

58th PERMANENT HIGH LEVEL GROUP

Cyberspace, 27 October 2020

1. The meeting was chaired by Ms Radmila Damjanović on behalf of Montenegro and Anne Charlotte Bournoville for the European Commission.
2. The Permanent High Level Group (PHLG) approved the agenda.

Treaty amendments – penalty payments

3. The European Commission reminded the members of the PHLG that the negotiations on Treaty amendments are about to come to their end which all Parties have conducted in accordance with their respective negotiation mandates.
4. The PHLG discussed the envisaged system of financial penalties on the basis of the working version of the proposed Treaty amendment circulated by the Secretariat on 22 October 2020, namely the compromise solution on penalties designed already at the last PHLG meeting on 7 October 2020. It was agreed that this solution would give Contracting Parties sufficient time to prepare for the new regime while ensuring a deterrent effect in the future.
5. Upon presentation by the Secretariat, the PHLG discussed and agreed on the main elements of the two envisaged Procedural Acts concerning the method for calculation of penalty payments and their distribution. The PHLG discussed a need to even more stress particular individual circumstances of Contracting Parties (e.g. force majeure). Both Procedural Acts will be updated by the Secretariat by 28 October 2020.
6. With these discussions concluded, the PHLG considers that the text of the Treaty amendments is almost stable and that an agreement at the upcoming 2020 Ministerial Council is within reach.
7. Potential comments from the Contracting Parties on all the documents put on the agenda of the Ministerial Council (draft Treaty amendments, draft Protocol on denomination and the three draft Procedural acts) and on all presentations are expected before 4 November 2020.
8. The PHLG invited the European Commission and the Secretariat to fine-tune, where still necessary after the 2020 Ministerial Council and before adoption, remaining technical issues of the draft Procedural Acts.

Miscellaneous

9. The Presidency and the Secretariat informed about the situation in Montenegro and the state of preparations for the 2020 Ministerial Council meeting given the COVID 19 pandemic. Given the particular importance of that meeting, the PHLG requested the Secretariat to distribute the draft conclusions of the Ministerial Council already in the course of a week after 4 November. The draft conclusions should envisage political endorsement of the Treaty amendment negotiations ("initialling"). PHLG members are invited to send any comments on the conclusions not later than 1 (one) week following distribution of the draft.

Done in Vienna on 27 October 2020

For the Permanent High Level Group

THE PRESIDENCY

