















Procedure file

Basic information		
NLE - Non-legislative enactments	2023/0273(NLE)	Awaiting final decision
Energy Charter Treaty: withdrawal of the Union		
Subject		
3.60 Energy policy		
3.60.15 Cooperation and agreements for energy		

Key players			
European Parliament	Joint Committee Responsible	Rapporteur	Appointed
	<p> International Trade</p> <p>Industry, Research and Energy</p>	<p> CAVAZZINI Anna</p> <p> BOTENGA Marc</p> <p>Shadow rapporteur</p> <p> CARVALHO Maria da Graça</p> <p> HÜBNER Danuta Maria</p> <p> GEIER Jens</p> <p> RODRÍGUEZ-PIÑERO Inma</p> <p> GRUDLER Christophe</p> <p> VEDRENNE Marie-Pierre</p> <p> NIINISTÖ Ville</p> <p> BOURGEOIS Geert</p> <p> KRASNODEBSKI Zdzisław</p> <p> MAUREL Emmanuel</p>	<p>21/03/2024</p> <p>21/03/2024</p>
	<p> International Trade</p> <p>Industry, Research and Energy</p>		

Key events

07/07/2023	Preparatory document	COM(2023)0447	Summary
07/03/2024	Legislative proposal published	06509/2024	
09/04/2024	Vote in committee		
10/04/2024	Committee referral announced in Parliament		
11/04/2024	Committee report tabled for plenary, 1st reading/single reading	A9-0176/2024	
23/04/2024	Debate in Parliament		
24/04/2024	Decision by Parliament	T9-0335/2024	

Technical information

Procedure reference	2023/0273(NLE)
Procedure type	NLE - Non-legislative enactments
Procedure subtype	Consent by Parliament
Legal basis	Treaty on the Functioning of the EU TFEU 218-p6; Treaty on the Functioning of the EU TFEU 207-p4; Rules of Procedure EP 58; Treaty on the Functioning of the EU TFEU 194-p2
Stage reached in procedure	Awaiting final decision
Committee dossier	CJ49/9/15090

Documentation gateway

Preparatory document	COM(2023)0447	07/07/2023	EC	Summary
Legislative proposal	06509/2024	07/03/2024	CSL	
Committee draft report	PE759.993	02/04/2024	EP	
Committee report tabled for plenary, 1st reading/single reading	A9-0176/2024	11/04/2024	EP	
Text adopted by Parliament, 1st reading/single reading	T9-0335/2024	24/04/2024	EP	

Energy Charter Treaty: withdrawal of the Union

PURPOSE: to withdraw the Union from the Energy Charter Treaty.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: the Energy Charter Treaty was concluded by the Union by Council and Commission Decision 98/181/EC, ECSC, Euratom and entered into force on 16 April 1998. The European Union is a Contracting Party to the ECT, together with Euratom, 26 EU Member States

(as of 8 May 2023), as well as Japan, Switzerland, Turkey and most countries from the Western Balkans and the former USSR, with the exception of Russia and Belarus.

In the absence of any substantial update of the Agreement since the 1990s, the Agreement became increasingly outdated. In 2019, the Contracting Parties to the Agreement engaged in negotiations aimed at modernising the Agreement in order to bring it into alignment with the principles of the Paris Agreement, the requirements of sustainable development and the fight against climate change, as well as with modern standards of investment protection.

The Contracting Parties concluded the negotiations on 24 June 2022. The negotiated outcome was meant to be adopted at the 33rd meeting of the Energy Charter Conference on 22 November 2022. Ahead of the meeting of the Conference, the Union was unable to find a common position on the modernisation of the Agreement.

In the absence of a Union position, the adoption of the modernised Agreement by the Energy Charter Conference is impossible. The current, unmodernised Agreement continues to apply to the Union, in spite of the fact that it is not in line with the Unions investment policy and law, including in particular the principle of autonomy of Union law, and with the Unions energy and climate goals.

With no alternative available, it is therefore necessary for the Union to withdraw from the Agreement.

CONTENT: the Commissions proposal concerns a Council decision on the withdrawal from the Union of the Energy Charter Treaty in accordance with Article 47.1 of that Treaty.

According to the Commission, remaining a Contracting Party to the current, unmodernised ECT is not an option for the EU or its Member States, as the current, unmodernised Treaty is not in line with the EUs investment policy and law and with the EUs energy and climate goals.

The provisions of the Treaty as regards investment protection, including the investor-to-State dispute settlement (ISDS) mechanism, are not in line with the EU approach to investment protection. In particular, the unmodernised ECT is incompatible with the principle of autonomy of Union law.

In addition, the protection granted to fossil fuels does not fit with EU objectives as defined in the European Green Deal, the REPowerEU Plan or the Climate Law namely: to accelerate the shift away from fossil fuels and towards renewable energy, to achieve a greater energy independence, ensure the EUs energy security, and, not least, deliver on the commitment to cut emissions by at least 55% by 2030 and to reach climate neutrality by 2050.

Transparency				
BOTENGA Marc	Rapporteur	ITRE	02/04/2024	Climate Action Network Europe