

PROGRESS REPORT

Subject: Progress Report by the EEA Joint Committee to the 42nd meeting of the EEA Council

Decision making

1. The EEA Joint Committee has adopted 180 Joint Committee Decisions (JCDs) incorporating 443 legal acts since the EEA Council of 13 May 2014. In the period January to 1 November 2014, the EEA Joint Committee has adopted 234 JCDs incorporating 552 legal acts. This is a considerable increase from the same period in 2013, during which 176 JCDs incorporating 303 legal acts were adopted.
2. As of 1 November 2014, there were 408 legal acts awaiting incorporation where the compliance date in the EU had passed, compared to 581 acts in April 2014. Since April 2014 therefore the overall number of outstanding legal acts has decreased by 30%, but it still remains too high.
3. Since the last EEA Council, the new internal EFTA procedures for the incorporation of EU acts into the EEA Agreement, which were adopted on 8 May 2014, have entered into force on 20 October 2014.

4. 158 legal acts adopted by the EU in the period from 1 January to 1 November 2014 were incorporated into the EEA Agreement in 2014, as compared to 81 legal acts in the same period in 2013. This demonstrates an improvement in the management of new acts with their timely incorporation into the Agreement.
5. The number of JCDs awaiting the fulfilment of constitutional requirements where the six-month period had expired has decreased to 5 as at 1 November 2014, as compared to 9 on 1 May 2014. There were 28 JCDs where the entry into force depended on the fulfilment of constitutional requirements of other already adopted JCDs or the incorporation of an EU legal act into the EEA Agreement, as compared to 17 in May 2014.
6. Important decisions incorporated since the 41st meeting of the EEA Council include:
 - Decision 88/2014 on the Road Package
 - Decision 109/2014 on Horizon 2020 (as well as a number of other Decisions incorporating new MFF 2014-2020 programmes into the EEA Agreement)
 - Decision 130/2014 on EEA EFTA participation in the EU Agency for Network and Information Security (ENISA)
 - Decision No 152/2014 on the general block exemption regulation in the field of state aid
 - Decision No 153/2014 on patients' rights in cross-border healthcare
 - Decision No 159/2014 on the supplementary package regarding the accession of Croatia to the EEA
 - Decision 188/2014 on the Acquisition and Preservation of Supplementary Pension Rights
 - Decision Nos 203/2014 to 208/2014 on the Plant Protection Products

Decision shaping

7. The EEA EFTA States are participating in 14 EU programmes and 18 agencies, of which 13 were regulatory agencies and five executive agencies.
8. Since the last EEA Council, the EEA Joint Committee has taken note of EEA EFTA Comments on the following subjects, to which the EU side has provided oral and/ or written reactions:
 - Platform against undeclared work
 - Payment services in the internal market
 - Trade Mark Directive
 - Multi-annual plan for the surveillance of products in the EU

Briefings in the Joint Committee

9. Briefings on the following subjects were provided in the EEA Joint Committee:
 - Capital controls in Cyprus
 - Capital controls in Iceland

Status of outstanding issues

10. The EU and EEA EFTA Ministers of Finance reached an agreement on the principles for the incorporation into the EEA Agreement of the EU Regulations establishing the European Supervisory Authorities in the area of financial services at the annual meeting of the EU and EFTA Ministers of Finance and Economy in Luxembourg on 14 October 2014. The drafting of the relevant Joint Committee Decisions incorporating these EU Regulations into the EEA Agreement is on-going, with the aim of their adoption by the Joint Committee as soon as possible.

11. The discussions on the following issues have not yet been concluded:
- the Directive on the Deposit Guarantee Scheme
 - the Regulation on Novel Foods and Novel Food Ingredients
 - the Third Package for the Internal Energy Market
 - the remaining part of the 2009 TELECOM package including the Regulation establishing the Body of European Regulators for Electronic Communications (BEREC)
 - the Third Postal Directive
 - the Regulation on Medicinal Products for Paediatric Use
 - the Marine Strategy Framework Directive
 - the Offshore Directive
 - the EU legal acts in the area of organic production

The Joint Committee has reiterated its determination to work towards the rapid conclusion of these issues.

Financial Mechanisms

12. For the period 2009-2014, 993.5 million euro has been set aside under the EEA Financial Mechanism and an additional 804.6 million euro under the Norwegian Mechanism to contribute to reducing economic and social disparities in 16 EU countries in Central and Southern Europe and to strengthening bilateral relations.
13. Programmes and projects under both Mechanisms may be implemented until 2016. By 1 October 2014, all of the 150 programmes had been approved by the donors.
14. The European Commission, being responsible for screening all programme proposals for their compatibility with EU cohesion policy, has by 1 October 2014 received the proposals for all the 150 planned programmes. The Commission consent has been given to 146 programmes.

15. Bilateral funds for common activities were set up in many beneficiary countries since the last EEA Council. By 1 October 2014, there were 87 donor partner programmes under the EEA and Norway Grants, involving 24 different public entities from Iceland, Liechtenstein and Norway, along with the Council of Europe.

 16. In accordance with Article 9 of Protocol 38B on the EEA Financial Mechanism, a review of the need to address economic and social disparities within the European Economic Area was undertaken in 2013. The conclusion of the review, to which both the EU and the EEA EFTA sides contributed, was that there still was a need to alleviate social and economic disparities in the European Economic Area. Negotiations on the continuation of contributions, which were launched on 22 January 2014, are on-going.
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