each the outgoing and incoming Chairmanships as Vice-Chairs;
- The Chairs of the subsidiary groups;
- Two representatives from the EU and a representative from each non-EU Contracting Party that contributes more than 10% of the budget;
- In addition, up to five Contracting Parties (CP's) allowing different geographical representation. CP's could nominate their representative to this body who will be confirmed/elected by the Conference by consensus for a 3 years term. The composition should take into account regional balances in order to maintain and raise the awareness of all CP's toward ECT, and ensure the effectiveness of the Committee's work;

The Management Committee shall be assisted by the Secretariat as needed.

Exceptionally, any other member of the Conference may be invited on an ad hoc basis to participate, upon agreement of the Management Committee and acceptance by the country invited by the Chair of the Conference and the Vice-Chair of outgoing Chairmanship.

Article 3 – Meetings

The Management Committee should meet periodically (at least 3 times per year) at the invitation of the Chair and the outgoing Chairmanship of the Conference. The Secretary General or at least two Contracting Parties or Signatories of the ECT could request the Chair and the outgoing Chairmanship of the Conference to convene a meeting of the Management Committee. Such request should include the topic to be discussed and the reasons for the consultation with the Management Committee.

The Members of the Conference shall be informed of the main conclusions reached at the meetings of the Management Committee.

The Chair of the Conference and the Vice-Chair of the outgoing Chairmanship shall prepare the draft Agenda to be approved by the Management Committee in line with the Rules of Procedure.

Article 4 – Role

The Management Committee would play a secondary role under the Conference, which could have some of its own independent powers upon Conference's authorisation to make recommendations to the Conference and/or the Conference Chair. The Management Committee does not detract from the Conference's standing as the sole decision-making body, but shall provide its opinion and/or proposal and/or recommendation to the Conference and/or Chair of the Conference on any question or issue within its competence. The reports, opinions, recommendations and decisions shall be adopted by consensus and/or three-fourths majority of those members present and voting in line with the Rules of Procedure for each issue. Other participant countries invited on an ad hoc basis may notify the Chairmanship and the Vice-Chair of the outgoing Chairmanship of their wish to participate to an opinion and/or a recommendation and/or decision.

Code of Conduct

CODE OF CONDUCT

CCDEC 2017 06 GEN, 14 October 2017

This code sets forth the framework and standards for the personal and professional conduct which is to be expected of those working with the International Energy Charter

INTEGRITY:

We are committed to maintaining the highest standards of professional and personal conduct. As such we affirm that we

- Carry out our duties in accordance with the highest standards of integrity and loyalty
- Do not use the Organisation's resources or non-public information obtained through our position for private gain, either for ourselves or others
- Avoid abuse of the privileges and immunities conferred on the Organisation and its officials and actions that could be perceived as such
- Avoid situations that might result in real, perceived, or potential conflicts between our personal interest and those of the Organisation
- Take prompt action to remove ourselves from situations where conflicts of interest can or have occurred
- Shall take all reasonable steps to prevent misrepresentation on social medias
- Are honest and truthful in our dealings; fully presenting all facts in an unbiased and clear manner

LOYALTY:

We are faithful and true to the enduring our role of the Organisation in support of the current and future challenges it faces. As such, we affirm that we

- Always put the interest of the Organisation above our own and that of our individual nations, mindful of all applicable rules and regulations
- Demonstrate a unity of purpose focused on the goals and objectives of the Organisation
- Strive to make a personal contribution to the success of the Organisation, fostering a culture of results across the Organisation
- Contribute to the development and maintenance of a positive team spirit
- Support the principles upon which the Organisation was founded

IMPARTIALITY:

We serve the Organisation's interest above our personal interests. As such, we affirm that we

- Won't seek or accept any instructions in connection with the exercise of our functions from any government or any authority external to the Secretariat
- Keep and international outlook and base our recommendations and decisions on what is best for the Organisation as a whole, rather than the views or interest of our own, or any particular nation or nations
- Maintain our objectivity, impartiality and independence in our professional dealings, striving to be fair, just, and equitable in all our activities
- Do not accept gifts which might compromise our impartiality or give rise to the perception of a lack of impartiality in the conduct of our official duties.
- Do not engage in unauthorised outside employment or other off-duty activities that might conflict with or otherwise call into question the performance of our official duties
- Do not use our position at the Organisation or proprietary information to unfairly secure future employment and will not use privileged information to unfair after our appointment

ACCOUNTABILITY:

We are responsible and accountable for our actions and decisions, or failure to act, and accept the consequences of their outcomes. As such, we affirm that we

- Avoid any action that could lead to damage or risk to the Organisation
- Are transparent in all we do, even when it does not reflect favourably upon us.
- Take full responsibility for our actions and take prompt action to resolve or correct any errors or omissions that we may make
- Notify the secretariat immediately of any subsequent changes that may affect our status under the staff regulations and rules
- Are mindful of the consequences of our actions and decisions before we take them
- Care for and manage prudently the limited resources of our Organisation
- Stay vigilant to any fraud, waste, and abuse that may occur within the Organisation and address and report them appropriately

PROFESSIONALISM:

We are professionals who are entrusted to carry out our duties to the utmost of our abilities for the common good. As such, we affirm that we

- Protect the security and confidentiality of information entrusted to us with the utmost discretion in regard to all matters of official business
- Participate in maintaining the safety and security of our information and our workplace
- Maintain the highest level of competence in our assigned areas and strive for continuous improvement of our knowledge, skills, and abilities
- Do not harass or discriminate against others in our workplace, and do not tolerate those who do.
- Put forth an honest effort in the daily performance of our duties
- If supervisors, provide fair leadership and take responsibility for the actions or inactions of our subordinates, ensuring they provide the Organisation with the best possible service by encouraging and rewarding those who perform well, while correcting those who fail to deliver up to standards

Manual
on Data Protection

MANUAL ON DATA PROTECTION

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I. General Provisions

Article 1
Purpose

1.1 Data protection is important for the safe exchange, secure storage and confidential treatment of personal data. In the context of its international public mandate, the Energy Charter Secretariat ('the Secretariat') is required to process personal data from its officials, individuals directly involved in the work of the Secretariat (Seconded experts, Fellows, Interns and Staff on Loan), delegates and participants to events organised or co-organised by the Secretariat and third parties interacting with the Secretariat (recruitment, enquiries etc.)

1.2 The use of personal data also requires the Secretariat to share these data with other parties (mainly representatives of Members and Observers of the Energy Charter Conference). In doing so, the Secretariat needs to ensure that data protection is applied consistently by means of effective and sustainable measures.

1.3 The Energy Charter Secretariat has always ensured a high level of data protection in its activities in accordance with international standards and best administrative practices. The key objective of the Manual on data protection ('the Manual') is to codify existing practice in order to ensure that every individual whose personal data are used by the Secretariat is guaranteed protection of his/her privacy. In doing so, the Manual aims to prevent unnecessary and inappropriate disclosure or mishandling of personal data and to provide the Secretariat with the adequate means of compliance and follow-up in case of breach or misuse.

Article 2
Scope

2.1 The Manual applies to the processing of personal data by the Secretariat.

2.2 Compliance with the Manual is mandatory for all officials of the Secretariat as well as individuals directly involved with the work of the Secretariat (Fellows, Seconded experts, Staff on Loan and Interns).

2.3 Obligations contained in the Manual shall continue to apply, when relevant, even after individuals are no longer involved with the Secretariat.

2.4 The Manual does not replace existing provisions of the Staff Manual and cannot contradict their application.

Article 3
Framework

In implementing its data protection measures, the Secretariat will take into account evolving international standards and best administrative practices.

II. Definitions

Article 4

For the purposes of this Manual, the following definitions shall be understood as detailed hereafter:

- '**Personal data**': all information that could be used to identify an individual. Personal data may include biographical data (such as name, sex, marital status, date and place of birth, country of origin, individual registration number, religion and ethnicity), biometric data (such as a photograph, fingerprint, facial or iris image), audio recordings, verification documents (such as copies of passports, identity cards, visas or marriage certificates), personal documents (such as health records or bank details). This list is not exhaustive and merely illustrates different types of personal data.

- '**Processing of personal data**': any operation performed on personal data, whether or not by automated means. The processing of personal data includes collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure, retention or destruction.

- '**Data subject**': any individual whose personal data is subject to processing by the Secretariat.

- '**Data controller**': the official of the Secretariat who has the authority to oversee the management of, and to determine the purposes for, the processing of personal data.

- '**Data processor**': any official of the Secretariat, individuals directly involved in the work of the Secretariat (Seconded experts, Fellows, Interns and Staff on Loan) or other individual or organisation that processes and collects personal data on behalf of the Secretariat.

- '**Consent**': any freely given, specific, informed and unambiguous indication by the data subject by which he/she shows agreement to the processing of his/her personal data.

- '**Personal data breach**': a breach of data security leading to the accidental or unlawful/illegitimate destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transferred, stored or otherwise processed by the Secretariat.

- '**Implementing partners**': natural or legal persons independent from the Secretariat and engaged with the latter to implement activities of the Secretariat's programme of work (e.g. co-organisation of conferences, workshops etc.)

III. Main principles

In the course of processing personal data, the Secretariat shall apply and respect the following main principles.

Article 5
Legitimate and fair processing

Processing of personal data may only be carried out on a legitimate basis and in a fair, lawful and transparent manner.

Article 6
Purpose specification

6.1 Personal data can only be collected and kept for specific and legitimate purposes and shall not be processed in a way incompatible with this/those purposes.

6.2 Purposes for processing personal data that are within the Secretariat's mandate may include:

- Organising, advertising and promoting annual meetings, workshops, conferences, trainings and other external events;
- Planning, organising and follow up to internal meetings as well as disseminating official documents;
- Sharing information on the Secretariat's activities and distribution of newsletters;
- Referring to authors and contributors in publications of the Secretariat;
- Providing information on the *Travaux Préparatoires* [negotiations of the European Energy Charter, the Energy Charter Treaty, its Protocols (1991-1994), the Trade Amendment (1994-1998), the International Energy Charter, and any other negotiation mandated by the Energy Charter Conference];
- Replying, managing and keeping a registry of requests on legal issues (including access to the *Travaux Préparatoires*) and requests to the Conflict Resolution Centre;
- Distribution of documents to members of informal groups or taskforces of the Secretariat;
- Creating and managing delegates' accounts on the Secretariat's website;
- Management of the recruitment process, human resources and statistic information on personnel issues.

6.3 The Secretariat may also process data in connection with any other activity necessary to carry out its tasks.

Article 7
Necessity and proportionality

The processing of personal data shall be necessary and proportionate to the purpose(s) for which it is being processed. Therefore, data that is processed shall be adequate and relevant to the identified purpose(s) and not exceed these purpose(s).

Article 8
Accuracy

8.1 Personal data shall be recorded as accurately as possible and, where necessary, updated to ensure it fulfils the purpose(s) for which it is processed.

8.2 Every reasonable step must be taken to ensure that personal data that are inaccurate, or unnecessary for the purposes for which they are processed, are rectified without delay, as detailed in Article 13 of the Manual.

Article 9
Confidentiality

9.1 Personal data shall be processed by the Secretariat as confidential. The confidentiality of the personal data shall be maintained at all times.

9.2 In order to ensure and respect confidentiality, personal data must be filed and stored in a way that it is accessible only to the authorised persons and transferred only through the use of protected means of communication. In doing so:

- All CVs (and any personal data contained in them) received for official positions and applications/expressions of interest for non official positions at the Secretariat (Seconded experts, Fellows, Interns and Staff on Loan) shall be processed and kept secured by the Finance and Administration (FINAD) official nominated for this purpose. There shall be a back-up official nominated to have access to this information in the absence of the specific FINAD official.
    - In case of recruitment of an official position or a fellowship, also the Secretary General and the members of the particular Selection Panel shall have access to personal data received for such recruitment/fellowship.
    - In case of internships, also Senior Management and Heads of Unit shall have access to personal data received for internships.
    - In case of secondment or staff on loan, also Assistant Secretary General shall have access to personal data received for such secondment/staff on loan.
- All information related to visa, medical certificates and leaves, part-time or teleworking shall be processed and kept secured only by the FINAD official nominated for this purpose and stored in a folder accessible by this official only. There shall be a back-up official nominated to have access to this information in the absence of the specific FINAD official;
- All information related to personal information of officials, Seconded experts, Fellows, Interns and Staff on Loan shall be processed and kept secured only by the FINAD officials nominated for this purpose and stored in a folder accessible by them only;
- All personal data received in relation to meetings or events organised or co-organised by the Secretariat shall be stored in a specific folder for such event or meeting accessible to officials of the Secretariat only;
- Business cards received during a mission shall be used only for professional purposes and shall be stored in a folder accessible to officials of the Secretariat only;
- All information related to legal requests (including access to the *Travaux Préparatoires*) and requests related to the Conflict Resolution Centre shall be stored by Legal Affairs and accessible to officials of the Legal Affairs Unit of the Secretariat (Legal Affairs) only;
- All information related to the delegates account shall be processed by the officials nominated for this purpose and stored in a specific folder managed by these officials only.

9.3 Official @encharter.org email accounts shall be used for official purposes. The day after an official, Seconded expert, Intern, Fellow or Staff on Loan finish his/her working relationship with the Secretariat, his/her @encharter.org account will be closed and not accessible anymore. If needed in order to follow up any ongoing project, Secretary General may authorise diversion of incoming emails to such account for a period of seven days after the @encharter.org account shall be closed. After that period, the account will be deleted.

9.4 In view of safeguarding the confidentiality of their personal information, officials, Seconded experts, Fellows, Interns and Staff on Loan shall not keep their personal files in the Secretariat's Shared-Drive. All the content in their Home-drive shall be completely erased before the end of their working relationship with the Secretariat. The day after, their cloud access will be closed and any information contained in the Home-drive completely erased.

9.5 Senior Management can request statistics or general information for management purposes. They shall know who has access to each folder in the Share-Drive and confirm any change of it. In addition, Senior Management can request access and use of personal information in case of proceedings in Disciplinary matters (Regulation 24) and Disputes (Regulation 25 and Regulations 25-Bis), including proceedings before the Advisory Board and ILOAT. The Advisory Board can also request access and use of relevant personal information in case of proceedings before them.

Article 10
Security

10.1 Personal data shall be processed in a manner that ensures appropriate security, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate and reasonable technical and organisational measures.

10.2 Organisational measures shall include:

- Setting up standard operating procedures depending on the nature of the data processed;
- Organising compulsory officials trainings on data protection.

10.3 Technical measures shall include:

- Maintaining physical security of premises, individual offices, servers, portable equipment, vaults, cupboards and drawers;
- Maintaining computer and information technology security, for example, access control (e.g. passwords).

10.4 Where personal data are processed by automated means, reasonable measures shall be taken to ensure that it will subsequently be possible to check which personal data have been processed, at what times and by whom.

10.5 In case of security situations that pose a serious risk of personal data breaches, the Secretariat shall take all necessary and possible steps to avoid such personal data breaches, relocating or, as a matter of last resort, destroying individual case files, whether in paper or electronic form, that contain personal data, in order to prevent harm to data subjects.

IV. Rights of the data subject

Article 11
Information

11.1 Information about data processing shall be made available on the Secretariat's website.

11.2 When necessary, such information should also be shared directly with the data subject in the course of the processing of his/her personal data.

11.3 In particular, information about the right to rectify and/or delete personal data as well as the contact for additional information shall be included in the Personal Sheet of officials, Seconded experts, Fellows, Interns and Staff on Loan, as well as in invitations/registrations for meetings and events organised or co-organised by the Secretariat.

Article 12
Access

Upon request data subjects shall be given an opportunity to verify the personal data retained by the Secretariat and shall be given access to them, unless otherwise specified.

Article 13
Accuracy and rectification

At the request of the data subject, records containing mistakes or inaccurate data shall be corrected without delay. The right of rectification also includes a right of notification or rectification to the third parties to whom the data have been disclosed.

Article 14
Objection

Data subjects may at any time object the processing of data relating to them based on legitimate or public interests. The right to object to processing is absolute when intended for promotion and/or profiling reasons.

Article 15
Deletion

Data subjects shall be able to have their personal data deleted when retention of such data is not in compliance with the Manual as detailed in Article 21 c) of the Manual.

Article 16
Withdrawal of consent

Data subjects shall have the right to withdraw their consent at any time. The withdrawal of consent shall not affect the lawfulness of processing based on consent before its withdrawal.

Article 17
Modalities of request

Requests for information about access, correction, deletion or objection of personal data may be made by the data subject or by his/her authorised legal representative. Requests are to be submitted in writing to Legal Affairs.

Article 18
Exceptions

Exceptions to one of the above mentioned rights can be made in the case of compelling reasons of confidentiality or in the public interest.

V. Data processing at the Energy Charter Secretariat

Article 19
Consent of the data subject

19.1 Consent of the data subject to the processing of his/her personal data for one or more specific purposes should be sought.

19.2 In particular, the Secretariat should sought the consent for data processing of:

- Participants when organising internal or external meetings, annual events, workshops, trainings, conferences etc. via the registration form;
- Delegates when creating their personalised access to the delegates' website;
- Applicants during recruitment process via the vacancy announcement;
- Officials, Seconded experts, Fellows, Interns and Staff on Loan when processing their personal data in the course of their contract at the Secretariat via the personal information sheet or via any other correspondence with them when necessary;
- Via subscription to the newsletter and information on ECS events.

Article 20
Notification of a data breach

20.1 Data subjects are required to notify the data controller without undue delay upon becoming aware of a personal data breach concerning their data and to properly record the breach.

20.2 Data controllers are also required, without undue delay, to notify any personal data breach to Legal Affairs, unless the personal data breach is unlikely to result in a risk to the rights and freedoms of natural persons. If a personal data breach is likely to result in personal injury or harm to a data subject, the data controller should use his/her best efforts to inform the data subject and take mitigating measures as appropriate.

Article 21
Retention, storage and deletion of personal data

21.1 Personal data should be kept for as long as necessary, and shall be destroyed or rendered anonymous as soon as the specified purpose(s) of data processing have been fulfilled.

a) Retention

21.2 In order to ensure that data are not kept longer than necessary, a retention period is set in Annex 2 of the Manual. At the end of such period, a review should be carried out to determine whether the data is still required. Depending on the findings of the review, the retention period may be renewed when necessary or the data erased or archived.

21.3 When renewing the retention period of the personal data, consent of the data subject shall be sought if the original purpose of the retention has been modified.

b) Storage

21.4 Personal data shall be kept in safe and secure locations with appropriate confidentiality and access control measures (e.g. passwords, restricted folders…) as detailed in Article 9 of the Manual.

21.5 Data controllers shall ensure that the integrity and quality of electronic and paper records are maintained throughout the life cycle of data processing.

c) Deletion

21.6 Personal data should not be kept for an indeterminate period. Electronic and paper records, as well as respective backups, should be destroyed, returned or rendered anonymous as soon as retention periods have expired, as detailed in Annex 2 of the Manual.

21.7 Personal data should be deleted when:

- They are no longer necessary for the purposes for which they were collected or otherwise further processed;
- The data subject withdraws his/her consent for processing;
- The data subject objects to the processing and his/her objection is upheld by the Secretariat; or
- The Manual otherwise provides for deletion.

21.8 However, personal data should not be deleted when there is a legitimate reason for archiving them, such as for statistical or historical purposes or for accountability of the Secretariat's action.

VI. Data processing by implementing partners
Article 22

22.1 Where the collection and processing of personal data is one of the responsibilities of an implementing partner of the Secretariat (e.g. a co-organiser of a conference), implementing partners are expected to respect and implement the same or comparable standards and basic principles of personal data protection as defined in the Manual.

22.2 However, the Secretariat shall not be responsible for breaches of one of its implementing partners.

VII. Transfer of personal data to third parties
Article 23

23.1 The Secretariat may transfer personal data to third parties on condition that the third party affords an adequate level of data protection in conformity with international standards.

23.2 Particularly, transfer of personal data to third parties should respect the following:

- Transfer is based on one or more specific and legitimate purpose's;
- The personal data to be transferred is adequate, relevant, necessary and not excessive in relation to the purpose's for which it is being transferred;
- The third party confirms the confidentiality of personal data transferred.

VIII. Accountability and supervision
Article 24

24.1 Legal Affairs will ensure compliance with the Manual.

24.2 In carrying its functions, Legal Affairs will in particular:

- Provide advice, support and training on data protection within the Secretariat;
- Monitor and report on compliance with the Manual to the Secretary General (e.g. infringement, deficiencies etc.);
- Bring to the Secretary General's attention any proposal for improvement of the data protection system and request the rectification, blocking, or erasure of all data processed in breach of the Manual;
- Provide advice when requested and/or necessary;

IX. Compliance and internal appeals
Article 25

25.1 Officials in breach of their obligations under the Manual may be liable to disciplinary measures in accordance with the provisions of the Staff Manual.

25.2 Seconded experts, Fellows, Interns and Staff on Loan in breach of their obligations under the Manual may be liable to possible termination of contract in accordance with the Internal Rules applicable to them and the provisions of the Code of Conduct.

X. Entry into force and revision
Article 26

26.1 The Manual shall enter into force on the date of its approval by the Energy Charter Conference.

26.2 A revision of the Manual shall take place 12 months after its entry into force, and after that revisions shall take place as part of the reviews under Article 34 (7) of the Energy Charter Treaty. Additional amendments of the Manual may be approved, when necessary, by the Budget Committee.

Invitations and Registration forms

The paragraph below shall be included in invitations/registration forms for:

a) Annual meetings and any other forum/event/workshop/training organised or co-organised by the Secretariat, including Industry Advisory Panel meetings, in which the Secretariat has control of the registration data, photos, audio, video etc.;

b) Internal meetings of the subsidiary bodies of the Conference;

Please note that by registering for this event, you consent to our processing of your personal data as well as being photographed and audio/video recorded. You can change your data or have them deleted at any time. If you have any questions or comments, please refer to legalaffairs@encharter.org.

Vacancies

Announcements of vacancies and consultancy contracts shall include the paragraph below:

> *All personal information contained in the CV and application will be duly processed by the Secretariat. You can change your data or have them deleted at any time. If you have any questions or comments, please refer to legalaffairs@encharter.org.*

The same paragraph shall appear in the general "jobs/vacancies" section of the website of the Secretariat.

Internal Debriefing Notes

Debriefing notes shall include the statement below and shall be stored (together with business cards) in the Shared Drive accessible only to officials of the Secretariat:

> *The content of this debriefing note shall not be shared outside the Secretariat and its information cannot be used for private purposes. Upon express request of a delegate and on case by case basis, the Secretary General may agree to show at the Secretariat the content of a debriefing note.*

Email signatures

The paragraph below shall be added to the signature of official @encharter.org emails:

> *This e-mail is intended for the use of the named recipient only. Information contained in this e-mail and its attachments may be privileged, confidential and protected from disclosure. If you are not the intended recipient, please do not read, copy, use or disclose this communication to others. Please also notify the sender by replying to this message and then delete it from your system.*

Appointment letter

Appointment letters of officials shall include a reference to the Manual on data protection:

> *This appointment is governed by the provisions of the Staff Regulations, Staff Rules (including any subsequent amendments as may be approved by the Charter Conference), Staff Circulars and by the terms of this letter. The Code of Conduct and the Manual on Data Protection are also applicable.*

Similarly, appointment letters of Seconded experts, Fellows, Staff on Loan and Interns –as well as contracts with consultants– shall also refer to the Manual on Data Protection.

Personal Information Sheet

The following paragraph shall be included in the personal information sheet:

> *Please note that by signing this document you consent to our processing of your personal data, including any future update, for the purpose of your contract with the Secretariat. If you have any questions or comments, please refer to legalaffairs@encharter.org. You can also check the Manual on Data Protection.*

Newsletter

The paragraph below shall be included in the Newsletter emails:

> *You received this email because you are subscribed to the Newsletter of the International Energy Charter. You can unsubscribe, change your data or have them deleted at any time. If you have any questions or comments, please refer to legalaffairs@encharter.org.*

Dissemination emails

The paragraph below shall be included in the emails sent by the front desk when creating a password for acceding the account of a new delegate:

> *Please note that by registering, you consent to our processing of your personal data. Hereby, you also subscribe to our Newsletter and agree to receive dissemination messages from the Secretariat for information purposes. You can unregister, change your data or have them deleted at any time. If you have any questions or comments, please refer to legalaffairs@encharter.org*

ANNEX 2: RETENTION PERIODS

- Personal Data from individuals (other than government officials or officials of international organisations) who participated in a conference, workshop, training or any event organised or co-organised by the Secretariat:
    - Physical copies (e.g. physical registration forms): 1 month after the event.
    - Electronic copies: 1 year after the event. After that, only non Personal Data (e.g. name of company or institution, country…) would be kept for statistic purposes.

- For historical reasons personal data contained in the *Travaux préparatoires* [negotiations of the European Energy Charter, the Energy Charter Treaty, its Protocols (1991-1994), the Trade Amendment (1994-1998), the International Energy Charter, and any other negotiation mandated by the Energy Charter Conference] would be kept safely stored and accessible only under the policy approved by the Energy Charter Conference for access to the *Travaux préparatoires*.

- Audio recordings of meetings of the Conference and its subsidiary bodies, as well as electronic copies of documents related to them containing personal data of government officials will be kept safely stored and accessible only to officials without any particular retention period. However, physical copies should not be retained for more than 1 year.

- Personal Data contained in the database of subscriptions to the newsletter and information of ECS activities: until request to unsubscribe.

- Personal Data contained in requests for general information should not be stored and emails should be deleted after been replied.

- CV and applications:
    - Non selected applications for official positions:
        - Physical copies: 1 month after the acceptance of the appointment letter by the selected official.
        - Electronic copies: 6 months after the acceptance of the appointment letter by the selected official.
    - Non selected applications for Fellowships, unsolicited applications and consultants (physical and/or electronic copies): 1 month after the acceptance of the appointment letter by the selected fellow.
    - Selected officials (physical and/or electronic copies): 5 years after the end of their working relationship with the Secretariat.
    - Selected interns, fellows, consultants, seconded experts and staff on loan (physical and/or electronic copies): 1 month after the end of their relationship with the Secretariat.

- Personal Data of officials (other than CVs and application): 5 years after the end of their working relationship with the Secretariat. After that, only an electronic file will be kept with the name, surname, position and timing of work at the Secretariat for statistic and historical purposes.

- Personal Data of Interns, Consultants, Seconded Experts, Fellows and Staff on Loan (other than CVs and application): 1 year after the end of their working relationship with the Secretariat. After that, only an electronic file will be kept with the name, surname, unit and timing of work at the Secretariat of the Seconded expert or Staff on loan for statistic and historical purposes. For the rest, only an electronic file will be kept with the institution, country, timing and (if any) particular report produced.

- Personal Data in the registry of legal requests, including access to the *Travaux préparatoires*, and requests linked to the Conflict Resolution Centre: 5 years. After that, only non-Personal Data will be kept for statistic purposes. In case of personal data related to good offices, mediation or support in a particular case, they will be kept secured for as long as necessary.

- Personal Data linked with the delegates' account: until reception of the request to close the account. Personal Data contained in Excel tables of countries/IOs: until the person is no longer in office.

- Personal data of non-delegates members of groups/task forces established by the Secretariat (including Industry Advisory Panel and Legal Advisory Task Force): until the dissolution of the informal group or until the end of the individual membership to such group. An electronic file will be kept with the name of the company, location of the office and timing for statistic purposes.

ANNEX 3: DATA CONTROLLERS

• Recruitment • Personal data of officials • Personal data related to Interns, Seconded experts, Fellows, unsolicited applications, Staff on loan, Consultants	FINAD official dealing with human resources and contracts FINAD official dealing with visas and special cards
• Legal requests • Access to the *Travaux préparatoires* • Personal data related to Conflict Resolution Centre	Legal Affairs
• Personal data of delegates	Front Office
• Personal data contained in excel tables of countries/IOs	Official in charge of the country/IO
• Database linked to newsletter and dissemination list for information on events/publications	Official in charge of the newsletter
• Personal data of non-government officials related to ministerial meeting of the conference, forums, events, seminars, trainings…	Official in charge of the registration of the particular event LA can support in deletion process
• Personal data related to non-delegates members of groups/task forces established by the Secretariat (including IAP and LATF)	Official in charge of the group/task force

International Energy Charter Whistleblowing Guidelines

INTERNATIONAL ENERGY CHARTER WHISTLEBLOWING GUIDELINES

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1. INTRODUCTION

1.1. General

Having procedures for raising concerns about serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings is relevant for all responsible organisations and for the people who work there. While good internal control systems can reduce the probability of something going seriously wrong, the risk can never be reduced to zero. Where this risk materialises, the first people to realise or suspect the problem will often be those who work in or with the organisation. Yet, unless the culture is one where employees believe that it is safe and accepted that such concerns are raised, the risk is that people will stay silent. This denies the organisation an important opportunity to detect and investigate the concern, to take any appropriate action and to protect its assets, integrity and reputation.

The most effective way to encourage officials, secondees, visiting scholars, interns and staff on loan to report concerns is to provide assurance of protection of their position. Clearly defined channels for internal reporting, as well as safe and accepted routes through which officials, secondees, visiting scholars, interns and staff on loan may raise concerns outside the organisation as an option of last resort, should be in place.

Viewed in this way, having whistleblowing procedures and whistleblower protection in place is a question of good management and a means of putting into practice the principle of accountability. They contribute to improving the diligence, integrity and responsibility of an organisation.

To this end, it is necessary to develop, adopt and include the guidelines on whistleblowing in the Staff Manual as well as in the publication regarding the Main Internal Provisions, Rules and Decisions of the Organisation.

While the existing rules have already triggered a number of ILOAT cases, officials, secondees, visiting scholars, interns and staff on loan may be reticent to make full use of the whistleblowing guidelines because of a fear of negative repercussions on their reputation or career. As part of the duty of the Energy Charter Conference and the Energy Charter Secretariat to have regard for the interests of officials, secondees, visiting scholars, interns and staff on loan it is necessary to ensure that officials, secondees, visiting scholars, interns and staff on loan who report serious wrongdoings or concerns in good faith are afforded the utmost confidentiality and greatest degree of protection against any retaliation as a result of their whistleblowing.

As whistleblowing policies and arrangements are widely recognised as an important tool to detect serious irregularities, fraud, corruption and misuse of resources and serious wrongdoings, it is important that officials, secondees, visiting scholars, interns and staff on loan fully understand the types of situations where the obligation to 'blow the whistle' applies, and to whom they should address their concerns.

Providing guidance on this issue is part of the International Energy Charter overall ethics policy, which aims, inter alia, at clarifying the rules regarding professional ethics and conduct in the organisation.

The Energy Charter Conference approves the guidelines on whistleblowing together with the relevant Articles 1 and 2 to be included in the Staff Rules and Regulations (as Regulation 2-bis.1 and Regulation 2-bis.2) as well as in the publication regarding the Main Internal Provisions, Rules and Decisions of the Organisation.

1.2. Basic principles

Officials, secondees, visiting scholars, interns and staff on loan of the Secretariat have a duty to report serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings. For this purpose, officials, secondees, visiting scholars interns and staff on loan have reporting channels as determined under point 2 'Reporting procedures'.

The principal channel is the normal chain of hierarchical command. If an official, secondee, visiting scholar, intern or staff on loan considers it to be safer to bypass the normal chain of hierarchical command, they must be able to do so.

In particular, the principal channel for serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings is described under Regulation 2 of the Staff Regulations and Rules and its staff circular.

Officials, secondees, visiting scholars, interns and staff on loan who report on serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings in good faith must not under any circumstances be subject to retaliation

for whisleblowing. These officials, secondees, visiting scholars, interns and staff on loan must be protected and their identity must remain confidential if they so desire.

The Secretariat or the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee] must verify the reported facts in the appropriate manner and, if they are confirmed, the Conference and the Secretariat will take all necessary steps to ensure the appropriate follow-up. The rights of defence of any person implicated by the reported incidents must be respected. Malicious or frivolous denunciations will not be tolerated.

1.3. Scope of the guidelines

The International Energy Charter whistleblowing guidelines apply to all officials, secondees, visiting scholars, interns and staff on loan of the Secretariat, irrespective of their position.

Under the whistleblowing guidelines, officials, secondees, visiting scholars, interns and staff on loan have to report serious irregularities, fraud, corruption or misuse of resources or other serious wrongdoings. As the whistleblowing policies and arrangements are essentially a detection mechanism to bring cases to the attention of the relevant authorities, the duty to report concerns only serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings, and particularly those that may be detrimental to the financial interests of the Conference.

Accordingly, not every reporting qualifies as whistleblowing in the sense of these guidelines. For example, the guidelines are not intended to apply to the reporting of the following types of information:

- Information already in the public domain (for example newspaper articles, publicly available audits);
- Unsubstantiated rumours and hearsay;
- Matters of a trivial nature;
- Disagreements over legitimate policy;
- Information not linked to the performance of one's duties.[15]

Neither do the guidelines apply to information for which specific procedures are available to an official, secondee, visiting scholars, interns and staff on loan:

- Personnel issues where officials have a personal interest in the outcome. In these cases, officials may exercise their statutory rights under the Staff Manual.
- Harassment claims and personal disagreements or conflicts with colleagues or hierarchy for which, Regulation 25-bis of the Staff Manual applies.

Nor do the guidelines apply to disclosures that cannot be considered as reasonable or honest, such as:

- Abusive disclosures (repeated disclosures of alleged facts aimed merely at paralysing a service);
- Malicious, frivolous or potentially defamatory disclosures (i.e. false or unverifiable accusations with the aim of harming another person's integrity or reputation).

1.4. Definitions

For the purpose of the guidelines, a 'whistleblower' is an official, secondee, visiting scholars, interns and staff on loan acting in good faith, who reports facts discovered in the course of or in connection with her or his duties which point to the existence of serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings. The reporting should be done in writing, and without delay, as determined under point 2 'Reporting procedures'.[16]

'Good faith' can be taken to mean the belief in the veracity of the reported facts, i.e. the fact that the official, secondee, visiting scholars, interns and staff on loan reasonably and honestly believes the transmitted information to be true. Good faith is presumed unless and until proven otherwise.

'Retaliation' is defined as any direct or indirect action or threat of action which is unjustly detrimental to the whistleblower and resulting from the whistleblowing, including, but not limited to, harassment, discrimination, negative appraisals and acts of vindictiveness.

'Confidentiality of identity' means that the identity of the whistleblower is known to the recipient of the information but is kept confidential vis-à-vis the person(s) potentially implicated in the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings reported and used on a strict need-to-know basis.

[15] This is not to say that the Energy Charter Secretariat does not react to this information, but that the whistleblowing guidelines do not apply in this case.

[16] Prior to reporting, officials, secondees, visiting scholars, interns and staff on loan may seek guidance and support as described in section 5. This does not have to be done in writing.

'Anonymity' refers to the situation whereby the identity of the source of the information is not known to the recipient.

Officials, secondees, visiting scholars, interns and staff on loan who make a report in bad faith, particularly if it is based knowingly on false or misleading information, shall not be protected and shall normally be subject to disciplinary measures. The Secretariat and/or the Secretary-General and/or the Deputy Secretary-General and/or the External Auditor and/or the Chair and/or Vice-Chair of the Conferece [and/or the Management Committee] bear the burden of proof in this context.

2. REPORTING PROCEDURES

2.1 Report to the immediate superior and/or the Deputy Secretary General and/or the Secretary-General

Officials, secondees, visiting scholars, interns and staff on loan who, in the course of or in connection with their duties, discover that serious irregularities, fraud, corruption of misuse of resources or serious wrongdoings may have occurred or may be occurring within the Secretariat, are obliged to report this discovery forthwith and in writing to their immediate superior and/or the Deputy Secretary-General and/or the Secretary General.

2.2 Report to one of the external auditor and the Chair/Vice-Chairs of the Conference [and the Management Committee])

If there is a concern that this disclosure may lead to retaliation or that the intended recipient of the report is personally implicated in the serious irregularities fraud, corruption or misuse of resources or serious wrongdoings or the official, secondee, visiting scholars, interns and staff on loan considers that the allegation was not properly addressed within the period indicated in section 4 below, the official, secondee, visiting scholar and intern in question should bypass this direct means of internal reporting. He or she should bring it in writing to the attention of one of the following: the External Auditor and the Chair of the Conference and one of the Vice-Chairs of Conference [and the Management Committee]. Upon receipt of the information reported internally, the Secretariat, or one of the following the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee], must give the whistleblower, within 60 days of receipt of the information, an indication of the period of time that it considers reasonable and necessary to take appropriate action.

If no action is taken within that period of time, or if the whistleblower can demonstrate that the period of time set is unreasonable in light of all the circumstances of the case, he or she may make use and in parallel of the possibility of whistleblowing to the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee] to which the whistleblower has not reported yet.

Disclosure to the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee], which are clearly able to hold the Secretariat to account because of their institutional role, but are also themselves subjected to the duty of discretion, therefore strikes an effective balance between the public interests of confidentiality and loyalty and those of transparency and accountability.

The Conference and the Secretariat are under the obligation to ensure the confidentiality of information received and officials, secondees, visiting scholars, interns and staff on loan of the Secretariat are therefore necessarily subjected to a duty of discretion.

It is up to the official, secondee, visiting scholars, interns and staff on loan to choose the most appropriate channel for reporting the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings that they must disclose. However, if a matter is reported to others who are not competent to deal with it, it is up to the recipient of the information to transmit, in the strictest confidence, the relevant information and documents to the competent person/authority/institutions and to inform the official, secondee, visiting scholars, interns, staff on loan accordingly.

3. PROTECTION OF WHISTLEBLOWERS

Official, secondee, visiting scholars, interns and staff on loan who reports an allegation of serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings, provided that this is done in good faith and in compliance with the provisions of these guidelines, shall be protected against any acts of retaliation.

It should be noted that official, secondee, visiting scholars, interns and staff on loan will not be expected to fully prove that a serious irregularity, fraud, corruption or misuse of resources or serious wrongdoing is occurring, nor will they lose protection simply because their honest concern turned out to be unfounded. Nevertheless, to benefit of the protection the reporting official, secondee, visiting scholars, interns and staff on loan has to provide credible evidence.

The protection continues to apply in cases of external disclosures, provided that the official secondee, visiting scholars, interns and staff on loan honestly and reasonably believes that the information and any allegation in it are substantially true. In this context, account will be taken of any information the official, secondee, visiting scholars, interns and staff on loan has had from the Secretariat and from the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] following the initial reporting.

In addition, the following specific protective measures apply:

Confidentiality of identity

The protection of a person reporting a serious irregularity, fraud, corruption or misuse of resources or serious wrongdoings in good faith shall be guaranteed, first of all, by the fact that their identity will be treated in confidence.

This means that their name will not be revealed to the person(s) potentially implicated in the alleged serious irregularity, fraud, corruption or misuse of resources or serious wrongdoings, or to any other person without a strict need to know unless the whistleblower personally authorises the disclosure of his/her identity or this is a requirement in any subsequent criminal law proceedings. In all other cases, the Conference, the Secretariat and the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] commits to keep the identity of the whistleblower confidential.

In this respect, the disciplinary procedures opened based on information of which the source is not revealed are regular, as long as it does not affect the possibility of the person who is subject to a subsequent disciplinary procedure to comment on the facts or documents transmitted, or on the conclusions that the organisation draws from them. The disciplinary rules of the organisation must allow it to keep the identity of the whistleblower confidential, while ensuring that the rights of defence of the person concerned are fully respected.

Mobility

If the official, secondee, visiting scholars, interns and staff on loan concerned wishes to be moved to another unit of the Secretariat in order to safeguard him- or herself against potential hostile reactions from his or her immediate work environment, then the Secretariat will take reasonable steps to facilitate such a move. In practice, the officials, secondees, visiting scholars, interns and staff on loan who consider it necessary to move to a different unit may address themselves to the Head of the Finance & Administration [/External Activities and Administration] Unit or the Deputy Secretary General or the Secretary General, which/who will provide them with counseling in order to identify the type of available post, which fits their profile and professional aspirations and needs of the Secretariat.

In urgent and duly justified cases, the protective measure of a transfer will be taken, including to fill an existing vacancy if possible, by the Secretary General or the Deputy Secretary General or the Chair of the Conference in consultation with the Vice-Chairs [and the Management Committee].

Appraisal, advancement and promotion

Particular care will be taken during staff appraisal, advancement and promotion procedures to ensure that the whistleblower suffers no adverse consequences in this context.

Anonymity

In order for the Conference and the Secretariat in particular to be able to apply protective measures, the official, secondee, visiting scholars, interns and staff on loan concerned should identify him- or herself as a whistleblower, and to observe the procedures as outlined above.

The protection offered reduces the need and justification for anonymity.

Anonymity deprives the investigative services of the possibility of asking the source for clarification or more information and enhances the risk of frivolous, malicious or unreliable information. For these reasons, anonymous reporting is not encouraged.

Penalties for those taking retaliatory action

No official, secondee, visiting scholars, interns and staff on loan of the Secretariat may use his/her position to prevent other officials, secondees, visiting scholars, interns and staff on loan from complying with their obligation to report serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings.

Any form of retaliation undertaken by an official, secondee, visiting scholars, interns and staff on loan against any person for reporting a serious irregularity, fraud, corruption or misuse of resources or serious wrongdoings in good faith is prohibited. In such cases, disciplinary measures will be taken against persons performing any form of retaliation.

Limits

As explained above, the whistleblowing provisions are concerned only with reporting of information pointing to serious irregularities, fraud, corruption and misuse of resources or serious wrongdoings. They are not intended to be used as substitutes for grievance procedures where officials, secondees, visiting scholars, interns and staff on loan have some personal interest in – or seek to dictate the outcome. They are also inappropriate for dealing with disagreements over legitimate policies. Their purpose is to allow the officials, secondees, visiting scholars and interns and staff on loan to raise a concern about wrongdoings so that those in charge may look into them.

It should be noted that the protection is lost if the official, secondee, visiting scholars, interns and staff on loan makes unwarranted or damaging allegations that he/she cannot show to be honest or reasonable.

Similarly, if the official, secondee, visiting scholars, interns and staff on loan makes the disclosure for purposes of private gain – for instance, by providing the information to external parties – he/she will forfeit this protection as that would not be a legitimate disclosure in the sense of the whistleblowing guidelines.

Finally, if the official, secondee, visiting scholars, interns and staff on loan is him or herself implicated in the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings and decides to come forward and report these irregularities, fraud, corruption or misuse of resources or serious wrongdoings, this fact may constitute a significant attenuating circumstance in any ensuing disciplinary proceedings, but it is not a qualifying disclosure in the sense of these guidelines and does not provide him or her with full protection against disciplinary consequences on the basis of the whistleblowing guidelines.

4. FEEDBACK TO THE WHISTLEBLOWER

The Secretariat or the External Auditor or the Chair/Vice-Chair of the Conference [or the Management Committee] must give the whistleblower with an indication of the time needed to take appropriate action. If no action is taken within that period of time, or if the whistleblower can demonstrate that the period of time set is unreasonable in light of all the circumstances of the case, he or she may address his or her concerns to one of the others referred to in section 2 above.

It should be noted that the whistleblower is entitled to be informed within 60 days of the time needed to take appropriate action, but that it is up to the authority having received the reporting to determine the appropriate course of action.

5. GUIDANCE AND SUPPORT

While reporting serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings is an obligation under the Staff Regulations, some officials, secondees, visiting scholars, interns and staff on loan may be reticent to come forward and report their concerns. In order to help officials, secondees, visiting scholars, interns and staff on loan who are unsure of whether or not certain facts should be reported, the Conference and the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] and the Secretariat offers confidential and impartial guidance and support to (potential) whistleblowers.

Guidance to potential whistleblowers at an early stage also helps to avoid ill-advised reporting, which may cause frustration to the official, secondee, visiting scholars, interns and staff on loan concerned and may be detrimental to the interests and the reputation of the Conference and the Secretariat. This guidance therefore lessens the risks of disclosure-related conflicts.

That is best carried out by a point of contact appointed, taking account of the fact that, in particular, support to whistleblowers and protection against retaliation are essentially the responsibility of the Conference as employer, including the Secretariat.

The Finance& Administration [/External Activities and Administration] Unit, the Legal Affairs, the Staff Committee [and the Management Committee] will provide confidential and impartial guidance on the whistleblowing procedure and respond to such questions as for example,

- whether the information in question is covered by the whistleblowing guidelines,
- which reporting channel may best be used for the information concerned, and
- which alternative procedures are available if the information concerned does not qualify for whistleblowing ('signposting').
- which will also be able to tender advice and guidance to officials, secondees, visiting scholars, interns and staff on loan on protective measures that the officials, secondees, visiting scholars, interns and staff on loan may wish to seek following the reporting.

Naturally, this guidance is without prejudice to the possibility of the official, secondee, visiting scholar, intern and staff on loan to consult his/her immediate superior.

In case of doubt, officials, secondees, visiting scholars, interns and staff on loan are encouraged to seek the guidance offered to them when contemplating a disclosure under the whistleblowing guidelines.

6. ROLE OF THE SECRETARY GENERAL AND THE DEPUTY SECRETARY-GENERAL

The duty of the Deputy Secretary General and the Secretary General to notify the External Auditor and the Chair/Vice-Chair of the Conference [and the Management Committee] in case of information in accordance with the section 2 above received from officials, secondees, visiting scholars, interns and staff on loan on the basis of the whistleblowing guidelines does not of itself discharge them from their own responsibilities to tackle the serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings

They will therefore have to reflect on whether the evidence provided reveals shortcomings that could be addressed or require other measures; in which case he/she will propose measures to be discussed first by the Senior Management [and then the Management Committee]. In particular, if following such information, it occurs that a procedural or organisational change could prevent the risk of serious irregularities, fraud, corruption or misuse of resources or serious wrongdoings in the future, such measures should be considered and, where appropriate, taken as soon as possible.

Care should be taken that any such measure does not harm any future investigation into the reported facts by others (e.g. the ILOAT, the External Auditor, the Chair/Vice-Chair of the Conference [and the Management Committee]). In case of doubt, managers are therefore advised to consult with the Conference, Chair/Vice-Chair of Conference [and the Management Committee] before taking any such measures.

7. ROLE OF THE EXTERNAL AUDITOR

In case information is brought to the attention of the external auditor (in accordance with the section 2 above), the latter will ask the Secretariat to provide information and evidence, take it into account during the regular financial audit within the framework of its Terms of Reference and in parallel take it to the Conference, [and the Management Committee], the Chair/Vice Chairs of the Conference.

8. ROLE OF THE CHAIR/VICE CHAIR OF THE CONFERENCE [AND THE MANAGEMENT COMMITTEE]

In case allegations are communicated to the Chair/Vice Chairs of the Conference [and the Management Committee] (in accordance with the sections 2 or 7 above), he/she will request the Secretariat to provide information and evidence. Following an analysis of facts, and considering the relevance of the information, the Chairperson may propose to include an agenda item for discussion at the Conference and bring the issue to [the Management Committee], the Vice-Chairs of the Conference and the External Auditor to take it into account during the Audit(s).

9. COMMUNICATION AND AWARENESS-RAISING

In order to increase the awareness of the whistleblowing guidelines amongst officials, secondees, visiting scholars, interns and staff on loan the new provisions will be included in the Staff Regulations and Rules (as Regulation 2-bis.1 and Regulation 2-bis.2) as well as in the publication regarding the Main Internal Provisions, Rules and Decisions of

the Organisation and these guidelines will be given adequate publicity through the internal communication channels in the Conference and the Secretariat while trainings on ethics and integrity should be established that will contain this material.

10. REVISION

The practical application and effectiveness of these whistleblowing guidelines will be evaluated in a year after their adoption and thereafter during the regular review process under Article 34 (7) of the Energy Charter Treaty. In light of the results of this evaluation, these guidelines may be revised as appropriate by the Conference.

11. FINAL PROVISIONS

These guidelines shall enter into force on the date of its approval by the Conference.

Risk Management Protocol

RISK MANAGEMENT PROTOCOL

CCDEC 2022 16 GEN, 20 September 2022

I. OBJECTIVES

II. DEFINITIONS

III. PILLARS

IV. PRINCIPLES

V. RISK MANAGEMENT SYSTEM

- A) Communication and Consultation
- B) Context
- C) Risk Assessment
- D) Treatment
- E) Monitoring and Review
- F) Recording and Reporting

VI. GOVERNANCE

VII. CULTURE AND CAPACITY BUILDING

ANNEX 1 DRAFT RISK REGISTER – TEMPLATE

OBJECTIVES

1. The Risk Management Protocol is designed in a systematic and organisation-wide approach, which supports the achievement of the goals of the International Energy Charter (the Organisation) by proactively assessing and managing risks across the Organisation. The objectives of the Risk Management Protocol are to ensure the sustainability of the Organisation as well as the adoption of risk-informed decisions across all levels of the Organisation.

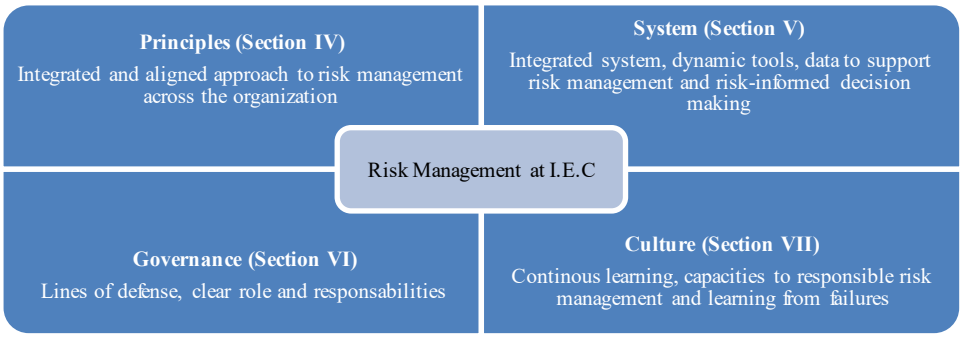
2. The framework provided by the Protocol does not replace any existing provisions of the Staff Regulations and Rules, Rules of Procedure of the Energy Charter Conference or decisions of the Conference and cannot contradict their application.

DEFINITIONS

3. For the purposes of the Protocol, the following terms and definitions apply:
   - **Risk:** the effect of uncertainty on the organisation's objectives, which could be either positive and/or negative. A risk, if realised, may enhance, prevent, degrade, accelerate or delay the achievement of objectives.
   - **Risk assessment:** the overall process of risk identification, analysis and evaluation. It aims at providing sufficient information at appropriate intervals for risk-informed management decisions.
   - **Risk management:** coordinated activities to direct and control the organisation with regard to risks.
   - **Risk criteria**: the factors against which the significance of a risk is determined
   - **Event:** an occurrence or change of a particular set of circumstances.
   - **A stakeholder:** a person or entity which can affect, be affected by, or perceive themselves to be affected by a decision or an activity.

PILLARS

4. The Risk Management Protocol is based on **four pillars**, summarised in the following diagram and detailed in subsequent sections:



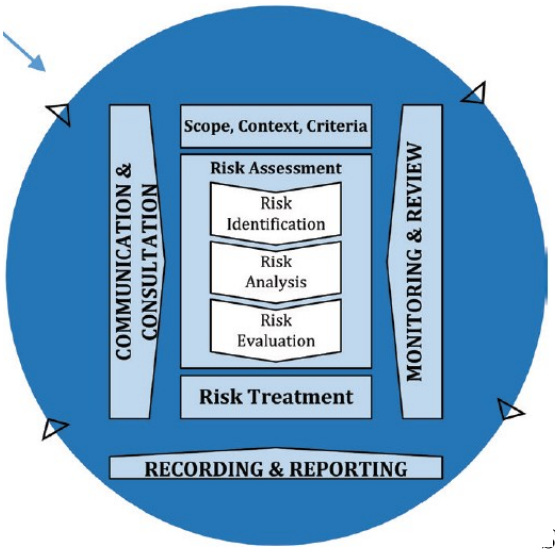
PRINCIPLES

5. The principles below ensure the effectiveness of the Risk Management Protocol:
   - Integrated and aligned: risk management is an integral part of all the activities of the Organisation.
   - Structured and comprehensive: to facilitate consistent and comparable results.
   - Inclusive: appropriate and timely involvement of stakeholders [via discussions in relevant working groups and consultations] enables their knowledge, views and perceptions to be considered.
   - Dynamic: it should address changing risks and events in an appropriate and timely manner.

- Best available information: the inputs should also consider future expectations (not only current or historical information). Information should be timely, clear and available to the relevant stakeholders.
- Continual improvement: the organisation will consider its own experience, evolving international standards and best administrative practices.

RISK MANAGEMENT SYSTEM

6. In line with ISO 31000:2018, the Risk Management system refers to six key elements: communication and consultation (A); context (B); assessment (C); treatment (D); monitoring and review (E); recording and reporting (F).



Source: ISO 31000:2018

7. These elements are applied across the whole Organisation: at the Unit's level, at Secretariat's level and at the Organisation's level.

A) Communication and Consultation

8. An inclusive communication and consultation with all the relevant stakeholders, including staff, should take place at regular intervals to inform on risk identification, assessment, treatment, monitoring, reporting and review.

B) Context

9. The contextual analysis, identifying key trends and issues, hazards and opportunities, provides a key source of evidence to contribute to the identification of risks. Establishing the context requires understanding the external and internal context relevant for the realisation of objectives at each level.

10. **External context** includes but is not limited to social, cultural, environmental, political, legal, financial, technological, security and economic factors. It also implies understanding the external stakeholders and their relationships, perceptions, and expectations. Similarly, the **internal context** includes strategic objectives, values, standards, resources available, business processes, organisational culture, relationships with internal stakeholders, capacities, etc.

C) Risk Assessment

11. **Risk identification** considers 'future events', their causes and potential impacts. In the context of the International Energy Charter, the following risk categories could be identified:

1) **Financial**:

   a) Deviation from the approved budget

In accordance with Article 19 of the Financial Rules, a system of budget control is established to periodically forecast budget results and unforeseen expenditure.

b) Reliability of accounting and reporting in accordance with International Public Sector Accounting Standards (IPSAS)
In accordance with Article 24 of the Financial Rules in conjunction with Instruction 14 of the Financial Rules, internal rules of procedure are established to permit financial reporting on all activities of the Secretariat to ensure that financial information provided is the most accurate and relevant.

c) Value for Money

d) Market risk

e) Foreign currency exchange risk

f) Interest rate risk

g) Credit risk

h) Liquidity risk

2) **Deliverables**:

a) impact on the expected deliverables

b) required unexpected deliverables

3) **Operational**:

a) Delay or acceleration of applicable operations

b) Inadequate project management

c) Lack of forward-planning

4) **Organisational**:

a) Governance

b) Accountability

c) Human resources: effect of the organisation's actions on the personnel

d) Internal control

5) **Compliance:**

a) Fraud and Corruption

In accordance with Instruction 14 of the Financial Rules, internal control procedures are established to ensure sound financial management, including preventive, detective and corrective internal controls in relation to the legality and regularity of the operations, to the prevention of fraud and conflict of interests and to the safeguarding of the Organisation's interests.

b) Changes in the regulatory framework within the country of operation;

c) Changes in the international regulatory framework, including principles of international civil service

d) Deviation from rules and regulations applicable within the Organisation

e) Privacy breaches

f) Compliance with the Manual on Data Protection and international best practices.

g) Process risk

h) Compliance with established procedure and standard process.

6) **Strategic**:

a) Code of conduct and ethics

b) Public opinion and media

c) Stakeholder relations

d) Reputation

7) **Safeguarding and valuation of assets**:

a) Ensure permanent inventory of the movable and immovable property constituting the assets of the Secretariat in accordance with Article 24(2)(d) of the Financial Rules;

b) Maintain detailed records of all assets and liabilities of the Secretariat in accordance with Article 25 of the Financial Rules.

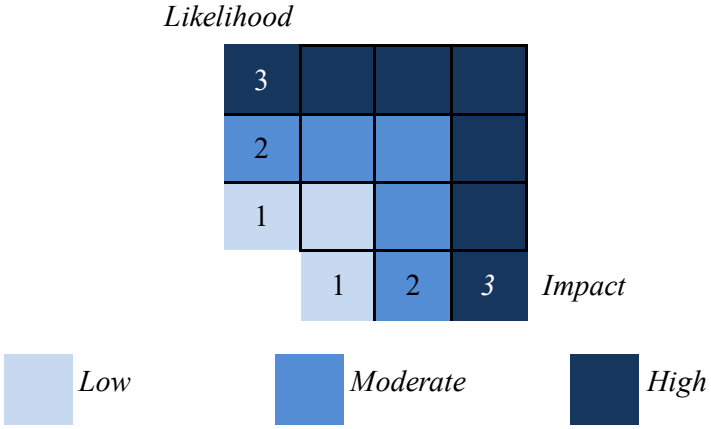
12. Each identified risk is assigned to a category and recorded in the **Risk Register** (the template of a risk register is presented in Annex 1).

13. **Risk analysis** requires an assessment of the **likelihood** of a risk and its potential **impact** on the objectives to be determined based on available information:

Likelihood	**1**	**2**	**3**
Description	Low chance of materialising (<30%)	Moderate chance of materialising (30% - 70%)	High chance of materialising (<70%)

Impact	1	2	3
Financial	<15% deviation from the approved budget	15-45% deviation from approved budget	>45% deviation from approved budget
Deliverables	<20% of expected deliverables were impacted negatively or positively **and/or** Negligible or no negative or positive impact of the expected deliverables	20-50% of expected deliverables were impacted negatively or positively **and/or** Moderate negative or positive impact on the expected deliverables	>50% of expected deliverables were impacted negatively or positively **and/or** Significant negative or positive impact on the expected deliverables
Operational	Delay or acceleration functioning by less than 2 weeks	Delay or acceleration of applicable operations by 2 to 6 weeks	Delay or acceleration of applicable operations by more than 6 weeks
Compliance	Negligible deviation from applicable rules and regulations	Moderate deviation from applicable rules and regulations	Significant deviation from applicable rules and regulations
Safety and Security	Almost none or little effect on the personnel	Moderately injurious or traumatic effect on the personnel **and/or** Moderately injurious or traumatic effect directly or indirectly caused by the organisation's actions	Severe psychological/physical effect on the personnel **and/or** severe psychological/physical effect caused by the organisation's actions
Reputation	Isolated and/or several negative or positive comments from external stakeholders	Negative or positive reports/articles in national, regional and/or international media	Negative or positive reports/articles in several national, regional and/or international media for a significant period, and/or criticism from key stakeholders

14. Based on the likelihood and impact as presented above, the **risk level** (high, moderate or low) is determined:



15. High-Level Risks: require further in-depth risk analysis, as well as analysis of treatment and monitoring measures, and of any necessary budget in case of its materialisation. The analysis needs to include the precautions to eliminate unnecessary damage on the Organisation, including its staff members.

16. Moderate-Level Risks: require analysis of treatment and monitoring measures, as well as appropriate budgeting in case of its materialisation.

17. Low-Level Risks: do not require further analysis or treatment.

18. Based on the above analysis, an **evaluation** is made in order to determine which risks can be assumed and which risks require a priority response.

D) Treatment

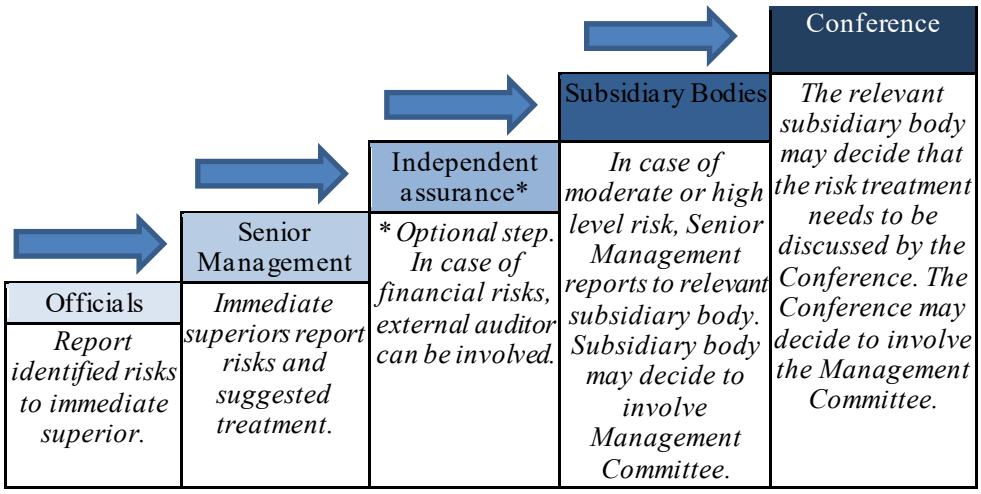
19. Selecting the most appropriate treatment option(s) involves balancing the potential benefits derived from the achievement of the deliverables set in the Programme of Work against the disadvantages of implementing some measures.

20. For example, according to draft Article 19(3) of the Financial Rules, if the risk of budget over-expenditure is identified, the Deputy Secretary-General may suspend the use of appropriations or of specific commitments of appropriations for which no legal commitments exist.

21. Risks could be considered as potential threats, but also as opportunities. A low level of risk is usually tolerated (in order to achieve the mandate and strategic objectives) and doesn't require particular treatment. On the contrary, for each High or Moderate level risk, specific risk measures must be identified.

- In case of threats to organisational objectives, risk treatment may be to:
  - **Terminate**: seeking to eliminate the activity that triggers such a risk
  - **Transfer**: passing the ownership and/or liability to a third party
  - **Mitigate**: reducing the likelihood and/or impact of the risk below the threshold of acceptability
  - **Tolerate:** enduring the risk
- In case of opportunities, risk treatment may be to:
  - **Exploit:** making the opportunity happen to benefit from it
  - **Experiment:** testing new solutions in uncertain contexts
  - **Enhance:** increase the likelihood or impact through reinforcing the trigger condition or increasing the exposure
  - **Accept:** no proactive actions

22. Following the appropriate level of reporting, the identified risks could be escalated. Since not all risks could be managed at the level where they are identified, depending on the circumstances and the measures to be adopted, the discussion could be escalated to a higher decision-maker. In this case, management of risks shall be escalated in accordance with the table below:



E) Monitoring and Review

23. Regular risk **monitoring and review** should be conducted on all levels and categories of risk within the Organisation to inform management decisions and its results should be recorded in the risk register and reported as appropriate. The risk register needs to be updated if new information becomes available that affects the identification, analysis, evaluation and treatment measures. Real-time monitoring of opportunities and threats should be considered in rapidly changing contexts to provide an early-warning

mechanism and enable proactive response. In addition, the status and effectiveness of the treatment measures adopted also need to be monitored.

F) Recording and Reporting

24. While all identified risks are recorded in a risk register**, risk reporting** ensures that relevant risk information is available across all levels of the organisation in a timely manner to provide the necessary basis for risk-informed decision making.

25. Risk reporting is organised in accordance with steps applicable to the escalation of risk treatment. Only Moderate and High level risks are to be reported to the Contracting Parties during a meeting of the subsidiary groups.

26. Any revision to the present Protocol is to be discussed by the Budget Committee.

GOVERNANCE

27. The Organisation is governed in accordance with five lines of defence as presented below[17].

- **First line of defence**: Immediate superior's responsibility and daily control of risks

28. All officials of the Organisation have a role to play in risk management.

29. Identified risks and breaches shall be immediately reported to the competent authority in line with the Staff Manual (in most of the cases, this would mean the immediate superior).

30. Consequently, immediate superiors oversee risk management by providing fair leadership, ensuring the effective operation of controls, proper communication of such risk and taking responsibility for the actions or inactions of their subordinates.

- **Second line of defence**: Hierarchical control and oversight

31. In line with the hierarchy of the Organisation, the Secretary-General is accountable for the adequacy of the Secretariat's risk management. In this task, the Secretary-General is assisted by the Deputy Secretary-General, Senior Management and different internal bodies of the Secretariat.

- **Third line of defence**: Independent assurance*

32. * Optional element. In case of financial risks, the external auditors could be involved in line with the existing provisions of the Organisation. The external auditor is responsible for providing the Conference with a reasonable assurance that the organisation is managed on a sound economic and efficient basis, as well as reasonable assurance standard that financial statements give a true and fair view of the Secretariat's net equity and financial position. The external auditor performs its statutory duties in accordance with the Financial Rules, Implementing instructions and Terms of Reference of the External Auditors.

- **Fourth line of defence**: Subsidiary Bodies of the Conference

33. In line with their Terms of Reference, the relevant subsidiary body of the Conference will address possible risks and their mitigation at one of its meetings. A subsidiary body may decide to discuss the issue with the Management Committee.

- **Fifth line of defence**: The Energy Charter Conference

34. As the governing and decision-making body of the Organisation, the Energy Charter Conference will receive, if needed, relevant reports from the subsidiary bodies with respect to Risk Management in the organisation. The Conference may decide to authorise the Management Committee to address specific risks, in line with the latter's Terms of Reference.

[17] Originally, three lines of defence: 2014 The Institute of Internal Auditors *The Three Lines of Defence in Effective Risk Management and Control, IIA Position Paper*.

CULTURE AND CAPACITY BUILDING

35. The Organisation recognises that the mindsets and behaviours of individuals and groups inside the organisation play a crucial role in the effective execution of Risk Management. A mature risk management culture is characterised by the following:
    - Risk-informed decision making at all levels, including flexibility for adaptive management and course correction.
    - Responsible risk-taking and innovation is rewarded.
    - 'Failures' are acknowledged and recognised as part of the learning curve, particularly while operating in complex contexts.
    - Continuous learning for strengthened risk management capacities.
    - Key stakeholders are involved in all stages of the risk management process.
    - Absence of approaching risk management purely as a compliance issue.
    - Open communication on all risk management issues and lessons learned and a culture of "working out loud."
    - Adequate budget allocations for risk management at all levels.
    - Secretariat's personnel are enabled to 'stay and deliver' at an acceptable level of security risk.

36. The Deputy Secretary-General is to consider annual training on risk management for officials of the Secretariat and officers of the Conference.

ANNEX 1 DRAFT RISK REGISTER – TEMPLATE

N°	Description	Category	Risk Level: Impact/Likelihood	Risk Treatment	Responsible
	Brief description of the risk	***Financial*** ***Deliverables*** ***Operational*** ***Organisational*** ***Regulatory*** ***Strategic***	*Potential effect if future event occurs.* *Risk Level (High, Moderate or Low) based on* ***Likelihood*** *(1-2-3) and* ***Impact*** *(1-2-3)*	*Action(s) taken*	*The person or organ in charge*

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