



Council of the
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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL DECISION on the conclusion, on behalf of the European Union, of the Agreement between the European Union, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on an EEA Financial Mechanism for the period May 2021–April 2028, the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period May 2021–April 2028, the Additional Protocol to the Agreement between the European Economic Community and the Kingdom of Norway and the Additional Protocol to the Agreement between the European Economic Community and Iceland

COUNCIL DECISION (EU) 2024/...

of ...

**on the conclusion, on behalf of the European Union,
of the Agreement between the European Union, Iceland,
the Principality of Liechtenstein and the Kingdom of Norway
on an EEA Financial Mechanism for the period May 2021–April 2028,
the Agreement between the Kingdom of Norway and the European Union
on a Norwegian Financial Mechanism for the period May 2021–April 2028,
the Additional Protocol to the Agreement between
the European Economic Community and the Kingdom of Norway
and the Additional Protocol to the Agreement between
the European Economic Community and Iceland**

(Text with EEA relevance)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 217, in conjunction with Article 218(6)(a) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament¹,

¹ Consent of [date] (not yet published in the Official Journal).

Whereas:

- (1) There remains a need to alleviate economic and social disparities within the European Economic Area, and a new mechanism for the financial contributions of the EEA EFTA States and a new Norwegian financial mechanism should therefore be established.
- (2) On 20 May 2021, the Council authorised the Commission to open negotiations with Iceland, the Principality of Liechtenstein and the Kingdom of Norway on an agreement on the future financial contributions of the EEA EFTA States to economic and social cohesion in the European Economic Area.
- (3) The EEA Financial Mechanism for the period May 2021–April 2028 ('EEA Financial Mechanism') and the Norwegian Financial Mechanism for the period May 2021–April 2028 ('Norwegian Financial Mechanism') will contribute to the reduction of economic and social disparities in the European Economic Area and to the strengthening of relations between the EEA EFTA States and the Beneficiary States.
- (4) The EEA Financial Mechanism reflects the benefits drawn by the EEA EFTA States from their participation in the internal market and takes account of the aim of promoting the 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.

- (5) The EEA Financial Mechanism and the Norwegian Financial Mechanism establish special procedures that increase the efficiency of the implementation and the consultation of Beneficiary States. In particular, both the EEA Financial Mechanism and the Norwegian Financial Mechanism provide for consulting the Commission at a strategic level during the negotiations for the Memoranda of Understanding between the Donor States and the Beneficiary States. They also include arrangements for the Commission to provide assistance to the Beneficiary States in the consultations on the provisions for the implementation of the mechanisms. These safeguards will contribute to the efficient and timely implementation of the mechanisms, while taking full account of the needs of the Beneficiary States and of substantial difficulties that they may experience in the implementation of the financial mechanisms, including in relation to the common values and the principles of respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights. In this regard, attention should be paid to the right of a Beneficiary State to be heard where measures such as the suspension of payments and the recovery of funds are concerned.
- (6) Considering that the EEA Financial Mechanism will be added as an additional protocol to the EEA Agreement, the Union is able, in accordance with the relevant procedures under the Treaties, to bring disputes about the interpretation or application of the additional protocol before the Joint Committee, pursuant to Article 111 of the EEA Agreement. In accordance with Article 89 of the EEA Agreement, the EEA Council can consider any issue giving rise to a difficulty.

- (7) The special provisions on imports into the Union of certain fish and fisheries products originating in Iceland and Norway, set out in the Additional Protocols to their respective Free Trade Agreements with the European Economic Community, expired on 30 April 2021 and have been reviewed in accordance with Article 1 of those Additional Protocols. Alongside the negotiations of a future financial contribution and as part of a comprehensive package deal, the Council therefore, on 20 May 2021, authorised the Commission to open negotiations on an agreement on market access for fish and fishery products originating in Iceland and Norway.
- (8) The replacement of the existing financial mechanisms by new mechanisms, which relate to different time periods, different amounts of funds, and different implementing provisions, as well as the renewal and extension of the concessions relating to certain fish and fisheries products, which were part of the comprehensive package of negotiations, constitute, taken as a whole, an important development of the association with the EEA EFTA States, which justifies the recourse to Article 217 of the Treaty on the Functioning of the European Union.

- (9) In accordance with Council Decision (EU) 2024/...²⁺, the Agreements and the Additional Protocols were signed in Brussels on ...⁺⁺, subject to the conclusion of the said Agreements and Additional Protocols. The said Agreements and Protocols should be approved on behalf of the European Union.
- (10) In accordance with the Treaties, the Commission should express the consent of the Union to be bound by the Agreements and the Additional Protocols,

HAS ADOPTED THIS DECISION:

² Council Decision (EU) 2024/... of ... on the signing, on behalf of the European Union, and provisional application of the Agreement between the European Union, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on an EEA Financial Mechanism for the period May 2021–April 2028, the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period May 2021–April 2028, the Additional Protocol to the Agreement between the European Economic Community and the Kingdom of Norway and the Additional Protocol to the Agreement between the European Economic Community and Iceland (OJ L, ..., ELI: ...).

⁺ OJ: please insert the reference number for the Decision set out in ST 10003/24 and complete the corresponding footnote.

⁺⁺ OJ: please insert the date of signing of the Agreements and the Additional Protocols set out in ST 10057/24, ST 10146/24, ST 10148/24 and ST 10149/24.

Article 1

The Agreement between the European Union, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on an EEA Financial Mechanism for the period May 2021–April 2028, the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period May 2021–April 2028, the Additional Protocol to the Agreement between the European Economic Community and the Kingdom of Norway and the Additional Protocol to the Agreement between the European Economic Community and Iceland are hereby approved on behalf of the European Union³⁺.

Article 2

The Commission shall designate the person(s) empowered to deposit the instruments of approval on behalf of the Union as provided for in Article 3 of the Agreement between the European Union, Iceland, the Principality of Liechtenstein and the Kingdom of Norway on an EEA Financial Mechanism for the period May 2021–April 2028, Article 11 of the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period May 2021–April 2028, Article 5 of the Additional Protocol to the Agreement between the European Economic Community and the Kingdom of Norway, and Article 4 of the Additional Protocol to the Agreement between the European Economic Community and Iceland, in order to express the consent of the Union to be bound by those Agreements and Protocols⁴.

³ The texts of the Agreements and the Additional Protocols are published in OJ ...

⁺ OJ: please insert the OJ reference for the Agreements and the Additional Protocols set out in ST 10057/24, ST 10146/24, ST 10148/24 and ST 10149/24 in the preceding footnote.

⁴ The date of entry into force of the Agreements and the Additional Protocols will be published in the *Official Journal of the European Union* by the General Secretariat of the Council.

Article 3

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

Done at Brussels, ...

For the Council

The President
