

**EUROPEAN ECONOMIC AREA
Council of the EEA**

Brussels, 14 May 2012

**EEE 1602/1/12
REV 1**

CONCLUSIONS

Subject: Conclusions of the 37th meeting of the EEA Council
Brussels, 14 May 2012

1. The thirty-seventh meeting of the EEA Council took place in Brussels on 14 May 2012 under the Presidency of Mr Villy Søvndal, Minister for Foreign Affairs of Denmark, representing the Presidency of the Council of the European Union. The meeting was attended by Mr Össur Skarphéðinsson, Minister for Foreign Affairs of Iceland, Mr Martin Meyer, Deputy Prime Minister and Acting Minister for Foreign Affairs of Liechtenstein, and Mr Jonas Gahr Støre, Minister of Foreign Affairs of Norway, as well as by Members of the Council of the European Union and Representatives of the European Commission and the European External Action Service.
2. The EEA Council noted that within the framework of the Political Dialogue the Ministers discussed *North Africa / 'Arab Spring', Iran and Afghanistan / Pakistan*.
3. The EEA Council held an orientation debate on *Strategies for Growth in Europe*.

4. The EEA Council noted the 20th anniversary of the signing of the EEA Agreement on 2 May, and recognised with satisfaction that the Agreement has been a durable instrument in ensuring the smooth functioning of the European Economic Area. The EEA Council looked forward to the 20th anniversary celebrations of the Single Market later in the year.
5. The EEA Council recognised that the current economic crisis was a common concern, and reaffirmed the need for responsibility and solidarity among the nations of Europe in tackling the challenges ahead. The EEA Council stressed that it was in the common interest of all countries of the European Economic Area to restore confidence and put the economies on the path towards renewed and sustainable growth, and underlined the need to take into account budgetary discipline and shared social objectives in the measures taken to combat the crisis. In this context, the EEA Council welcomed the signing of the Treaty establishing the European Stability Mechanism on 2 February 2012, and of the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union on 2 March 2012.
6. The EEA Council welcomed the signing of the Treaty concerning the Accession of Croatia to the EU on 9 December 2011. The EEA Council recalled that all European States becoming a member of the European Union shall apply to become a Party to the Agreement on the European Economic Area, in accordance with Article 128 of the Agreement.
7. The EEA Council welcomed the progress being made towards Iceland's accession to the European Union following the fifth Intergovernmental Conference in March 2012.
8. The EEA Council welcomed the progress made on the seven flagship initiatives of the Europe 2020 Strategy. With many of the proposals contained in these initiatives being EEA relevant, the EEA Council welcomed the EEA EFTA States' contribution to the Strategy.
9. The EEA Council reiterated its commitment to the social objectives of the Europe 2020 Strategy with its inclusive growth initiatives aimed at combating poverty and social exclusion, encouraging youth mobility and matching skills with jobs, and underlined the importance of finding innovative responses to the social impact of the current crisis.

10. The EEA Council welcomed the progress made on the Single Market Act, notably the timely presentation of the key actions of the Act, including EEA-relevant legislative proposals. The EEA EFTA States will continue to be actively involved in the development of the Single Market and will follow up on the proposals resulting from the Act.
11. The EEA Council noted the urgency to continue discussions between the EU and EFTA sides on how to ensure that the significant volume of legislation being adopted in the EU in the financial services field is dealt with and included in the EEA Agreement. The EEA Council emphasised the need to ensure the timely incorporation of such legislation, including the Regulations establishing the European Supervisory Authorities, on which, to date, limited progress has been noted. The EEA Council furthermore expressed the hope that an understanding could be reached soon on the appropriate form of participation by the EEA EFTA States' relevant authorities in the European Systemic Risk Board (ESRB).
12. The EEA Council reiterated the importance of maintaining close cooperation between the EU and the EEA EFTA States in environment, energy and climate change policies, in particular in the areas of emissions trading, the promotion of competitive, safe and sustainable low carbon economy, resource efficiency, energy efficiency and renewable energy resources, as well as in carbon capture and storage (CCS).
13. The EEA Council recognised the importance of cooperation for the development of future-oriented energy technologies, among others by means of advocating and supporting common research & development projects, enhancing and developing a framework allowing cross-border exchanges of knowledge and scientific cooperation, and advocating a free flow of intellectual capital.

14. The EEA Council noted the importance of the Third Package for the Internal Energy Market and that important work on derived legislation was currently ongoing in the new bodies, the Agency for the Cooperation of Energy Regulators (ACER) and the European Network(s) for Transmission System Operators (ENTSOs). Since the EEA EFTA States were already well integrated in the Internal Energy Market, the EEA Council underlined the importance of ensuring appropriate EEA EFTA participation in the new bodies in line with the Third package and the EEA Agreement.
15. The EEA Council welcomed the recent incorporation of the Renewables Directive into the EEA Agreement, and also took note of the ongoing work on a European Renewable Energy Strategy post-2020. In this context, the EEA Council took note of the EEA EFTA States' already large shares of renewable energy sources and acknowledged the EEA EFTA States' commitment to attaining targets for their shares of renewable energy by 2020.
16. The EEA Council took note of the ongoing work in the EU on a new Energy Efficiency Directive and a new Regulation on Energy Infrastructure and agreed on the importance of energy efficiency and infrastructure as a means of realising energy and climate goals.
17. The EEA Council urged for the swift incorporation of the revised Emissions Trading Scheme into the EEA Agreement and underlined that all parties to the Agreement needed to complete various tasks this year in order to ensure that the system would be operational throughout the entire EEA as of 1 January 2013.
18. The EEA Council recalled its orientation debate on commodity markets and raw materials in May 2011 and welcomed the Commission's proposal of 29 February 2012 for a European Innovation Partnership (EIP) on Raw Materials with a holistic approach regarding access, processing, resource efficiency, innovation and technical development for the whole value from extraction of minerals to recirculation.

19. The EEA Council furthermore emphasized the key importance of SMEs for promoting economic growth and employment and shared the engagement in implementing the Small Business Act, simplifying rules and regulations and facilitating SMEs access to the public procurement market, the green market and the international market.
20. The EEA Council noted the Progress Report of the EEA Joint Committee and, in particular:
- The EEA Council underlined the importance of timely incorporation of legal acts in the EEA Agreement, to ensure a homogenous Internal Market. In this regard, the EEA Council welcomed the joint efforts of the EEA EFTA States and the European External Action Service to further improve the process of preparation and incorporation of EEA relevant EU acquis into the EEA Agreement, including through the timely fulfilment of constitutional requirements when applicable, and took note of the steady progress already achieved in reducing the relatively high number of legal acts not yet in force in the whole of the EEA;
 - Welcomed the final agreement reached for a Directive on Consumer Rights, and noted in this context that EEA EFTA concerns had been taken into account;
 - Noted that the Agreement on the further liberalisation of trade in agricultural products between the European Union and Norway based on Article 19 of the EEA Agreement had entered into force on 1 January 2012. The EEA Council acknowledged that the Contracting Parties to the EEA Agreement, as set out in Article 19 of the Agreement, have undertaken to continue their efforts with a view to achieving progressive liberalization of agricultural trade within the framework of their respective agricultural policies and on a mutually beneficial basis. To this end, it looked forward to the upcoming review of the conditions of trade in agricultural products;

- Agreed to continue the dialogue on the review of the trade regime for processed agricultural products within the framework of Article 2(2) of Protocol 3 to the EEA Agreement;
- Welcomed the participation by the EEA EFTA States in EEA-relevant EU programmes, noting that these were co-financed by the EEA EFTA States. It emphasised the importance of including the EEA EFTA States in appropriate programmes, thus contributing to building a more competitive, innovative and social Europe;
- Took note of the adoption of the Integrated Maritime Policy Work Programme for 2011-2012 and welcomed the active involvement of the EEA EFTA States in preparatory actions for a European marine observation and data network. It noted that the EEA EFTA States were currently looking into possible participation in activities under the new programme for the further development of the Integrated Maritime Policy; the adoption of the European Commission Communication on a Maritime Strategy for the Atlantic Area was also noted;
- Welcomed the incorporation of the European Aviation Safety Agency Regulation into the EEA Agreement;
- Noted that the Audiovisual Media Services Directive, the Temporary Agency Work Directive and the Directive on charging heavy goods vehicles are to be incorporated into the Agreement as quickly as possible;
- Noted that the outstanding issues concerning the processing of the Data Retention Directive, the Directive on Deposit Guarantee Schemes, the Regulation on Novel Foods and Novel Food Ingredients, the remaining part of the TELECOM package (including the BEREC regulation), the Third Postal Directive and the Regulation on medicinal products for paediatric use had not yet been solved and reiterated the expectation for a conclusion of this process in the coming months;

21. The EEA Council welcomed the EEA EFTA States' contributions to the decision-shaping process of EEA-relevant EU legislation and programmes through their participation in relevant committees, expert groups and agencies, and through the submission of EEA EFTA comments.
22. The EEA Council reiterated that it was in the common interest of all Contracting Parties that the EEA Agreement was well known throughout the European Economic Area, and urged them to ensure that appropriate information on the Agreement is available.
23. The EEA Council welcomed the publication of the Norwegian EEA Review, and looked forward to the results of the review commissioned by the Government of Liechtenstein and the ongoing review being undertaken by the European Union.
24. The EEA Council underlined the importance of inviting EEA EFTA Ministers to relevant informal EU ministerial meetings and ministerial conferences on the basis of EEA EFTA participation in the Internal Market, and expressed its appreciation to the incoming Cypriot Presidency for the continuation of this practice.
25. The EEA Council recalled that the EU side had continued the practice of inviting the EEA EFTA States - at the level of officials - to political dialogue meetings at the level of relevant Council working parties, and supported further continuation of this practice.
26. Implementation of projects under the EEA and Norwegian Financial Mechanism 2004-09 closed on 31 April 2012, and the EEA Council welcomed the high overall implementation and absorption ratio for these funds.
27. With regard to the EEA and Norwegian Financial Mechanism 2009-14, the EEA Council welcomed the high level of bilateral cooperation agreed through the Memoranda of Understanding between the EEA EFTA States and the 15 beneficiary countries.

28. The EEA Council noted the Resolutions of the EEA Joint Parliamentary Committee adopted at its 38th meeting in Akureyri, Iceland, on 3 and 4 May 2012 on *the Annual Report on the Functioning of the EEA Agreement in 2011, the Review of the EEA and the White Paper on a Single European Transport Area*, and the Resolutions of the EEA Consultative Committee adopted at its 20th meeting in Akureyri, Iceland, on 3 and 4 May 2012 on *the Enterprise Dimension of the Internal Market and the EEA Reviews*.
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