

Resolution Title: WITHDRAWAL FROM THE ENERGY CHARTER TREATY

Resolution Date: 17/10/2023

Resolution Text:

Conference deplores The Energy Charter Treaty (5) (ECT). This is a secret international court system that enables fossil fuel firms to sue governments for lost future profits. It provides for an Investor State Dispute Settlement (ISDS) mechanism to resolve disputes between an investor and a member state.

According to the Guardian, 'Oil, gas and coal firms have been awarded more than \$100bn (£82.5bn) by ECT tribunals... critics have estimated the final cost in compensation to fossil fuel companies could rise to more than \$1tn. Some renewable energy companies have also used the ECT to sue for compensation after subsidy changes.'

This is on top of the massive, unprecedented profits made by the industry while our people endure the worst fuel poverty and cost of living crisis on record; people the world over experience accelerating and worsening climate chaos.

According to bilaterals.org, The ECT 'places investors' economic rights and interests over the social, ecological and economic interests of host states and their societies. The ECT imposes obligations on the host state but not on foreign investors. The ECT has also been condemned by environmental activists for protecting the fossil fuel industry and undermining serious climate action.'

Conference agrees the ECT is 'incompatible with the implementation of the Paris Climate Agreement, just transition policies developed together with workers and their unions, and other necessary public policy measures. The ECT has been – and will increasingly be – used

by fossil fuel and nuclear energy companies to challenge government decisions to phase out such energy sources. It can also be an obstacle to prioritising investment in renewable energy and energy efficiency, to bringing energy production under public control, and to taking measures to end energy poverty. The ECT in its current form is outdated and a threat to the public interest. Conference also agrees with the 278 signatories to the open letter sent to the EU, 'to ensure that the ECT can no longer undermine action to avoid climate breakdown, protect the environment, and make energy affordable for all. We also call on you to immediately halt the geographic expansion of the ECT to even more signatory states.'

Although Energy is a reserved matter, Conference agrees that the SNP and Scottish Government should stand resolutely in opposition to the climate-harming ECT and pressure the Westminster Parliament to withdraw from it as our European neighbours have already done.

In addition and in keeping with an earlier commitment Conference calls on The Scottish Government to commit to not accepting ISDS clauses in any future trade deal.

Resolution Submitted By: WEST FIFE & COASTAL VILLAGES BRANCH, ANGUS NORTH & MEARN'S CONSTITUENCY ASSOCIATION