

53rd PERMANENT HIGH LEVEL GROUP

Vienna, 18 September 2019

1. The meeting was chaired by Mr Calin Negura on behalf of the Republic of Moldova and Ms Anne Charlotte Bournoville for the European Commission.
2. The Permanent High Level Group (PHLG) approved the agenda.

Treaty amendments

3. The Commission presented an update on its negotiation position on Treaty amendments. It expressed its expectation that Treaty amendments could be initialled at the Ministerial Council in December in Chisinau and adopted at an extraordinary Ministerial Council in 2020. The PHLG agreed to have another negotiation round in the second week of November.
4. The Commission briefly presented a diagram of processes related to reciprocity and a draft Procedural Act on the exchange of information and cooperation between the European Commission, the Secretariat and the Contracting Parties in the fields of compliance with Treaty obligations and the reciprocity mechanism (PA). It stressed the importance of the adoption of the PA in parallel to Treaty amendments. The Contracting Parties and the Secretariat are invited to send comments and proposals to the PA by 11 October.
5. The Secretariat pointed to a number of overlaps with Dispute Settlement Rules (DSR), Ministerial Council Rules of Procedure and the possible contradictions with the Treaty, as well as the requirement for a proposal by the European Union. It suggested to split it into amendments to the DSR and a new PA that will deal entirely with reciprocity mechanism. The Commission reacted to this intervention by further explaining its approach.
6. The Secretariat presented an updated overview of proposed Treaty amendments after the informal Ministerial Council in June and written inputs of individual Contracting Parties. Thorough discussion of all Contracting Parties and the European Commission is reflected in a new working document attached to these conclusions. Contracting Parties are invited to send their additional comments by 4 October.
7. The Secretariat presented an explanatory note to the draft Procedural Act on establishing a method for calculating penalty payments under draft Article 92' of the Treaty. It will distribute the draft Procedural Act together with these conclusions. Also for this Procedural Act, it is important to have it adopted together with the Treaty amendments and PA, but needs to be further discussed. All Parties are invited to provide their comments, specifically on the basic principles, by 11 October. Secretariat and the Commission are invited to draft additional Procedural Act on how to use the money collected from penalty payments and distribute it as soon as possible.
8. Kosovo* informed the PHLG about forthcoming elections and probable new Government and reserved its right to review its position on the Treaty amendments.

Clean Energy Package

9. The Commission presented the ambitious climate policy orientation of the new Commission President-elect and stressed that the Commission is in the process of deciding on the timing when to propose 2030 targets for the Energy Community. Currently, the extension of the EU modelling

capacities to the Energy Community Contracting Parties is under consideration to improve the robustness and credibility of the analysis underlying the 2030 targets.

10. Most Contracting Parties expressed support for national targets instead of Energy Community level targets. Some of them also expressed the need for more time to establish robust 2030 targets.

Done in Vienna on 18 September 2019

For the Permanent High Level Group,

THE PRESIDENCY

A handwritten signature in blue ink, consisting of several loops and a final flourish.