EUROPEAN ECONOMIC AREA Council of the EEA

Brussels, 13 May 2014 (OR. en)

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CONCLUSIONS

Subject: Conclusions of the 41st meeting of the EEA Council
Brussels, 13 May 2014

- 1. The forty-first meeting of the EEA Council took place in Brussels on 13 May 2014 under the Presidency of Mr Dimitris Kourkoulas, Deputy Minister for Foreign Affairs of Greece, representing the Presidency of the Council of the European Union. The meeting was attended by Mr Vidar Helgesen, Minister of EEA and EU Affairs at the Office of the Prime Minister of Norway, Mr Mauro Pedrazzini, Acting Minister of Foreign Affairs of Liechtenstein, and Mr Gunnar Bragi Sveinsson, Minister for Foreign Affairs of Iceland, 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 *Ukraine/Russia*, *Syria* and *Southern Neighbourhood*. An orientation debate was held on *International Maritime Transport*.
- 3. The EEA Council welcomed the signing on 11 April 2014 of the Agreement on the Participation of the Republic of Croatia in the European Economic Area, and urged all sides to complete the required procedures to allow for its swift entry into force.

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- 4. This year will mark the 20th anniversary of the EEA Agreement. Through these years, the agreement has proven to be mutually beneficial for all contracting parties and has achieved its main task of promoting trade and economic relations and providing a predictable and level playing field for economic operators and citizens across the EEA. The EEA Council highlighted that the Agreement had been robust and capable of adapting to changes in EU treaties and EU enlargements.
- 5. As the EEA Agreement has now entered into its third decade of operation, the EEA Council acknowledged the central role of the Agreement in fostering trade and economic relations between the EU and the EEA EFTA States. Welcoming the signs of economic recovery, the EEA Council recognised that the good functioning and further development of this extended Single Market would be a key driver for renewed growth in Europe.
- 6. The EEA Council emphasised the need for responsibility and solidarity among the countries of Europe to overcome the social and economic challenges that had arisen from the economic crisis. In particular, the EEA Council expressed concerns regarding the youth unemployment in some EEA Member States.
- 7. 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 temporarily on the basis of the provisions of Article 43 of the EEA Agreement.
- 8. Cognisant of the constitutional challenges for some of the EEA EFTA States raised by the specific role and powers vested in the European Supervisory Authorities for the financial services sectors and of the need to ensure the homogeneity of the internal market, the EEA Council welcomed the ongoing constructive dialogue and encouraged the parties to reach an agreement on appropriate solutions for an institutional set-up allowing for efficient supervision throughout the EEA. The EEA Council furthermore stressed the high importance of a swift incorporation and application of the outstanding legislation in the field of financial services in order to ensure a functioning internal market and homogeneity in this important economic sector.

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- 9. Acknowledging the contribution made by EU programmes to building a more competitive, innovative and social Europe, the EEA Council looked forward to the incorporation of the new generation of EU programmes into the Agreement and invited both sides to speedily process the relevant acts. The EEA Council emphasised the importance of reaching an agreement on all relevant programmes before July 2014, when the budgetary deadline for participation expires.
- 10. The EEA Council welcomed the finalisation of the review undertaken by the EEA Joint Committee on the EEA Financial Mechanism, and the launch of negotiations on the renewal of the EEA and Norway Financial Mechanisms for another term and called for a swift conclusion of these negotiations. It recognised the still existing need to alleviate social and economic disparities in the EEA, as well as the positive contribution of the EEA and Norway Financial Mechanisms 2009-2014 and their predecessors in reducing economic and social disparities throughout the EEA.
- 11. The EEA Council also took note of the recent launch of negotiations in parallel with the Financial Mechanism negotiations on bilateral issues between each of the EEA EFTA States and the EU, and also called for a swift conclusion of these negotiations.
- 12. 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.
- 13. The EEA Council welcomed efforts made over the past years to reduce the number of outstanding EEA-relevant EU acts to be incorporated into the EEA Agreement and to accelerate the incorporation process. The EEA Council noted with concern that despite efforts made, the number of outstanding acts remained too high. It urged both sides to take the necessary steps to reduce the number of outstanding acts, in particular those acts subject to a protracted period of delay in incorporation. The EEA Council considered that more needs to be done in order to significantly and durably reduce the time gap between the adoption of EEA-relevant *acquis* by the EU and its application by the EEA EFTA States to thereby ensure legal security and homogeneity in the EEA. It is important that all parties engage to find solutions to difficult issues.

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- 14. The EEA Council noted that progress is still needed on a number of outstanding issues and looked forward to reach a conclusion as soon as possible in particular regarding the Third Postal Directive, the 2009 TELECOM Package (including the Regulation on the Body of European Regulators for Electronic Communications BEREC), the Directive on Deposit Guarantee Schemes, the Regulation on Novel Foods and Novel Food Ingredients, the Marine Strategy Framework Directive, the Regulation on Medicinal Products for Paediatric use and the EU legal acts in the area of organic production.
- 15. The EEA Council also noted the further increase in the 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. The EEA Council 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.
- 16. With regard to the Third Package for the Internal Energy Market, the EEA Council underlined the importance of stepping up efforts to incorporate this legislative Package into the EEA Agreement in order to establish a fully functional internal market for energy, and encouraged the parties to identify solutions for appropriate EEA EFTA participation in the Agency for the Cooperation of Energy Regulators (ACER).
- 17. The EEA Council acknowledged the significance of the ongoing process of establishing a Transatlantic Trade and Investment Partnership (TTIP) between the European Union and the United States. Bearing in mind inter alia Protocol 12 to the EEA Agreement, it took note of the renewed wish expressed by the EEA EFTA States to have a regular exchange of information with the EU.
- 18. The EEA Council placed great importance on continued close cooperation between the EU and the EEA EFTA States in environment, energy and climate change polices, particularly in light of the process of establishing a 2030 Framework for Climate and Energy. The close cooperation should also continue in particular in the areas of security of energy supply, emissions trading, promotion of competitive, climate resilient, safe and sustainable low carbon energy, energy efficiency, renewable energy resources, carbon capture and storage (CCS) and marine environment issues.

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- The EEA Council acknowledged that the Contracting Parties, pursuant to Article 19 of the 19. EEA Agreement, had undertaken to continue their efforts with a view to achieving the progressive liberalisation of agricultural trade. The EEA Council welcomed the launch in 2012 of negotiations on the further liberalisation of agricultural trade and on the protection of geographical indications between the EU and Iceland and the launch in November 2013 of negotiations on the protection of geographical indications between the EU and Norway. It also looked forward to the review in 2014 of the conditions of trade in agricultural products between Norway and the EU with the aim of opening negotiations on a new agreement within the framework of Article 19 in 2014. The EEA Council noted that the EU had expressed its disappointment on the fact that the increased Norwegian customs duties for certain agricultural products, and the reclassification of hortensia, had not been revoked and that the EU had again encouraged Norway to reverse these measures.
- The EEA Council welcomed the dialogue between Iceland and the EU on the review of the 20. 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 processed agricultural products and looked forward to the conclusion of this dialogue in the near future. 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 processed agricultural products.
- 21. The EEA Council underlined the importance of continuing the practice of inviting officials from the EEA EFTA States to the political dialogues at the relevant Council working parties.
- 22. 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 Greek and incoming Italian Presidencies for the continuation of this practice.

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- 23. 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 and agencies, as well as through the submission of EEA EFTA Comments.
- Emphasising the fact that greater knowledge of the EEA Agreement throughout the EEA 24. would be in the interest of all Contracting Parties, the EEA Council urged them to ensure that the appropriate information on the EEA Agreement was made readily and easily available to all.
- 25. The Council noted the Resolutions of the EEA Joint Parliamentary Committee adopted at its meeting in Reykjavik on 27 March 2014 on Single Market Governance and on Climate and Energy Towards 2030. It also noted the Resolutions adopted by the EEA Consultative Committee in Oslo on 9 May 2014 on Renewable Energies and Economic Competitiveness and Gender Equality in the Labour Market in the Context of the Economic Crisis.

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