

EUROPEAN ECONOMIC AREA
Council of the EEA

Brussels, 12 November 2024
(OR. en)

EEE 1607/24

DRAFT CONCLUSIONS

Subject: 59th meeting of the EEA Council (Brussels, 25 November 2024)

The fifty-ninth meeting of the EEA Council took place in Brussels on 25 November under the Presidency of Mr Espen Barth Eide, Minister for Foreign Affairs of Norway. The meeting was attended by Mr Péter Sztáray State Secretary for Security Policy and Energy Security, Ministry of Foreign Affairs and Trade of Hungary, representing the Presidency of the Council of the European Union; Mr Kristján Andri Stefánsson, Head of Mission of Iceland to the EU; and Ms Dominique Hasler, Minister of Foreign Affairs of Liechtenstein; as well as by representatives of the European Commission and the European External Action Service.

The members of the EEA Council discussed the overall functioning of the Agreement on the European Economic Area (EEA Agreement) and held an orientation debate on Enhancing Europe's competitiveness and resilience: the role of the EEA cooperation.

Ukraine

1. The members of the EEA Council condemned in the strongest possible terms Russia's unjustified, unprovoked and illegal war of aggression against Ukraine, and stressed their unwavering support for Ukraine's independence, sovereignty and territorial integrity within its internationally recognised borders. The members of the EEA Council urged the Russian Federation to immediately and unconditionally withdraw all of its troops and military equipment from the entire territory of Ukraine within its internationally recognised borders. The members of the EEA Council also expressed their support for a comprehensive, just and lasting peace, based on international law, including the United Nations Charter, and in line with the key principles and objectives of Ukraine's Peace Formula. The members of the EEA Council regretted the continued effects that the ongoing Russian war of aggression against Ukraine has on the functioning of the Internal Market. They commended the alignment of all EEA EFTA States with EU declarations and restrictive measures against the Russian Federation, in addition to other actions taken by the EEA EFTA States in parallel with the EU and its Member States to counter the military aggression by Russia, demonstrating the excellent and close partnership between the EU and the EEA EFTA States.
2. The members of the EEA Council underlined the importance of defending universal and common fundamental European principles and values, such as democracy, human rights, the rule of law and the principles of the United Nations Charter. Furthermore, the members of the EEA Council underlined their commitment to the international rules-based order, as well as to defending compliance with international law, including international humanitarian law.

Cooperation in the EEA

3. The EEA Council emphasised the importance of the EEA Agreement as a fundamental basis for relations between the EU and the EEA EFTA States, and stressed the importance of the two-pillar structure of the Agreement. It recognised the positive contribution made by the EEA EFTA States to the decision-shaping process of EEA-relevant EU legislation and programmes through their participation in committees, expert groups, studies and agencies, as well as through the submission of EEA EFTA Comments.

4. Furthermore, the EEA Council acknowledged the positive contribution of the EFTA Surveillance Authority and of the European Commission in monitoring compliance with the EEA Agreement in all EEA States. The EEA Council underlined the importance of inviting EEA EFTA Ministers to informal EU Ministerial meetings and Ministerial conferences organised by the EU Presidencies that are relevant to EEA EFTA participation in the Internal Market. It expressed its appreciation to the current Hungarian and incoming Presidencies for the continuation of this practice.
5. The EEA Council highlighted that 2024 marked the 30th anniversary of the entry into force of the EEA Agreement. It recognised that in the last 30 years, the Agreement had contributed to long-term shared prosperity in the EEA – guaranteeing equal treatment, legal certainty and predictable conditions for its citizens and businesses.
6. Throughout the anniversary year, the EEA Council has jointly celebrated the success of the EEA cooperation. On the occasion of the European Council meeting on 22 March, the EEA EFTA Prime Ministers met with members of the European Council to commemorate 30 years of the unique partnership and to take stock of preparations for the new strategic agenda. In relation to the 58th meeting of the EEA Council on 28 May, the Contracting Parties issued a Joint Statement highlighting 30 years of EEA cooperation and held a successful anniversary conference in Brussels.
7. The EEA Council recalled the benefits of the four freedoms and equal and fair conditions of competition for businesses, emphasising that the rules of the Internal Market facilitate innovation, competitiveness and trade.
8. The EEA Council agreed on the need to further strengthen communication efforts with respect to the EEA Agreement and its benefits for citizens and businesses. It emphasised that greater knowledge of the EEA Agreement throughout the EEA at all levels was in the interest of all Contracting Parties and the good functioning of the Internal Market. To this end, the EEA Council urged the EEA States to ensure that information on the EEA Agreement was made readily and easily available.

9. Recognising the important role of parliamentary cooperation, and cooperation between economic and social partners, the EEA Council took note of the Resolution of the EEA Joint Parliamentary Committee adopted on 15 December 2023 in Vaduz on the Annual Report of the EEA Joint Committee on the Functioning of the EEA Agreement in 2022, and of the Resolution of the EEA Consultative Committee on 30 Years of EEA Cooperation, adopted on 24 May 2024 in Reykjavík.

Political dialogue

10. The EEA Council recognised that the close partnership between the EU and the EEA EFTA States was the best guarantee of long-term shared prosperity and stability. It contributed to a Europe based on peace, democracy, the rule of law and human rights. In this context and within the framework of the political dialogue, the EEA Council held an informal exchange of views on current foreign policy matters of mutual interest, where the participants this time discussed Ukraine/Russia, Arctic, and the Middle East, underlining the importance of continuing the practice of inviting officials from the EEA EFTA States to political dialogues held in conjunction with EU Council working parties.

Incorporation of EEA-relevant EU acts

11. 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.
12. The EEA Council recognised the ongoing work to reduce the number of EU acts awaiting incorporation into the EEA Agreement, and that important progress had been made in 2023 and 2024 as a result of the joint efforts of the EU institutions and the EEA EFTA States. It noted, however, that the backlog remained high, and stressed the need to make further efforts and continue close cooperation on long-outstanding files to ensure legal certainty and homogeneity in the EEA. The EEA Council also underlined the importance of ensuring the timely transposition of the *acquis* into national legal systems.

Economic security and the competitiveness of the Single Market

13. The EEA Council recognised the ongoing challenges in international trade at a time when global supply chains have been under strain, and reconfirmed its commitment to open, fair and sustainable trade and rules-based trade relations.
14. Furthermore, the EEA Council stressed the importance of the Internal Market in ensuring Europe's competitiveness, economic security, resilience, industrial renewal, resilient technological leadership, and attractiveness as a business location. The EU and the EEA EFTA States continue to share a mutual interest in ensuring a well-functioning Internal Market and maintaining a level playing field both globally and within the Single Market as new policies and initiatives evolve to cope with ongoing global and geopolitical challenges in fields such as global competition, climate change, the twin transition, strategic dependencies and supply chain risks in strategic sectors.
15. The EEA Council highlighted the importance of providing an innovation- and business-friendly environment in order to strengthen competitiveness across the EEA and noted the importance of reducing strategic dependencies in sensitive sectors, as well as simplifying regulatory processes.
16. The EEA Council underlined the importance of close cooperation between the EU and the EEA EFTA States in increasing economic security, resilience as well as securing and strengthening supply chains through diversification of supply and by building manufacturing capacities in the Single Market, particularly in the fields of zero and low emission technologies in line with paragraph 28 of the Global Stock Take under the Paris Agreement, as well as in the areas of chips and critical raw materials. Economic security within the EEA should focus on promoting competitiveness across the EEA, and on providing protection from common economic security risks, and partnership with other countries with common interests.

17. The EEA Council took note of the input provided in the report by Enrico Letta on the future of the Single Market, which highlighted a revitalisation of the Internal Market and its external dimension. It welcomed Letta's perspective on the importance of cooperation and continued dialogue between the EU and the EEA EFTA States as the EU addresses developments linked to areas such as trade and security. Preserving the integrity of the Single Market remains crucial while adapting to new economic realities.
18. The EEA Council furthermore took note of Mario Draghi's report on European competitiveness requested by the President of the European Commission. Strengthening European competitiveness is of key interest to all EEA States.
19. The EEA Council noted the EEA EFTA Comment on "30 Years 30 States: Together for a Competitive and Resilient Europe" which underlines the EEA EFTA States' commitment to their long-term partnership with the EU and highlights the importance of the Internal Market for Europe's welfare and competitiveness. The EEA Council acknowledged the challenges posed by Internal Market-related initiatives that also address issues that fall outside the scope of the EEA Agreement and encouraged further discussions on shared challenges, while fully preserving the autonomy of the EU and of its decision-making process and respecting the choices made by the EEA EFTA States in areas that do not fall within the scope of the EEA Agreement.
20. The EEA Council acknowledged that the EU Strategic Agenda 2024–2029 adequately addressed the shared challenges of the EEA States. It commended efforts to develop a deeper and more resilient Internal Market in which key future technologies are supported and Europe's long-term competitiveness is ensured, and welcomed efforts to keep Europe strong and secure.

Climate change and the green transition

21. The EEA Council agreed that continued high ambition, collective effort and urgent action are needed to ensure the transition to a sustainable, socially fair, climate-neutral and environmentally friendly future. It welcomed the publication of the Commission's Communication on Europe's 2040 climate target and on the path to climate neutrality by 2050 at the latest and took note of its recommendations in line with science. The EEA Council called for transitioning away from fossil fuels in energy systems in a just, orderly and equitable manner, in line with 1.5°C pathways, accelerating action in this critical decade, so as to achieve net zero by 2050 in keeping with the science. It also reiterated the call for tripling renewable energy capacity globally and doubling the global average annual rate of energy efficiency improvements by 2030 and accelerate zero and low emission technologies. The EEA Council also recognised the importance of securing energy supply and addressing the issue of energy prices in the green transition. The EEA Council underlined that a comprehensive strategy for the green transition should offer predictability for the industry and strive to attract, scale-up and maintain businesses within Europe.
22. The EEA Council acknowledged the detrimental effects of Russia's illegal full-scale invasion of Ukraine on the energy sector in Europe and noted the progress made to implement the European Commission's REPowerEU plan which aims at reducing reliance on Russian fossil fuels. It noted in particular the increased ambition of REPowerEU recognising the importance of delivering on those ambitions, including through increased regional cooperation formats where applicable.
23. The EEA Council underlined the key role of carbon pricing in the green transition and welcomed the incorporation into the EEA Agreement of the revised EU Emission Trading System (EU ETS) from the Fit-for-55 Package. It noted that the Carbon Border Adjustment Mechanism would not apply to goods originating from the EEA EFTA States.

24. As transport represents a large source of emissions in Europe, the EEA Council reiterated the importance of the EEA States working together towards a sustainable, competitive and resilient transport sector. It welcomed the objectives and acts on the green transition of the transport sector in the Fit-for-55 Package. The EEA Council emphasised the use of sustainable modes of transport and fuels in the EEA while preserving the connectivity of remote areas and just transition. Furthermore, improving rail capacity and reducing road freight transport emissions is of vital importance, and the EEA Council noted the proposals in the Greening Freight Package. The EEA Council welcomed a stronger focus on green shipping and green aviation, including sustainable fuels and port infrastructures.
25. The EEA Council expressed its full commitment to stepping up efforts to tackle climate change, pursuing the sustainable energy transition, and restoring and protecting the environment. The EEA Council emphasised the importance of continued close cooperation between the EU and EEA EFTA States in achieving their respective climate targets. The EEA Council agreed that it was essential to address the loss in biodiversity, and noted that cooperation towards a cleaner Europe and toxic-free environment was a vital part of this. The EEA Council underlined the importance of regulatory alignment on the Ecodesign for Sustainable Products rules.
26. Recognising that climate change is a global challenge, the EEA Council reiterated its full commitment to implementing the UN 2030 Agenda and the Paris Agreement as the essential multilateral frameworks governing global action against climate change. Keeping in mind the recent COP29, the EEA Council emphasised the continued importance of increased ambition under the Paris Agreement. To this end, the EEA Council considered it particularly important that all parties that have not yet done so to revisit and strengthen the 2030 targets in their NDCs as necessary to align them with the Paris Agreement 1.5°C temperature goal and to pursue an ambitious dialogue with key like-minded partners.

The digital transformation

27. The EEA Council highlighted that safeguarding media freedom and pluralism, editorial independence and protecting journalists are of fundamental importance for a well-functioning democratic society in the digital age, alongside the respect of those crucial values as laid down in relevant EU legislation, including on the support of independent media and their funding.
28. The EEA Council underlined the digital transformation as a key driver for economic growth, European competitiveness and innovation across industries. It furthermore noted the importance of enhancing cybersecurity and safeguarding personal data in the digital age.
29. The EEA Council welcomed the proposed EU Cyber Solidarity Act, and called on the Parties to the EEA Agreement to continue cooperating closely to increase the resilience of the Internal Market and prevent cybersecurity threats and attacks against companies, institutions and critical infrastructure.
30. The EEA Council underlined the importance of the upcoming incorporation of the Digital Services Act (DSA) and the Digital Markets Act (DMA) into the EEA Agreement. Noting the potential economic, environmental and societal benefits of artificial intelligence (AI), it furthermore recognised the importance of establishing a common regulatory framework for AI in Europe through the AI Act, and of ensuring that AI systems placed on the Internal Market and used in the EEA are secure, trustworthy, ethical and respect fundamental rights, European values and ethical principles.
31. The EEA Council recognised the importance of strengthening Europe's semiconductor ecosystem through the European Chips Act by diversifying supply chains, maintaining technological leadership and developing production capacity.
32. The EEA Council welcomed Regulation 2024/1183 amending Regulation 910/2014 on the establishment of the European Digital Identity Framework by improving the effectiveness of the current framework for digital identity to secure cross-border transactions and by extending its benefits to the private sector.

The social dimension

33. The EEA Council underlined the importance of the social dimension in the EEA Agreement, covering issues related to labour law, health and safety at work, and gender equality. The EEA Council recognised the importance of fair and well-functioning labour markets and welfare systems, identifying fairness and solidarity as key objectives and principles of the European Green Deal.
34. Highlighting the importance of ensuring social protection, equal opportunities and fair working conditions, the EEA Council welcomed the progress made on the implementation of the European Pillar of Social Rights, a framework aiming at a more inclusive and resilient Europe.

Cooperation in the field of health

35. The EEA Council was mindful of the strategic lessons learned from the health emergency preparedness and response in the EEA during the COVID-19 pandemic. The integrity of the Internal Market and the smooth functioning of the EEA Agreement remained essential priorities in this context.
36. Recognising the importance of strengthening the EU's health security preparedness and response capacity in a coordinated manner, the EEA Council welcomed the European Health Union and looked forward to closer cooperation between the EU and the EEA EFTA States on health preparedness and response. The EEA Council furthermore noted the Council Conclusions on the future of the European Health Union and the newly adopted regulations on the European Health Data Space and on standards of quality and safety for substances of human origin intended for human application. The EEA Council also took note of the reform of EU pharmaceutical legislation addressing equal access to medicinal products, security of supply of medicinal products and providing an attractive and innovation friendly environment for research, development and production of medicines in Europe as well as measures addressing antimicrobial resistance.

37. The EEA Council highlighted the importance of strengthening EU actions on caregiving and mental health, and of further strengthening the capabilities and resilience of health systems, especially in areas where the pandemic exposed shortcomings.

EU programmes

38. Acknowledging the contribution made by EU programmes to building a greener, more digital and resilient Europe, the EEA Council underlined the importance of the participation of the EEA EFTA States in a number of EU programmes in the 2021–2027 period - most recently with the incorporation of the Act in Support of Ammunition Production (ASAP) and Instrument for the European Defence Industry Reinforcement through common Procurement (EDIRPA) into the EEA Agreement in 2024 - and recognised their significant financial contribution to the programmes.
39. The EEA Council underlined that Article 78 of the EEA Agreement provides that the Contracting Parties shall strengthen and broaden cooperation in several fields outside the four freedoms. EEA EFTA States should have access to all parts of programmes in which they participate. The EEA Council underscored the importance of enhancing research security and called on the Parties to work closely together in this regards, including by the use of risk management and other appropriate measures. The Agreement guarantees all its members equal rights and obligations and it is crucial for its good functioning that these principles are respected. The EEA Council encouraged in particular all implementing bodies at the European and national levels to publicise and promote partnership opportunities across the EEA and to ensure that all actors are made fully aware of the EEA EFTA States' rights and obligations when participating in EU programmes.
40. The EEA Council emphasised that broad cooperation in the field of space is key to strengthening Europe's industrial base and to preserving the integrity and good functioning of the Internal Market. It noted the ongoing discussions on the participation of the EEA EFTA States in the Secure Connectivity Programme.

41. The EEA Council called for continuous dialogue on preparations for the 2028–2034 programming period with the aim of ensuring early incorporation of new programme regulations into the EEA Agreement, taking into account that the participation of the EEA EFTA States follows from the provisions of the EEA Agreement.

Financial Mechanisms

42. The EEA Council recalled that the EEA Agreement provides for the participation of the EEA EFTA States in the Internal Market and in this context it also recalled that the EEA EFTA States contribute to the reduction of social and economic disparities within the EEA through the EEA and Norwegian Financial Mechanisms to the benefits of the Contracting Parties, with a view to promoting a continuous and balanced strengthening of trade and economic relations between all Contracting Parties to the EEA Agreement in accordance with Article 115 of the EEA Agreement.
43. The EEA Council welcomed the signature of the Agreement of the EEA Financial Mechanism for the period May 2021 – April 2028 between Iceland, Liechtenstein, Norway and the EU, and of the Agreement between Norway and the EU on the Norwegian Financial Mechanism for the period May 2021 – April 2028.
44. With the goal of a successful implementation of the Financial Mechanisms for the period May 2021 – April 2028, the EEA Council looked forward to the swift conclusion of the bilateral memoranda of understandings and programme agreements between the EEA EFTA States and all the Beneficiary States in order to set a clear framework and timeline for an effective and timely implementation of the funds, which will contribute to the agreed thematic priorities; European green transition, Democracy, rule of law and human rights and Social inclusion and resilience.

Fisheries and market access for fish and fishery products

45. The EEA Council took note of the signature of two additional protocols to the EU's bilateral agreements with Norway and Iceland that provide for tariff quotas for the import into the EU market of certain fish and fishery products originating in those countries from May 2021 to April 2028.
46. The EEA Council also reaffirmed the commitments laid out in Protocol 9 to the EEA Agreement on trade in fish and other marine products.
47. The members of the EEA Council underlined the high importance of constructive cooperation on fisheries matters which should be balanced and mutually beneficial, notably concerning the sustainable management of stocks of common interest.
48. The members of the EEA Council recognised the importance of bilateral dialogues in fisheries management between the EU and the respective EEA EFTA States.

Agricultural trade

49. The EEA Council recalled the commitment of the Contracting Parties, in accordance with Article 19 of the EEA Agreement, and called on the parties to pursue the dialogue with a view to reviewing the conditions of trade in agricultural products in order to achieve progressive liberalisation within the framework of their respective agricultural policies. The EEA Council encouraged the Contracting Parties to conduct 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.