

EEE 1602/19

## DRAFT CONCLUSIONS

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Subject: Draft Conclusions of the 51st meeting of the EEA Council  
(Brussels, 20 May 2019)

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The fifty-first meeting of the EEA Council took place in Brussels on 20 May 2019 under the Presidency of Mr Ștefan-Radu Oprea, Minister for Business Environment, Commerce and Entrepreneurship of Romania, representing the Presidency of the Council of the European Union. The meeting was attended by Ms Aurelia Frick, Minister of Foreign Affairs of Liechtenstein, Mr Guðlaugur Þór Þórðarson, Minister for Foreign Affairs of Iceland, and Ms Ine Eriksen Søreide, 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. The EEA Council discussed the overall functioning of the Agreement on the European Economic Area (EEA Agreement) and held an orientation debate on *Climate change: Long-term strategies towards 2050 and the implementation of the Paris agreement*.

## **25th anniversary of the EEA Agreement**

1. Celebrating the 25th anniversary of the EEA Agreement, the EEA Council recognised that this unique Agreement has closely linked our societies and economies and has ensured that a high level of norms and social standards is applicable to all our citizens and workers. The EEA Agreement has been a solid basis for broad and strong relationship, and the positive spirit of cooperation has allowed for adaptations and solutions to be found, in a world of constant change. The EEA Council welcomed the statements made by the Prime Ministers of Liechtenstein, Iceland and Norway and by the President of the **European Council** in the margins of the meeting of the heads of state and government of the European Union on 22 March to celebrate the 25th anniversary of the EEA Agreement.

## **Political dialogue**

2. The EEA Council recognised that the special partnership between the EU and the EEA EFTA States was the best guarantee of long-term shared prosperity and has contributed to the construction of a Europe based on stability, peace, democracy, the rule of law, and human rights. In this context, the EEA Council noted that, within the framework of the Political Dialogue, the Ministers had held informal exchanges of views on current foreign policy matters of mutual interest. 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. The EEA Council agreed on the need to further strengthen communication efforts on the EEA Agreement and on its practical benefits for citizens and businesses.

## **The withdrawal of the United Kingdom from the EU and the EEA Agreement**

3. With regard to the UK's withdrawal from the EU, the EEA Council underlined the importance of safeguarding the EEA Agreement, ensuring the continuation of a well-functioning, homogenous EEA and preserving the integrity of the Internal Market. The EEA Council welcomed the close dialogue and continuous exchange of information that has been established between the EU and the EEA EFTA States on the negotiations between the EU and the UK under Article 50 of the Treaty on European Union regarding the withdrawal of the UK from the EU. The EEA Council, aware of the EEA dimension of the UK's withdrawal from the EU, called for a continuation of the dialogue between the EU and the EEA EFTA States to ensure continued homogeneity in the EEA.

### **Cooperation in the EEA**

4. The EEA Council confirmed its support for the EEA Agreement as the continued basis for future relations between the EU and the EEA EFTA States. It 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, and the positive contribution of the EFTA Surveillance Authority and European Commission in monitoring the compliance with the EEA Agreement in all its Member States. 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 Romanian and incoming Finnish Presidencies for the continuation of this practice. Recognizing the important role of parliamentary cooperation and cooperation between economic and social partners, the EEA Council noted the Resolution of the EEA Joint Parliamentary Committee adopted at its meeting in Strasbourg on 13 March 2019 on the *Annual Report of the EEA Joint Committee on the Functioning of the EEA Agreement in 2018*.

5. The EEA Council emphasised the importance of a well-functioning Internal Market in creating conditions for economic growth and new jobs throughout Europe. It underlined the indivisibility and importance of the four freedoms for the well-functioning of the Internal Market, which is in the common interest of all Contracting Parties. The EEA Council stressed the importance of the close involvement of the EEA EFTA States in the further design and development of Internal Market policies and initiatives. It furthermore stressed the importance of the two-pillar structure of the EEA Agreement. Emphasising the fact that greater knowledge of the EEA Agreement throughout the EEA was in the interest of all Contracting Parties, the EEA Council urged the EU and the EEA EFTA States to ensure that information on the EEA Agreement was made readily and easily available.
6. The EEA Council acknowledged the importance of predictable trade conditions for economic operators within the EEA. In this regard, the EEA Council welcomed the continued exemption of Iceland, Liechtenstein and Norway from the EU's safeguard measures concerning imports of a number of steel products. These exemptions are compatible with both the EU's bilateral and multilateral World Trade Organization (WTO) obligations.

#### **Incorporation of EEA-relevant EU acts**

7. 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.
8. The EEA Council recognised that the ongoing efforts to reduce the number of EU acts awaiting incorporation into the EEA Agreement and to accelerate the incorporation process had yielded good results, and reduced the number of pending acts, especially in the area of financial services. The EEA Council noted that this positive outcome was the result of joint efforts between the EU institutions and the EEA EFTA States. The EEA Council stressed that these efforts will be upheld in order to reduce significantly and durably the number of acts awaiting incorporation and thereby continuing to ensure legal certainty and homogeneity in the EEA.

9. The EEA Council further noted that for a number of Joint Committee Decisions, the six-month deadline provided for in the EEA Agreement with regard to constitutional clearance had been exceeded. It affirmed the willingness of 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.

## **EU programmes**

10. 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 and noted their significant financial contributions under the current Multiannual Financial Framework (MFF) for 2014-2020. The EEA Council recognised in particular 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, as well as in Erasmus+ in the field of education, youth and sport, and Creative Europe for the cultural and audiovisual sectors. The EEA Council would continue to place high importance on the integration and policy alignment of EEA EFTA States with the EU in the area of research and innovation and in education and culture.
11. The EEA Council took note of the preparations for the next MFF for 2021-2027, including the European Commission's proposals for individual programmes. It welcomed submissions of EEA EFTA comments in this field and encouraged the EEA EFTA States to take an active part in EU programmes foreseen under the new financial framework. This participation is a means towards developing, strengthening and broadening cooperation on matters falling outside of the four freedoms, as provided for in the EEA Agreement. The terms of the EEA EFTA States' participation in the future EU programmes for 2021-2027 shall remain based on the relevant provisions of the EEA Agreement.

## **The social dimension**

12. The EEA Council underlined that the social dimension, including in relation to labour law, health and safety at work and gender equality, is an important part of the EEA Agreement. The EEA Council noted with satisfaction that a number of initiatives have been taken in recent years. Further efforts to ensure fair working conditions and equal opportunities in the labour market are essential, not only for the functioning of the Internal Market, but also to demonstrate and reinforce the benefits of the EEA to citizens. Following the discussions on the European Pillar of Social Rights in the context of the EEA Agreement at its last meeting in November 2018, the EEA Council noted the establishment of a new European Labour Authority aimed at strengthening cooperation at the European level in connection with cross-border mobility.

## **Energy and climate change**

13. The EEA Council emphasised importance of continued close cooperation between the EU and the EEA EFTA States in environmental, 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.

14. The EU and the EEA EFTA States are deeply concerned by the new evidence in the latest Intergovernmental Panel on Climate Change (IPCC) special report, which unequivocally confirmed the negative impacts of climate change and the need to reduce global emissions in all sectors and take further action in mitigation and adaptation to reach the temperature goal set out in the Paris Agreement. They reaffirm their steadfast commitment to the UNFCCC and the Paris Agreement as the essential multilateral framework governing global action to deal with climate change and they expressed their commitment to accelerate the transition to low greenhouse gas emissions, sustainable and climate-resilient economies and societies, to prevent irreversible and catastrophic climate disruption. Iceland and Norway also expressed that by extending their cooperation under the EEA Agreement to key EU climate legislation, they will take action to implement the Paris Agreement. The European Union and the EEA EFTA States are therefore determined to help raise global climate ambition and lead the way on accelerated climate action on all fronts, with a view to limiting global warming to well-below 2°C, pursuing efforts to limit the temperature increase to 1.5°Cs. Both sides will work together for a successful outcome of the UN's SDG and Climate change summits in September 2019.
15. While respecting the Contracting Parties' right to determine the conditions for exploiting their energy resources, their choice between different energy sources and the general structure of their energy supply, the EEA Council recognized the role of key partners of the EU among the EEA EFTA States as a reliable supplier of energy. Moreover, the EEA Council underlined that the close cooperation should be continued in the areas of the Internal Energy Market, in addition to the cooperation in the fields of energy security, emissions trading, the promotion of competitive, climate-resilient, safe and sustainable low carbon energy, energy efficiency, renewable energy resources, and carbon capture, utilisation and storage (CCUS), circular economy, as well as other environmental issues, such as chemicals, water resource management, biodiversity and pollution.

## **Digital Single Market**

16. The EEA Council noted that the implementation of the Digital Single Market Strategy is an important step towards completing the Internal Market. In this context, the EEA Council welcomed the steps taken to incorporate new legislation, such as the new regulatory framework on telecommunication, on unjustified geo-blocking, enforcement of consumer protection law, cross-border portability of online content services and on audio-visual media services. The EEA Council took note of important legislative proposals currently under consideration, in particular the proposal for a regulation on e-privacy.

## **Financial Mechanism**

17. The EEA Council emphasised the importance of solidarity among the countries of Europe to overcome social and economic challenges within the EEA, which is in the common interest of all Contracting Parties. In this sense, it expressed concern regarding the continued high level of youth unemployment in some EEA Member States. The EEA Council commended the positive contribution made by the EEA and Norway Financial Mechanisms in reducing economic and social disparities throughout the EEA and supporting a free and vibrant civil society.
18. With regard to the agreements on an EEA and a Norwegian Financial Mechanism for the 2014-2021 period, the EEA Council welcomed the conclusion of Memoranda of Understanding between the EEA EFTA States and almost all of the Beneficiary States. Furthermore, the EEA Council called for a timely implementation of the Memoranda of Understanding, while ensuring quality at entry for programmes and projects, flexibility and broad participation, in order to achieve the expected results and looked forward to projects commencing under the new mechanisms. The EEA Council recalled the importance of maintaining a close cooperation between the Beneficiary States and the EEA EFTA States, in the spirit of equal partnership between the Contracting Parties to the EEA Agreement.

## **Agricultural trade**

19. The EEA Council acknowledged that the Contracting Parties had reaffirmed their commitment, in accordance with Article 19 of the EEA Agreement, to continue their efforts with a view to achieving the progressive liberalisation of agricultural trade. The EEA Council welcomed the Contracting Parties' intention of conducting before the summer of 2019 a new 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.
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