



**COUNCIL OF
THE EUROPEAN UNION**

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PROPOSAL

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	6 May 2014
To:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2014) 250 final
Subject:	Proposal for a COUNCIL DECISION on the position to be adopted, on behalf of the European Union, in the EEA Joint Committee concerning an amendment to Protocol 31 to the EEA Agreement, on cooperation in specific fields outside the four freedoms (COSME)

Delegations will find attached document **COM(2014) 250 final**.

Encl.: **COM(2014) 250 final**



EUROPEAN
COMMISSION

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Proposal for a

COUNCIL DECISION

on the position to be adopted, on behalf of the European Union, in the EEA Joint Committee concerning an amendment to Protocol 31 to the EEA Agreement, on cooperation in specific fields outside the four freedoms

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

In order to ensure the requisite legal security and homogeneity of the Internal Market, the EEA Joint Committee is to integrate all the relevant Union legislation into the EEA Agreement as soon as possible after its adoption and also allow for the participation of the EEA EFTA States in EEA relevant EU actions, activities or programmes.

Article 78 of the EEA Agreement provides that the Contracting Parties shall strengthen and broaden cooperation in the framework of the Union's activities in the fields of, inter alia, small and medium-sized enterprises.

2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

The draft Decision of the EEA Joint Committee (annexed to the proposed Council Decision) aims to amend Protocol 31 to the EEA Agreement on cooperation in specific fields outside the four freedoms in order to extend the cooperation of the Contracting Parties in the area of small and medium-sized enterprises.

It is therefore needed to incorporate in the EEA Agreement Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC¹.

Protocol 31 to the EEA Agreement should therefore be amended in order to allow for this extended cooperation to take place from 1 January 2014.

It should be noted that Liechtenstein and Norway shall be exempted from the participation in, and the financial contribution to, this programme.

3. LEGAL ELEMENTS OF THE PROPOSAL

Article 1(3) of Council Regulation (EC) No 2894/94 concerning arrangements for implementing the EEA Agreement provides that the Council establishes the position to be adopted on the Union's behalf on such Decisions, on a proposal from the Commission.

The Commission submits the Draft Decision of the EEA Joint Committee for adoption by the Council as the Union's position. The Commission would hope to be able to present it in the EEA Joint Committee at the earliest possible opportunity.

¹ OJ L 347, 20.12.2013, p. 33.

4. BUDGETARY IMPLICATION

It is proposed that Protocol 31 to the Agreement on the EEA be amended in order to allow EEA/EFTA States to participate in the programme and to contribute financially to it in accordance with the conditions laid down in the EEA Agreement.

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 173 and 195 and 218 (9) thereof,

Having regard to Council Regulation (EC) No 2894/94 of 28 November 1994 concerning arrangements for implementing the Agreement on the European Economic Area², and in particular Article 1(3) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Protocol 31 to the Agreement on the European Economic Area, (hereinafter referred to as "the EEA Agreement") contains specific provisions and arrangements concerning cooperation in specific fields outside the four freedoms,
- (2) It is appropriate to extend the cooperation of the Contracting Parties to the EEA Agreement to include Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC³.
- (3) Protocol 31 to the EEA Agreement should therefore be amended in order to allow for this extended cooperation to take place from 1 January 2014.

HAS ADOPTED THIS DECISION:

Article 1

The position to be taken by the Union in the EEA Joint Committee on the proposed amendment to Protocol 31 to the EEA Agreement shall be based on the draft Decision of the EEA Joint Committee attached to this Decision.

² OJ L 305, 30.11.1994, p. 6.

³ OJ L 347, 20.12.2013, p. 33.

Article 2

This Decision shall enter into force on the day of its adoption.

Done at Brussels,

*For the Council
The President*