

EEE 1605/1/16
REV 1

CONCLUSIONS

Subject: Conclusions of the 46th meeting of the EEA Council
(Brussels, 15 November 2016)

1. The forty-sixth meeting of the EEA Council took place in Brussels on 15 November 2016 under the Presidency of Ms Elisabeth Vik Aspaker, Minister of EEA and EU Affairs of Norway. The meeting was attended by Ms Aurelia Frick, Minister of Foreign Affairs of Liechtenstein, Mr Stefán Haukur Jóhannesson, representing the Minister for Foreign Affairs of Iceland, and Mr Lukas Parizek, representing the Presidency of the Council of the European Union, 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 would discuss Western Balkans, Ukraine/Russia, Migration, and the EU Global Strategy on Foreign and Security Policy. An orientation debate was held on the Digital Single Market, including the collaborative economy.
3. The EEA Council acknowledged the key role played by the EEA Agreement for more than 20 years in advancing economic relations and internal market integration between the EU and the EEA EFTA States. The EEA Council highlighted that the Agreement had been robust and capable of adapting to changes in EU treaties and EU enlargements. The EEA Council recognised that increased efforts towards enhancing competitiveness would be key for jobs and growth in Europe.

4. The EEA Council emphasised the importance of a well-functioning Single Market as a driver in boosting economic growth and creating new jobs throughout Europe, and welcomed the steps already taken to implement the proposals contained in the strategies for a Digital Single Market and for upgrading the Single Market, both launched in 2015, with a view to exploiting in full its untapped growth and productivity potential. The EEA Council agreed that a holistic approach is required to tackle some of the main challenges facing the Single Market, and stressed the importance of close involvement of the EEA EFTA States in the further design and development of single market policies and initiatives.
5. The EEA Council welcomed the adoption of the EEA Joint Committee Decisions of the first package of legal acts related to the EU Regulations on the European Supervisory Authorities in the area of financial services. The EEA Council also highlighted the high importance of promptly incorporating and applying the other outstanding legislation in the field of financial services as soon as possible in order to ensure a level playing field throughout the EEA in this important sector.
6. Noting the Progress Report of the EEA Joint Committee, the EEA Council expressed its appreciation for the work of the Joint Committee in ensuring the continued successful operation and good functioning of the EEA Agreement.
7. The EEA Council emphasised the importance of solidarity among the countries of Europe to overcome social and economic challenges. In particular, the EEA Council expressed concern regarding the continued high level of youth unemployment in some EEA Member States.
8. The EEA Council commended the positive contribution of the EEA and Norway Financial Mechanism 2009-2014 and of their predecessors in reducing economic and social disparities throughout the EEA and recognised the still existing need to alleviate social and economic disparities in the EEA.

9. The EEA Council welcomed the ratification of the Agreement on an EEA Financial Mechanism 2014-2021 by Iceland, Liechtenstein and Norway, and of the Agreement between Norway and the EU on a Norwegian Financial Mechanism for the 2014-2021 period by Norway. The EEA Council further welcomed the provisional application of the Agreement on a Norwegian Financial Mechanism for the 2014-2021 period as of 1 July 2016 and of the Agreement on an EEA Financial Mechanism 2014-2021 as of 1 August 2016.
10. The EEA Council also welcomed the provisional application of the Protocol on trade in fish and fisheries products between Iceland and the EU as of 1 August 2016 and of the Protocol on trade in fish and fisheries products between Norway and the EU as of 1 September 2016.
11. Emphasising the fact that greater knowledge of the EEA Agreement throughout the EEA is in the interest of all Contracting Parties, the EEA Council urged them to ensure that information on the EEA Agreement is made readily and easily available.
12. The EEA Council noted that free movement of capital is a fundamental internal market freedom and an integral part of the EEA acquis and acknowledged that restrictions can be implemented only temporarily on the basis of the provisions of Article 43 of the EEA Agreement. The EEA Council welcomed the progress of the comprehensive plan of the Icelandic Government for removal of capital controls without threatening economic and financial stability of the country.
13. The EEA Council placed great importance on continued close cooperation between the EU and the EEA EFTA States in environment, energy and climate change policies, particularly in light of the 2030 Framework for Climate and Energy and the Framework Strategy for a Resilient Energy Union with a Forward-Looking Climate Change Policy. The close cooperation should also continue in particular in the areas of internal energy market, energy security, emissions trading, promotion of competitive, climate resilient, safe and sustainable low carbon energy, energy efficiency, renewable energy resources, carbon capture and storage (CCS) and carbon capture and utilisation (CCU), as well as other environmental issues such as waste, chemicals, water resource management and industrial pollution.

14. The EEA Council recalled the historic global and legally-binding climate agreement reached in Paris in December 2015 and welcomed its entry into force on 4 November 2016, triggered by the EU ratification. The EEA Council welcomed the efforts undertaken by both EU Member States and EEA EFTA States to ensure speedy completion of their national ratification procedures and encouraged other countries to ratify as soon as possible.
15. The EEA Council welcomed the broad support the Joint Initiative on European Standardisation had achieved and the efforts the EU side had initiated with this successful collaborative co-regulation modernising the European Standardisation System. The EEA Council also acknowledged that the involvement and contribution from EFTA in this field is an illustration of efficient EU-EFTA cooperation supporting a homogenous EEA.
16. The EEA Council welcomed the ongoing efforts made to both reduce the number of EEA-relevant EU acts awaiting incorporation into the EEA Agreement and to accelerate the incorporation process. While commending all the steps undertaken in the course of the last years, the EEA Council noted that the number of acts awaiting incorporation was still too high. The EEA Council called for continued work in order to significantly and durably reduce the current backlog and thereby ensure legal certainty and homogeneity in the EEA. It urged all parties to engage constructively to find solutions to pending difficult issues.
17. With regard to the Third Package for the Internal Energy Market, the EEA Council welcomed progress made in recent months with regard to removing the remaining obstacles towards its incorporation in the EEA Agreement, notably as concerns the EEA EFTA participation in the Agency for the Cooperation of Energy Regulators (ACER), and underlined the importance of swiftly finalising this work in order to establish a fully functional internal market for energy.
18. The EEA Council welcomed progress made in recent months with regard to the 2009 regulatory framework for electronic communications (including the Regulation on the Body of European Regulators for Electronic Communications – BEREC), and the Regulation on Medicinal Products for Paediatric use.

19. The EEA Council noted that progress was still needed on a number of important outstanding issues and looked forward to reaching a conclusion as soon as possible, in particular regarding the Third Postal Directive, the EU legal acts in the area of organic production, as well as in the area of common rules and standards for ship inspection and survey organisations.
20. The EEA Council noted that there was a number of Joint Committee Decisions, for which the six-month deadline provided for in the EEA Agreement with regard to constitutional clearance had been exceeded. It encouraged the EEA EFTA States to strengthen their efforts to resolve the pending cases as soon as possible and to avoid such delays in the future.
21. The EEA Council acknowledged the significance of the negotiations on an ambitious, balanced and comprehensive free trade agreement between the European Union and the United States. The EEA Council welcomed the continuous exchange of information between the European Commission and the EEA EFTA States, initiated in the EEA Joint Committee in December 2014. Bearing in mind inter alia Protocol 12 to the EEA Agreement, the EEA Council encouraged a continuation of this exchange of information.
22. The EEA Council acknowledged that the Contracting Parties, pursuant to Article 19 of the EEA Agreement, had undertaken to continue their efforts with a view to achieving the progressive liberalisation of agricultural trade. The EEA Council looked forward to the signing of the Agreements on the further liberalisation of agricultural trade and on the protection of geographical indications between the EU and Iceland, which were initialled on 17 September 2015, in the near future. The EEA Council noted the suspension of the negotiations between the EU and Norway on protection of geographical indications -
23. The EEA Council welcomed the progress made in the negotiations between the EU and Norway on further liberalisation of agricultural trade within the framework of Article 19 launched in February 2015 and encouraged the parties to actively continue their efforts for further progress in the negotiations.

24. The EEA Council looked forward to the adoption of the Joint Committee Decision related to the agreement on the further liberalisation of trade in processed agricultural products within the framework of Article 2(2) and Article 6 of Protocol 3 to the EEA Agreement between Iceland and the EU, which was concluded on 17 September 2015, in the near future.
25. The EEA Council encouraged the Contracting Parties to continue the dialogue on the review of the trade regime for processed agricultural products within the framework of Article 2(2) and Article 6 of Protocol 3 to the EEA Agreement in order to further promote trade in this area.
26. Acknowledging the contribution made by EU programmes to building a more competitive, innovative and social Europe, the EEA Council welcomed the participation of the EEA EFTA States in EEA-relevant programmes to which they contribute financially.
27. The EEA Council recognised the active participation and full integration of the EEA EFTA States in the European Research Area and the successful association of Norway and Iceland in Horizon 2020, the EU's flagship programme for Research and Innovation. The EEA Council will continue to place high importance to the integration and policy alignment of EEA EFTA States with the EU in the area of research and innovation.
28. The EEA Council underlined the importance of continuing the practice of inviting officials from the EEA EFTA States to political dialogues held at the level of the relevant EU Council working parties.

29. The EEA Council underlined the importance of inviting EEA EFTA Ministers to informal EU ministerial meetings and ministerial conferences relevant to EEA EFTA participation in the Internal Market, and expressed its appreciation to the current Slovak and incoming Maltese Presidencies for the continuation of this practice.
 30. The EEA Council recognised the positive contributions made by the EEA EFTA States to the decision-shaping process of EEA-relevant EU legislation and programmes through their participation in the relevant committees, expert groups, studies and agencies, as well as through the submission of EEA EFTA Comments.
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