# EUROPEAN ECONOMIC AREA Council of the EEA

Brussels, 13 May 2025 (OR. en)

EEE 1602/25

#### **DRAFT MINUTES**

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

# **DRAFT MINUTES**

of the 59th meeting of the

# **EEA COUNCIL**

**Brussels, 25 November 2024** 

(Check against delivery)

# **CONTENTS**

			<u>Page</u>
1.	Adopti	on of the Provisional Agenda (doc. 1604/24)	5
2.		val of the Minutes of the 58 <sup>th</sup> meeting held in Brussels on 28 May 2024 (doc. 4)	5
3.	Progre	ss report by the EEA Joint Committee (doc. 1606/24)	5
4.	Adopti	on of the Draft Conclusions of the 59 <sup>th</sup> EEA Council (doc. 1607/24)	5
5.	Reykja	ation of the EEA Consultative Committee adopted following its 33 <sup>rd</sup> meeting in avík on 23 and 24 May 2024 on 30 years of EEA cooperation (doc.	_
	24/293	)	5
6.	Assess	ment of the overall functioning of the EEA Agreement	7
7.		ation Debate: Enhancing Europe's competitiveness and resilience: the role of the	
8.	Other b	ousiness	33
***			
Anno	ex I:	List of Participants	
Anno	ex II:	Progress report by the EEA Joint Committee (doc. 1606/24)	

The EEA Council held its 59th meeting in Brussels on 25 November 2024.

The meeting was chaired by Mr Espen BARTH EIDE, Minister of Foreign Affairs of Norway, who led the EEA EFTA delegation. Minister BARTH EIDE was accompanied by Ms Dominique HASLER, Minister of Foreign Affairs, Education and Sport of Liechtenstein and Ambassador of Iceland, H.E. Mr Kristján Andri STEFÁNSSON.

The EEA EFTA side also included Mr Kurt JAEGER (Secretary-General of the European Free Trade Association – EFTA), and Mr Arne RØKSUND (President of the EFTA Surveillance Authority – ESA).

The EU side was led by Mr Péter SZTARAY, State Secretary for Security Policy and Energy Security, Ministry of Foreign Affairs and Trade. State Secretary SZTARAY was accompanied by Mr Maroš ŠEFČOVIČ, Executive Vice-President of the European Commission, and Mr Matti MAASIKAS, Managing Director for Europe, representing the European External Action Service (EEAS).

#### Opening statement of Minister Mr Espen BARTH EIDE on behalf of the EEA EFTA side

Minister of Foreign Affairs of Norway, Mr Espen BARTH EIDE, opened, on behalf of the EEA EFTA side, the formal session of the EEA Council and raised items 1 to 5 on the Agenda, suggesting to the EU side to adopt or take note of them without discussion.

#### Opening statement of State Secretary Mr Péter SZTARAY on behalf of the European Union

Dear colleagues from Norway, Liechtenstein, and Iceland, from the EFTA Secretariat and from the EFTA Surveillance Authority,

On behalf of the Council of the European Union, let me first of all express our appreciation for your hosting of this our 59<sup>th</sup> meeting of the EEA Council for the third time here in the EFTA House.

Before we go into the substance of our agenda, let me also express my thanks to the EFTA Secretariat, for the excellent organisation and cooperation in the arrangements for the session.

Following your proposal, Minister, we would like to confirm our agreement on dealing with items 1 to 5 of our Agenda without prior discussion.

We are looking forward to a fruitful exchange!

## Intervention of Minister Mr Espen BARTH EIDE on behalf of the EEA EFTA side

Thank you very much.

Items 1, 2, 3, 4 and 5 of the agenda are therefore adopted.

#### 1. <u>ADOPTION OF THE AGENDA</u>

The EEA Council adopted the Agenda, as set out in doc. 1604/24.

#### 2. <u>APPROVAL OF THE MINUTES</u>

The EEA Council approved the Minutes of the 58<sup>th</sup> meeting of the EEA Council, which took place in Brussels on 28 May 2024, as set out in doc. 1605/24.

#### 3. PROGRESS REPORT BY THE EEA JOINT COMMITTEE

The EEA Council took note of the Progress Report by the EEA Joint Committee, as set out in doc. 1606/24.

#### 4. <u>ADOPTION OF THE DRAFT CONCLUSIONS</u>

The EEA Council adopted the Conclusions of the 59<sup>th</sup> EEA Council meeting, a set out in doc. 1607/24.

# 5. RESOLUTION OF THE EEA CONSULTATIVE COMMITTEE adopted following its 33<sup>rd</sup> meeting in Reykjavík on 23 and 24 May 2024 on 30 years of EEA cooperation

The EEA Council took note of the Resolution.

#### 6. ASSESMENT OF THE OVERALL FUNCTIONING OF THE EEA AGREEMENT

#### Intervention of Minister Mr Espen BARTH EIDE on behalf of the EEA EFTA side

Dear Ministers, colleagues,

In the early 1990s, we set out to develop a dynamic and homogenous European Economic Area. Fast forward to 2024, we are celebrating the largest integrated Internal Market in the world. Today, we stand at a turning point where the geopolitical winds are changing direction. The world looks very different today compared with 30 years ago.

Fundamental values and principles such as peace, democracy, the rule of law and international rules-based cooperation are becoming increasingly threatened. Russia's illegal war against Ukraine is continuing at our doorstep. We are seeing geopolitical instability across regions and a return to power politics and increased isolationism.

At the same time, we are faced with an urgent climate crisis that requires our full commitment, and are experiencing a technological transition that is moving rapidly across our societies.

Against this background, we know that our close cooperation – based on shared values – has served us well over the past decades, and will continue to do so in the future.

Ministers, colleagues,

This time of geopolitical change has led to an increased focus on resilience and economic security. We will discuss competitiveness under the next agenda point, but allow me to stress that the EEA EFTA States understand the importance of ensuring European economic security. This has been highlighted by many, including by Mario Draghi in his recent report.

We also underline the need to find an appropriate balance between open markets and continued economic security.

As a result of global and EU developments, we see that some cross-sectoral initiatives affect the internal market while also serving broader policy objectives.

A recent report from the EEA EFTA States underlines the need for a broad-based assessment of the impact of these initiatives on the EEA cooperation. It also, identifies a risk of fragmentation of the Internal Market that could lead to the EEA EFTA States being treated as third countries in certain cases.

The quest for increased economic security must not come at the cost of fragmenting the Internal Market of 30 States, or of creating an uneven playing field. This point was also raised in the Future of the Single Market report by Enrico Letta, where he points out that it is imperative to avoid inadvertently raising barriers within the Internal Market.

Looking ahead, the EEA EFTA States welcome a constructive and forward-oriented dialogue with the EU at the appropriate level on policy developments and initiatives relevant to the Internal Market and EEA cooperation.

Ministers, colleagues,

We are doing our utmost to further strengthen our core work: the timely incorporation of EEA-relevant legal acts into the EEA Agreement.

Since our last meeting we have incorporated 255 legal acts. We have focused on reducing the backlog, including in areas where the backlog numbers have been especially high, and on the incorporation of long-outstanding legal acts.

We have, for instance, incorporated over 50 acts in the field of financial services, several of them being older acts in the backlog. We have also cleared acts in the field of statistics – an area we are hopeful for further progress in the coming weeks.

We have also seen substantial progress related to more challenging files in other sectors, including in the field of energy, which will hopefully result in the incorporation of a high number of legal acts soon. Considerable work on both sides has been dedicated to finding a positive solution.

In this period, we have also incorporated important acts in the field of health, as well as one act on transparent and predictable working conditions and the Eurofund regulation - just to name a few. The work to reduce the backlog will continue to be a priority for us.

We have furthermore seen a reduction of JCDs awaiting the fulfilment of constitutional requirements since our last meeting in May. Recently, we lifted constitutional requirements for the EASA file, which resulted in 21 "linked" JCDs to also enter into force. We will continue to give reducing the number of constitutional requirements our full attention.

Ladies and gentlemen,

I wish to express our satisfaction with the recent signing of the Agreement on the EEA Financial Mechanism – as well as the Agreement on the Norway Grants – for the period 2021 to 2028. We are also pleased about the signing of the two Agreements on market access for fish between the EU and Norway and between the EU and Iceland.

We now look forward to negotiations between the EEA EFTA States and the 15 Beneficiary States on Memoranda of Understanding and programme agreements.

To conclude, I wish to thank the outgoing EU Presidency, Hungary, for its constructive cooperation and efforts to facilitate our participation in EU Council meetings. We look forward to working with the Polish EU Presidency in the first half of next year, as well as with the incoming European Commission.

### Intervention of State Secretary Mr Péter SZTARAY on behalf of the European Union

Allow me to start by underlining the importance of the regular meetings of the EEA Council, which give us the opportunity to jointly assess the implementation of our most important instrument of cooperation - the European Economic Area Agreement - and to hold a useful exchange of views on its various aspects.

Year 2024 is a historic moment in our relations as we celebrate the 30<sup>th</sup> anniversary of the entry into force of the EEA Agreement. The Agreement which unites our countries in the internal market has been the bedrock of our close and special partnership. Looking back at these past 3 decades, I believe we all share the assessment of our EEA cooperation as a key factor in support of our continuous development, long-term shared prosperity, peace and stability. At the time of its inception, the EEA counted only 18 states, but it has since grown to encompass 30 states and nearly half a billion people.

Our leaders had the opportunity to celebrate this exceptional milestone in Brussels, in the margins of the European Council on 22 March. Our commitment to the EEA agreement extends into the future and reflects our desire to build a peaceful, economically strong, and resilient Europe for future generations.

In the current geopolitical context, marked by Russia's war of aggression against Ukraine and the situation in the Middle East, the special partnership between the EU and the EEA EFTA States has proven itself to be more important than ever. We continue to stand together, defending our common values such as democracy, rule of law and the commitment to an international rules-based order, in solidarity and in unity.

On the EEA Agreement, Vice-President Šefčovič will provide a detailed report on the day-to-day developments and on the concrete progress achieved since last May.

Before giving him the floor, I would like to highlight some important developments that have taken place since our latest EEA Council in May 2024.

We would like to welcome the incorporation of certain important pieces of legislation into the EEA Agreement, such as in the area of health – acts on a reinforced role for the European Medicines Agency in crisis preparedness and management for medicinal products and medical devices, on the European Centre for Disease Prevention and Control, and on serious cross-border threats to health, as well as a substantial reduction of the backlog in the financial services area.

We hope for increased efforts to conclude discussions on some important pending legislations. The Presidency would like to specifically mention the energy and financial services sectors, as well as the oldest pending acts in the package on genetically modified food and feed, as well as still pending acts in the field of competition.

Furthermore, we would like to welcome the continued joint determination to incorporate the relevant *EU acquis* into the EEA Agreement. That said, efforts to reduce the existing backlog and the timely incorporation of legislation into national legal systems need to continue, in order to ensure the good functioning of the EEA Agreement and a level playing field in the single market.

Efforts to drive economic growth remain necessary for meeting our long-term challenges. Europe's strength, resilience and global standing depend on our economic output, and is also of utmost importance for the green and digital transitions ahead of us. On these, as well on other relevant policy areas, we would like to reiterate the importance of close cooperation between the EU and the EEA EFTA states.

We are also very pleased with the provisional application of the EEA and Norwegian Financial Mechanisms. We hope that the support from the EEA EFTA States to Member States now can be unrolled as fast as possible.

Lastly, the Presidency notes with great satisfaction that the EEA Council has been successful in adopting conclusions this semester. This sends a strong and important signal of unity. We remain, and will continue to be, as closer partners as ever.

I will now wish to give the floor to Commission Vice-President Šefčovič.

Maroš, you have the floor.

# Intervention of Executive Vice-President Mr Maroš ŠEFČOVIČ on behalf of the Commission

Dear Ministers, Representatives of the EEA EFTA institutions, Ambassadors, ladies and gentlemen,

On behalf of the Commission, I am pleased to share with you our assessment of the functioning of the EEA Agreement.

Firstly, let me remark – still in a celebratory mood - that this is our second EEA Council meeting during our 30th anniversary year – and I am pleased by our continued very close cooperation. You remain our closest and most integrated partners, and the agreement shows both its robustness, as well as its flexibility.

Moreover, a milestone has been reached in this meeting, as we will now have full and comprehensive EEA Council Conclusions after a break of several years.

Today more than ever, in the continued turbulent global geopolitical situation, we need coordinated approaches in areas of common interest and concern. In the context of the Russian war against Ukraine, we continue to appreciate your continued close alignment with the EU, both in the sanctions regime against Russia and in humanitarian, financial and military support provided to Ukraine.

In terms of our core business, the implementation of the EEA Agreement and the incorporation of the EU acquis into the EEA Agreement, I refer to the progress report of the EEA Joint Committee provided for this meeting.

Since the last meeting of the EEA Council on 28 May 2024, we have adopted 137 Joint Committee Decisions incorporating 255 legal acts.

In this period, we incorporated important pieces of legislation in key areas such as health, namely on a reinforced role for the European Medicines Agency in crisis preparedness and management for medicinal products and medical devices, on the European centre for disease prevention and control, and on serious cross-border threats to health.

Significant progress was also made in the field of financial services, where the number of acts in the backlog was reduced substantially, and we see continued progress in incorporation work.

These developments are essential for the continued good functioning of the Agreement and the internal market we share, and we need to push forward the work to ensure the timely incorporation of the other outstanding pieces of legislation.

I mentioned in our previous meetings, and I will repeat again that there is no room for complacency. Both new EEA relevant EU acts need to be incorporated into the EEA Agreement without delay and we need to further intensify efforts to decrease the still extensive backlog of old pending files. Since our last meeting in May, we have jointly reduced the pre-2020 backlog from 53 to 47 acts.

This shows that we already found solutions for some of the acts which had been stalled for years; this should serve as inspiration for the rest.

I would like to encourage you to keep up the momentum. Article 102 of the EEA Agreement requires us to incorporate "as closely as possible to the adoption by the Union" to ensure homogeneity and a level playing field across the EEA.

One important field where the old backlog is substantial is energy.

We appreciate your willingness to tackle this and we see that significant work is ongoing both at technical as well as at political level. We are looking forward – and need to see – the results of that work.

We should set a joint ambition – and aim for incorporation of a package of energy acts by the time of the next EEA Council meeting in May 2025. I am thinking in particular of the Energy Efficiency Directive, Renewable Energy Directive, Governance Regulation, Energy Performance of Buildings Directive and REMIT (Regulation on wholesale energy market integrity and transparency).

Let me also recall that our work on aviation safety is still not over and that we expect the integration of the Directive on Helicopter Offshore Operations. We understand Norway's concerns related to the weather and climate conditions on the rough Norwegian continental shelf, but any such specificities – in EEA EFTA States or EU Member States – should be catered for through and within the flexibilities of a homogenous EEA-wide system.

Finally, as mentioned previously, despite successes in tackling the old backlog, the Regulation on genetically modified food and feed from 2003 has still not been incorporated into the EEA Agreement.

As we all know - the work does not end with the adoption of Joint Committee Decisions. These decisions need to enter into force as soon as possible after their adoption to ensure a level playing field across the entire EEA.

Constitutional requirements are an integral part of the EEA framework. We appreciate that the number of pending ones - older than six months - has decreased substantially from over 30 before the summer to just above 20 now. We appreciate the fact that you have prioritised this.

Once in force, sufficient attention has to be paid to the proper enforcement of the acts incorporated into the EEA Agreement. With this in mind, we are pleased with the recently launched regular Surveillance Policy Dialogue with the EFTA Surveillance Authority, which allows both institutions to coordinate their surveillance work and discuss methodologies and challenges in a spirit of close collaboration.

Finally, as you know, in Articles 115 and 116 of the EEA Agreement, the Contracting Parties agreed on the need to reduce the economic and social disparities between their regions.

To this end, the EEA Agreement provides for a Financial Mechanism for the EEA EFTA States to contribute, in addition to the efforts already deployed by the EU in this regard.

I am pleased that the package on the new EEA and Norwegian Financial Mechanisms was signed on 12 September 2024.

Moreover, following ratifications in three EEA EFTA States, the whole agreed package can be provisionally applied (Norwegian Financial Mechanism on 1 November, EEA Financial Mechanism on 1 December – and two Additional Protocols on market access for Icelandic and Norwegian fish and fishery products on 1 January 2025). Entry into force will start following consent by the European Parliament, where the package should be presented shortly.

As we all agree, the implementation needs to start soon. We are pleased that the EEA EFTA States have endorsed the simplification drive requested by many of the Beneficiary States and also that the consultation of the implementation system with these states was launched immediately after signature.

This way, the EEA and Norwegian Financial Mechanisms will address the needs on the ground without further delays and reflect and accompany increased EU investment into social and economic cohesion.

With this in mind, I hope that we make concrete progress on important outstanding files and celebrate once again the excellent cooperation established over the last 30 years.

Let me end of a more personal note: the President of the Commission has decided that I will continue with the responsibility for our EEA Council and our relationship with you, the three EEA EFTA States. While I cannot promise I will be here the next 30 years of our cooperation, I am very happy to say that I will be with you in next 5 years of the new mandate of the Commission.

#### **Intervention of Minister Mr Espen BARTH EIDE on behalf of Norway**

The Norwegian Minister of Foreign Affairs, Espen Barth Eide, based his statement on the following:

- Look forward to continuing the cooperation as a country and personally with new Commission

   glad that Executive Vice President Šefčovič will continue as responsible for the EFTA
   cooperation as well as with the incredibly important topic of trade and economic security. Hope
   to deal with the latter topics also in this group as they will affect the EEA EFTA States.
- In 1992, when the internal market was completed in the EU, and then extended to the whole EEA in 1994, multilateral cooperation was strengthened in a world that wanted more cooperation.
- Now we see that strategic priorities, homeshoring etc, overrules the wish for global trade.
   Politics has a bearing on who you cooperate with.
- Referred to the fact that he had been travelling for the last few days, with talks in the U.S and in Canada, with several partners about possible challenges that might occur with a Trump II. government.
- The cooperation between the 30 States in the Internal Market will be key to ensure our common, fundamental values. International trade rules must not be undermined as a result of protectionist measures from different trade partners.
- Norway wishes to be a part of measures to ensure European cooperation and competitiveness.
- Norway has a lot to offer when it comes to critical raw materials that will be central components in the green transition and to ensure European resilience.

- Norway is, in addition, EUs primary supplier of energy after Russia's war of aggression against
  Ukraine. We will continue to be a reliant provider of fossil fuels to Europa, and look forward to
  close cooperation when it comes to transitioning towards renewable energy sources and the
  green transition.
- Re. the green transition: Norway actively supports the Green Deal. Happy that the new Commission will continue to take on global leadership here, as could be seen in the recent COP-meeting in Baku.
- EEA works because we keep it working. Note the Commission's message on backlog and agree. Some months' delays of incorporation may in many cases be necessary to ensure thorough assessment, but one should try to remove unnecessary backlog where possible. Appreciate that the EU sees our efforts.
- Important development in the bilateral defense cooperation between Norway and EU particularly strong in the field of defense industry: ASAP, EDIRPA, Defense Fund. Norway supports strongly EDIS and EDIP. Ready to commit fully in these initiatives.
- The Security and Defense Partnership is a milestone. From the Norwegian side, we look forward to further cooperation.
- The Norwegian Government proposed a substantial increase to the Nansen-programme, from 75 to minimum 155 billion NOK, and to extend the programme period with 3 years, to 2030.
   The proposal has been approved by the Norwegian Parliament.
- Europe needs to stand together and cooperate also in the field of health preparedness. Pleased with progress on the mandate for negotiating an agreement. Norway prefers a scope as broad as possible for the cooperation.

#### Intervention of Minister Ms Dominique HASLER on behalf of Liechtenstein

Dear Ministers, dear Executive Vice-President, dear colleagues,

During the 30<sup>th</sup> anniversary years of the Single Market and the EEA Agreement, we were very pleased to see the pivotal role ascribed to our common Single Market in almost every relevant policy document published on the EU side.

The political guidelines of the next Commission, Letta's and Draghi's reports, the Economic Security Strategy and the Budapest Declaration: They all call for the Single Market to be further developed or completed to increase Europe's competitiveness and economic security. Liechtenstein stands fully behind this assessment.

We also noted that most of these guiding policy documents, despite their great emphasis on the Single Market, do not touch upon the EEA Agreement that expands the Single Market to the EEA EFTA States.

As an optimist and against the background of our anniversary year, I interpret this along the lines of "no news is good news" and as a sign that our EEA cooperation is overly satisfactory and the EEA EFTA States cause little – or too little? – trouble.

However, in light of our geopolitical and geoeconomic realities, it would also not come as a surprise if our cooperation and its unique political and legal nature was less at the forefront of everybody's minds. And while this may be a good thing if it reflects the quality of our relationship, it may also have unintended consequences if it results in the EEA EFTA States being treated like any other third state. Which we are not because of the unique Agreement whose 30 years of existence we jointly celebrate this year.

A pertinent example is the Foreign Subsidies Regulation under which state aid granted by the EEA EFTA States is being treated as "foreign financial contributions", despite the fact that EU state aid law is applicable to the EEA EFTA States via the EEA Agreement and enforced by the EFTA Surveillance Authority.

We are of course aware that the attention span for anything not large or urgent is currently thin. But as the EU increases its focus on the nature and quality of its partnerships, this also provides an opportunity to take a fresh look at our partnership to ensure it remains as close and well-functioning as it has been, while the EU takes steps to become more resilient and competitive.

They say "extraordinary circumstances demand extraordinary measures". We are convinced that the EEA Agreement is extraordinary enough to also respond to the extraordinary circumstances of our times. This is one more reason why we celebrate it.

There are two more reasons for celebrations at this Council meeting:

First, we have ratified the Protocol on the sixth Financial Mechanism! At 1.7 billion euros, it amounts to the highest contribution of the EEA EFTA States so far. We are glad that it has a particular focus on Ukraine and Liechtenstein aims to increase its bilateral cooperation with the Beneficiary States within the new framework. As we have just deposited our notification, I understand that work can officially start with the provisional application of the Protocol commencing in a few days on December first.

Secondly, I am excited that we have conclusions again! My term as foreign minister commenced with the last time, we had conclusions in May 2021 and its end almost coincides with the first time we have them again. This connection, I am certain, is only circumstantial but I am glad to experience a breakthrough on this important political document still in my role as foreign minister and congratulate everyone who contributed to this achievement!

One of my predecessors once coined the bonmot "their fish is our finance", referring to core interests of the EEA EFTA States. Liechtenstein is a leader in digital innovation, especially blockchain technology. A simultaneous application of the new EU Regulations in this field (MiCA and Dora) in Liechtenstein is of high importance for our financial economy.

Against this background, we thank the Commission but also our Icelandic and Norwegian friends for the constructive approach in trying to find an adequate solution and hope for a swift process.

I thank you.

#### Intervention of Ambassador Mr Kristján Andri STEFÁNSSON on behalf of Iceland

Executive Vice-President of the Commission, Ministers, colleagues,

On behalf of Iceland, let me start by conveying regards from my Minister, Þórdís Kolbrún Reykfjörð Gylfadóttir. Unfortunately, she could not attend today's EEA Council meeting as parliamentary elections have been called this Saturday.

The 30th anniversary of the EEA Agreement has been an important reminder of everything we have achieved in the past three decades. Today, the EEA, counting 30 States, is the largest common marketplace in the world. That is no small feat. The EEA has also proven its durability and adaptability during these 30 years, and we are convinced that it will continue to serve us well as a solid and reliable framework in the future.

Nevertheless, we must also acknowledge the unique challenges we are currently facing: increased protectionism in international trade; tougher global competition; rapid technological and environmental changes as well as demographic challenges. While these challenges will, undoubtedly, test us, we are confident that the EEA provides us with a strong framework for the EEA EFTA States and the EU to find common solutions to tackle them.

We live in a time of increased uncertainty, volatility and instability in global affairs. Russia's illegal war of aggression in Ukraine threatens the very fundamental principles and values upon which the EEA Agreement is based. It is as important as ever that we continue to protect and promote democracy, the rule of law, human rights, and a rules-based international order.

Executive Vice-President, Ministers, colleagues,

Competitiveness, economic security, resilience and preparedness are all issues that will be high on the agenda of the new European Commission. Therefore, these issues will not only shape the EU's legislative agenda in the years to come, but they will also have a direct impact on the EEA cooperation. We will discuss competitiveness and resilience separately under the Orientation debate; however, allow me to echo Minister's Eide remarks in his capacity as the EEA EFTA chair that the EEA cooperation provides us with a strong platform to work together as partners in enhancing Europe's economic security and resilience.

Let me also stress that measures that aim at increasing the EU's competitiveness, and enhance its economic security and resilience, should not result in new barriers between the EU and the EEA EFTA States. Our privileged relationship, rooted in the mutual obligations of the EEA Agreement, must be borne in mind when developing new policy initiatives, as otherwise we risk fragmenting the internal market. That would have adverse effects for all parties to the Agreement and reduce our collective competitiveness and common economic security. This is a point that is also well raised in Enrico Letta's report on the Future of the Single Market.

Furthermore, allow me also to underscore Minister Eide's statement that we need to bear in mind our close relationship based on the EEA Agreement, should the EU consider adopting trade measures such as global safeguards.

Executive Vice-President, Ministers, colleagues,

Iceland's participation in EU programmes over the last 30 years has been an essential part of our relationship.

As the EU prepares for its upcoming programme period 2028 to 2034, it is crucial that the provisions of the EEA Agreement that call for the full participation of the EEA EFTA States in EU programmes are fully respected. Unfortunately, there have been instances, as my Minister stated at our last meeting in May, where we have been excluded from certain projects, including in Horizon Europe. As stated then, and cannot be reiterated enough, this is not our common interest. Here too, we must work together to avoid causing fragmentation in this important part of the EEA Agreement.

As concerns health preparedness and response (HERA), Iceland is interested in taking part in EU's further integration of health preparedness and response structures and wider health cooperation in a dynamic manner. We are, therefore, very pleased that discussions have now started in the Council as to how to accommodate our participation. Given the importance of this matter, we look forward to starting discussions once the EU is ready.

Ladies and gentlemen,

On Iceland's behalf, I would like to express our satisfaction over the signing of the Agreement on the EEA Financial Mechanism for the period 2021 to 2028 and the additional protocol on market access for fish and fishery products, after long and extensive negotiations. Iceland has submitted its ratification documents, and we note the provisional application of the additional protocol between the EU and Iceland from 1 January 2025. I take this opportunity to recall that when the negotiations on these instruments were finalised almost a year ago, Iceland and the EU agreed to conduct a joint review of the trade regimes between the European Union and Iceland. Our expectation is that this review should start next year.

To conclude, I would like to thank the outgoing Hungarian presidency for the constructive cooperation during the latter half of this anniversary year and we look very much forward to cooperating with the incoming Polish presidency. Congratulations are also due to Maros Šefčovič as new EU Commissioner for Trade and Economic Security, and Interinstitutional Relations and Transparency and we look forward to the continued excellent cooperation in the years to come. Also, a sincere thank you to the Secretariat-General for all its marvellous work, as well as to the External Action Service, the Council Secretariat and our own EFTA Secretariat.

Thank you.

# 7. ORIENTATION DEBATE: Enhancing Europe's competitiveness and resilience: the role of the EEA cooperation

#### Intervention of State Secretary Mr Péter SZTARAY on behalf of the European Union

Dear colleagues, as you know, European competitiveness is a priority for EU leaders. The European Council, at its special meeting on 17 and 18 April 2024, stressed the need for a new European competitiveness deal. It called for developing a new horizontal strategy for a modernised Single Market by June 2025.

More recently, at the Informal Meeting of Heads of State or Government in Budapest on 8 November, our leaders adopted the Budapest Declaration on the New European Competitiveness Deal. The Declaration contains concrete strategies that will allow European companies to prosper – strategies that promote innovation, harness the strengths of our Single Market and support sustainable growth.

The recent reports by Letta and Draghi have highlighted the need to further deepen the Single Market, while removing the remaining barriers and ensuring equal access through improved connectivity. At the same time, a balanced and effective State aid and competition framework should preserve the integrity of the Single Market and a level playing field, with small and medium-sized enterprises (SMEs) remaining central to Europe's economy.

Moreover, the latest crises and geopolitical tensions have highlighted the need to enhance our resilience, as recently highlighted also in the Niinistö report. The COVID-19 pandemic, Russia's ongoing war of aggression against Ukraine, and increasing competition from the US and China have created significant economic challenges for Europe. These include supply chain disruptions, rising energy costs, and threats to industrial competitiveness, particularly in the clean technology and automotive sectors.

As emphasized in the Letta, Draghi and Niinistö reports, the EU needs to increase its strategic sovereignty by strengthening its technological independence, economic resilience, and global competitiveness, while reinforcing the Single Market to more effectively address complex international challenges.

It is therefore essential that we implement a comprehensive European competitiveness strategy that focuses on strategic autonomy, innovation, decarbonisation, fair trade and regulatory simplification. In addition, we must reinforce research & development, address skills shortages through education and mobility of workers, improve productivity and economic resilience, and deepen our Single Market.

EEA cooperation facilitates the free movement of goods, services, capital and people between the EU and the EEA EFTA states, creating a larger Single Market which strengthens the competitiveness of businesses across the EEA by providing economies of scale and more opportunities.

Given the current challenging geopolitical context, the EU welcomes the strong cooperation with Norway, Iceland and Liechtenstein. It is in our joint interest to work together to secure our continent's long-term economic growth and increase its competitiveness.

With that, I would like to pass the floor to the European Commission, followed by the EEAS, for their considerations on the subject.

Maroš, please you have the floor.

## Intervention of Executive Vice-President Mr Maroš ŠEFČOVIČ on behalf of the Commission

Executive Vice-President Mr Maroš Šefčovič based his statement on the following:

- Competitiveness is indeed at the core of our cooperation.
- The European Union, together with the European Economic Area always a place of industry, services and innovation, with the benefits of a Single Market of more than 450 million consumers and large economies of scale.
- But the EU's competitiveness has deteriorated over the past decades as a result of limited productivity gains.

- Our businesses today must deal with a difficult geopolitical context, unfair competition from abroad, higher energy prices than those of our competitors, skills and labour shortages and hurdles in accessing capital.
- The Draghi and Letta reports focused on the need to safeguard sustainable prosperity and competitiveness in the EU. The Commission takes this issue very seriously and is committed to removing structural brakes to competitiveness.
- The EU's competitiveness and resilience are intrinsically linked to the European Economic Area through the Single Market.

[The Single Market as the backbone of Europe's resilience]

- A well-functioning Single Market remains the foundation stone of competitiveness and economic security for both the EU and the EEA EFTA States.
- This work should be guided by four main priorities: strengthening barrier prevention, collaboration with Member States and EEA EFTA States, digitalisation, and enforcement.
- More concretely, this includes the upcoming Clean Industrial Deal, the Circular Economy Act, the European Competitiveness Fund, the Skills Portability Initiative, as well as risk-absorbing measures to promote private investments in innovation and the twin transition.
- We will also propose a horizontal Single Market Strategy to promote cross-border movement of goods and provision of services. Our objective is to reduce reporting obligations for businesses and citizens, while ensuring that the existing rules are fully implemented.

[Working together: EU and EEA EFTA States cooperation]

- In this context, the EEA EFTA States are the EU's closest partners in building a stronger, greener and more competitive Europe. Our economic security is inter-dependent.
- The Commission welcomes the constant efforts undertaken by the EEA EFTA States to ensure
  the efficiency and relevance of the EEA Agreement. The continued complete and timely
  incorporation of the EU acquis into the EEA Agreement is important in this context.

- On initiatives falling outside the scope of the EEA Agreement, the EU and the EEA EFTA countries should continue consulting each other to address shared challenges and to ensure that the envisaged measures are compatible with the respective legal systems.
- Finally, I would like to emphasise the importance of the external dimension of the Single Market in an increasingly complex global landscape.
- As we all face an increasingly complex global environment, the EEA provides the right basis for further economic integration to build a more resilient and competitive internal market.
- We have a shared interest in sustaining and strengthening our cooperation.

#### **Intervention of Mr Matti MAASIKAS on behalf of EEAS**

Mr Matti Maasikas based his statement on the following:

- From a foreign and security policy perspective, internal and external action are two sides of the same coin also with a regard to competitiveness. EU competitiveness needs to be strengthened through strong international partnerships, ensuring access to critical raw materials and energy, resilient supply chains and teaming up with reliable trade partners.
- This is also part of the Budapest declaration on the New European Competitiveness Deal.
- We need to ensure that the proposed measures to strengthen the Single Market and competitiveness are incorporated into the EU external dimension.
- The EEA is key in extending the benefits of the Single Market to our partners, while benefiting
  from the larger size of the market. A fully functioning Single Market is key for innovation,
  investment, convergence, growth, connectivity and economic resilience and in our mutual
  interest going forward.
- It is essential that the approach to strengthened competitiveness strikes the right balance between protection and openness, for which the new holistic concept of a Foreign Economic Policy will also be essential.

- It is even more relevant to uphold our open European economy, while strengthening our economic security framework. The new foreign economic policy will rest on three pillars: trade, economic security and international partnerships. The incoming HRVP will play a key role in working on this policy, in support of EU competitiveness.
- Against the global trend, the EU continues to pursue an ambitious, robust, open and sustainable
  trade policy, with the WTO at its core. However, this policy will also defend and promote our
  common EU's interests, economic diversification and resilience.
- Our partnerships should be further pursued through concrete projects, securing our supplies and
  involving the private sector. Our external financial instruments should be used in a strategic
  manner in support of these partnerships and should offer comprehensive packages and
  maximize financial leverage.
- In light of latest geopolitical developments, we also need to clearly confirm our common determination to take more responsibility for our security and defence, reinforce our capacity to act, and to become more influential in the world so to defend better our interests.
- The defence industrial sector can play a key role in ensuring Europe's future defence readiness as well as its overall competitiveness and innovation capacity. It can become an important driver for future economic growth.
- We need to implement the European Defence Industrial Strategy without delay, and work towards the swift adoption of the European Defence Industry Programme by mid-2025.
- It is essential that we prioritise mobilising additional funding, from public and private sources.
   This includes exploring innovative financial solutions to address critical capability gaps and support industry.
- As tasked by 27 June EUCO, we are working with the European Commission and the European Defence Agency to explore options. We need to focus on options where we can add value at EU level.

- Our critical military capability gaps, the investment needs, and the possible funding options will be part and parcel of the White Paper for the future of EU defence.
- Confronted with a changing geopolitical landscape, we need to see how we can strengthen our cooperation in the various areas. It remains essential that we remain unified in scaling up our commitment to the Single Market also with our EEA EFTA partners. In this spirit, I find the discussion today a very important milestone. We have to intensify our joint efforts to unlock the full potential of the Single Market—both inside the EU and beyond and face together the new reality. This is where the EEA is a forum of essential importance.

#### **Intervention of Minister Mr Espen BARTH EIDE on behalf of Norway**

The Norwegian Minister of Foreign Affairs, Espen Barth Eide, based his statement on the following:

- We fare best when Europe fares best.
- Important quest of keeping the integrity of the internal market whilst keeping the spirit of Europe.
- It is essential to remind ourselves of history and to learn from it: We must not repeat the mistakes of the interwar period where one did not manage to keep the institutions for cooperation that one had tried to establish after the First World War.
- We are all responsible to ensure that the cooperation in the global and regional institutions that were established after the Second World War continues to function. Key: close dialogue in order to find solutions.
- Through the 30-year long history of the EEA Agreement, we have jointly found solutions to new challenges and found new ways to cooperate. The Agreement is flexible!
- I congratulate the Presidency for its timely focus on competitiveness. Very good conclusions in the Budapest statement of 8 November. Full support.

- Look forward to cooperation in order to make the internal market better equipped for new challenges and to ensure its competitiveness.
- Glad that the EU side is interested in what the EEA EFTA States can contribute with in this
  necessary transition. Innovation and cooperation are keywords to ensure Europe's
  competitiveness.
- The Letta report, the Draghi Report, the Niinistö Report as wee as the EEA EFTA report on cross-sectoral EU initiatives: important starting points for discussions about what it will take to use Europe's resources more effectively and how to make it attractive to invest and to create jobs in Europe.
- When implementing the recommendations of these reports, one must remember not to create new problems: Look at the overall effect for the internal market.
- Norway has an open economy: almost everything we make, we export, and almost all we consume is imported. 2/3 of our export goes to the EU. We will be deeply affected by any potential counter-measures or safeguard measures that the EU imposes in the case the US will establish trade barriers, should such counter-measures fail to take into account that the EEA EFTA States are part of the Internal Market.
- This is a two-way street, and we would like to contribute to the competitiveness of Europe
- Norway has a lot to offer in this regard: Producer of key raw materials, natural graphite and titanium, several mature mining projects. Highly integrated in several European value chains.

#### Intervention of Minister Ms Dominique HASLER on behalf of Liechtenstein

Dear Ministers, dear Executive Vice-President, dear colleagues,

The plans for the next legislative cycle are out, the new Commission close to its confirmation, the first prolific 100 days have not yet commenced. A good moment to use the quiet before the storm to reflect on what the current situation and EU ambitions for the next years mean for our EEA cooperation.

Based on the broadly shared understanding that the Internal Market is central to Europe's competitiveness, the participation of three additional competitive economies should certainly make a welcome contribution.

Now we need to ensure that we remain able to contribute, while the EU explores the geostrategic potential of the Internal Market. Most of EU initiatives in the areas of economic security and competitiveness have a strong Internal Market dimension. Letta and Draghi made it clear that a well-functioning Internal Market is a key instrument for enabling progress in both fields. The Budapest Declaration just confirmed this. It is therefore important to clearly identify what can weaken this market. One such risk is to look at the EEA dimension in the current geostrategic development of the Internal Market too technically. The EEA Agreement is a living instrument. This has been one of its core strengths and kept it relevant for three decades. It is fit to respond to present-day conditions. And current present-day conditions call for a truly European approach, call for standing together as close as possible in our response to common threats, call for being fast and flexible, using the instruments we already have and that have proven effective.

The Internal Market is stronger, the deeper and bigger it is and in very many ways, the EEA EFTA States are very different from the average third state because of their unique and long-term integration into the Internal Market based on the EEA Agreement. Speaking for Liechtenstein I can say that EU initiatives that use the Internal Market as a tool to strengthen Europe's competitiveness and economic security, should by default be considered EEA relevant as the EEA is all about the Internal Market. This would allow us to engage in the much-needed discussion about what this means concretely, being aware that we have found various differentiated solutions in the past where needed to reflect the complexities of certain files as well as policy choices on both sides. Liechtenstein is ready to show the necessary flexibility.

Therefore, dear Maroš, putting the EEA, trade and economic security in your capable hands as responsible Commissioner makes a lot of sense to us and the synergies are obvious. Allow me also the off-road comment that a closer dialogue between the EU and EFTA on priorities and approaches for FTA negotiations seems more warranted than ever. Here too, we need to be more strategic but also pragmatic in the global competition for reliable partners.

Another collective challenge will be squaring our green ambitions with the urgent need to become more productive and competitive. None must or can be sacrificed for the sake of the other and I have no doubt that we EEA EFTA States will throw in our full weight to find viable solutions together.

We also agree that Europe's competitiveness depends on simpler, faster and more practical rules and policies. Our economic operators, mostly SMEs, have high expectations if it comes to the ambition to simplify legislation, reduce reporting obligations by at least 35 per cent and harmonize reporting standards. Cutting red tape is not a new idea and we hope the quest for Europe's competitiveness provides the necessary impetus for turning this into a reality now.

I thank you.

## Intervention of Ambassador Mr Kristján Andri STEFÁNSSON on behalf of Iceland

Executive Vice-President of the Commission, Ministers, colleagues,

Strengthening Europe's competitiveness and resilience in an increasingly interconnected and uncertain world, is a subject that defines not only our present but also our future. As close partners in the EEA cooperation, this subject is also high on the agenda for Iceland, as for the other EEA EFTA States. Today, the EEA Contracting Parties stand united in their pursuit of inclusive economic growth, anchored in sustainable competitiveness; fair competition; and economically secure and resilient societies. These are the pillars of our collective prosperity.

In his recent report on The Future of European Competitiveness, Mario Draghi calls for a renewed focus on building a competitive, open, and innovative knowledge economy. Calling for a strategic course correction, he proposes prioritising levelling up on the innovation gap accelerating technological advancement; and strengthening security and reducing dependencies. To achieve these priorities, Draghi proposes concrete measures such as deepening the Single Market and aligning industrial competition, and trade policies, significantly increasing investments, and reforming EU governance.

Iceland is of course supportive of these objectives. After all we have fared best when Europe fares best. And through the internal market we can work together towards these aims. Yes, it is true that the EEA Agreement may not cover all of these policy areas; however, we must strive to find solutions which support the overall objectives while at the same time preserve the integrity of the internal market.

On promoting competitiveness, we must remember that it is our people and our companies that are the forefront of our economies. We must create the right conditions for them to thrive. There a vibrant internal market is critical to fostering healthy competition and unleash competitiveness. This includes reducing unnecessary regulatory and administrative burdens, which can stifle innovation and efficiency. While we have to be attentive of ensuring sufficient supply, maintaining a level playing field and building up competitive and front-running industries, we must be on guard against protectionism, which could hamper the benefits of trade, reduce efficiency and provide the wrong incentives.

Another risk lies in a race to subsidize, which could disadvantage smaller states and distort fair competition. While incentives may sometimes be necessary, they should be carefully designed to avoid creating artificial competitiveness that could lead to long-term economic challenges.

Therefore, Iceland supports continued strong disciplines for subsidies within the internal market.

We continue to support competitive funding, such as within the EU Programmes and maintain the merit and policy-based approach to allocation of such funds. Our collaboration within Horizon Europe brings people, knowledge and resources together for research and innovation – key parts of enhancing competitiveness. Iceland performs well on R&D and well above EEA average, as well as on spending, so we are clearly contributing to the overall aims on levelling up on innovation.

#### Dear colleagues,

The EEA and the internal market should also be used to enhance our economic security in a mutually beneficial way. For Iceland, as a remote and sparsely populated island, the reliability of digital infrastructure and communications, including submarine cables, is as critical as physical transport. Recent incidences in the Baltic Sea are a stark reminder of this. Cooperation within the EEA on cybersecurity and initiatives like the Secure Connectivity Programme are essential to safeguarding critical functions and infrastructure.

As partners in the internal market, it is only logical that we work together on economic security. Like never before, it is important that like-minded countries safeguard free trade in essential goods for the green transition between them and collaborate on supply. Apart from the clear economic gain that comes with enhanced competitiveness it is also a vital part of making our societies more resilient and secure. True progress requires resilience - the capacity to adapt to change, withstand shocks, and seize opportunities. In current context this has become ever more important as we face a struggle to protect our values and way of life.

Here too, EEA cooperation continues to have an important contribution to our joint internal market. Through joint efforts in areas like renewable energy, digital infrastructure, and crisis management, the EEA equips Europe to respond effectively to challenges, to name a few concrete examples.

Dear colleagues,

As we look to the future, let us remember that competitiveness and resilience are not endpoints but continuous processes. They require foresight, innovation, and, most importantly, collaboration. The EEA demonstrates what can be achieved when nations come together, balancing diversity with shared purpose. Together, we can ensure that the EEA continues to be a symbol of opportunity and resilience for generations to come.

#### Intervention of Minister Mr Espen BARTH EIDE on behalf of EEA EFTA side

Does the Commission and the EEA EFTA side wish to make any further comments?

I conclude this item.

### 8. <u>OTHER BUSINESS</u>

#### Intervention of Minister Mr Espen BARTH EIDE on behalf of EEA EFTA side

Finally, that brings us to Item 8 on our agenda: 'Other business'. Would anyone wish to raise an issue under this item? It does not seem to be case.

#### Intervention of State Secretary Mr Péter SZTARAY on behalf of the European Union

No, thank you, we do not have any topics to raise.

## Closing remarks by Minister Mr Espen BARTH EIDE on behalf of EEA EFTA side

I would like to thank to the Hungarian Presidency, European Commission, General Secretariat of the Council, EEAS and to the EFTA House for organizing this 59<sup>th</sup> EEA Council.

## Closing remarks of State Secretary Mr Péter SZTARAY on behalf of the European Union

From my side, I would like to thank you all for your attendance and your contributions to this very constructive meeting.

#### Closing remarks by Minister Mr Espen BARTH EIDE on behalf of EEA EFTA side

The meeting is closed.

#### ANNEX I.

21 November 2024

### 59th meeting of the EEA COUNCIL

(Brussels, 25 November 2024)

#### **EFTA House**

(Auditorium)

#### **INDICATIVE LIST OF PARTICIPANTS AT THE PLENARY SESSION**

#### **Norwegian Delegation**

## (EEA EFTA Chair)

H.E. Mr Espen Barth EIDE Minister of Foreign Affairs

H.E. Mr Anders EIDE Ambassador, Mission of Norway to the EU

Mr Frode Overland ANDERSEN Director-General, Ministry of Foreign Affairs

Mr Jørn GLOSLIE Deputy Head of Mission, Mission of Norway to the EU

Ms Mette JØRANLI Director, Ministry of Foreign Affairs

Ms Milla Skaug ØDEGAARD Political Adviser, Ministry of Foreign Affairs

#### **Liechtenstein Delegation**

H.E. Ms Dominique HASLER Minister of Foreign Affairs, Education and Sport

H.E. Mr Pascal SCHAFHAUSER Ambassador, Mission of the Principality of

Liechtenstein to the EU

Ms Andrea ENTNER-KOCH Director of EEA Coordination Unit

H.E. Mr Martin FRICK Director of Office of Foreign Affairs

Ms Nuscha WIECZOREK Deputy Head of Mission, Mission of the Principality of

Liechtenstein to the EU

Ms Julia FROMMELT Second Secretary, Mission of the Principality of

Liechtenstein to the EU

## **Icelandic Delegation**

H.E. Mr Kristján Andri STEFÁNSSON Ambassador, Mission of Iceland to the EU

Mr Ingólfur FRIÐRIKSSON Deputy Director-General, European Affairs, Ministry for

Foreign Affairs

Mr Finnur Þór BIRGISSON Deputy Head of Mission, Mission of Iceland to the EU

Ms Katrín A. SVERRISDÓTTIR Director of EEA Cooperation, Mission of Iceland to the

EU

Ms Inga Þórey ÓSKARSDÓTTIR First Secretary, Mission of Iceland to the EU

Ms Berta SNÆDAL Second Secretary, Mission of Iceland to the EU

#### **EU Council Presidency**

H.E. Mr Péter SZTÁRAY State Secretary for Security Policy and Energy

Security, Ministry of Foreign Affairs and Trade

H.E. Mr Bálint ÓDOR Ambassador, Permanent Representation of Hungary to

the EU

Ms Adél APAGYI Head of Department, Ministry of Foreign Affairs and

Trade

Mr Szabolcs NAGY Trade & Investment attaché, Permanent Representation

of Hungary to the EU

## **European Commission**

Mr Maroš ŠEFČOVIČ Executive Vice-President: European Green Deal,

Interinstitutional Relations and Foresight

Ms Virginie BATTU-HENRIKSSON Member of Cabinet of EVP Šefčovič

Mr Nicolas VON LINGEN EU Chair of EEA Joint Committee, Head of Unit

SG.H3 - EEA, Switzerland, Andorra, Monaco, and San

Marino

#### **EU Council Secretariat**

Mr Nicolas KERLEROUX Director, DG RELEX, Security and Crisis Management

Mr Efstratios PEGIDIS Political Administrator, DG RELEX, Enlargement and

Europe

EEE 1602/25 36

EN

#### **European External Action Service**

Mr Matti MAASIKAS Managing Director, Directorate Europe

Ms Claude VÉRON-RÉVILLE Special Envoy for Arctic matters, Head of Division

Western Europe, Arctic and Regional

Ms Luciana SANDU-PENKER Deputy-Head of Division Europe 1.

#### **EFTA Secretariat**

Mr Kurt JAEGER Secretary-General

Mr Knut HERMANSEN Deputy Secretary-General

Mr Thordur JONSSON Deputy Secretary-General

Ms Marit C. Schage ANDRIA Director, Internal Market Division

Mr Pétur GUNNARSSON Head of EEA Policy Coordination, EEA

**Coordination Division** 

Ms Karoline Lumholdt MATHISEN Head of EEA Legal Coordination, EEA

Coordination Division

#### **EFTA Surveillance Authority**

Mr Arne RØKSUND President

Mr Árni Páll ÁRNASON College Member

Mr Stefan BARRIGA College Member

EEE 1602/25 37

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# EUROPEAN ECONOMIC AREA Council of the EEA

Brussels, 12 November 2024 (OR. en)

EEE 1606/24

#### **REPORT**

From:	European Commission
Subject:	Progress report of the EEA Joint Committee

## **Decision making**

1. The EEA Joint Committee has adopted 137 Joint Committee Decisions (JCDs) incorporating 255 legal acts since the 58th meeting of the EEA Council on 28 May 2024. In the period from 1 January to 25 October 2024, the EEA Joint Committee has adopted 247 JCDs incorporating 469 legal acts. In comparison, during the period from 1 January to 27 October 2023, the EEA Joint Committee adopted 294 JCDs incorporating 542 legal acts.

- 2. As of 2 October 2024, there were 561 legal acts outstanding where the compliance date in the EU had passed, compared to 521 acts on 3 April 2024. Since May 2024, therefore, the overall number of legal acts outstanding has increased. Of the 561 legal acts outstanding on 2 October 2024, 194 acts are still in the early stages of the incorporation process, where the compliance date in the EU has passed less than six months ago.
- **3.** As of 2 October 2024, the number of JCDs awaiting the fulfilment of constitutional requirements where the six-month period had expired was 23, compared to 26 JCDs on 3 April 2024.
- **4.** Important decisions incorporated since the 58<sup>th</sup> meeting of the EEA Council on 28 May 2024 include:
  - Decision No 145/2024 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (STS)
  - Decision No 167/2024 on a reinforced role for the European Medicines Agency in crisis preparedness and management for medicinal products and medical devices
  - Decision No 179/2024 on the European Foundation for the improvement of living and working conditions (Eurofund)
  - Decision No 180/2024 on the European centre for disease prevention and control
  - Decision No 181/2024 on serious cross-border threats to health
  - Decision No 221/2024 on transparent and predictable working conditions in the European Union
  - Decision No 222/2024 on minimum water requirements for water reuse
  - Decision No 234/2024 on recycled plastic materials and articles intended to come into contact with foods, and repealing Regulation (EU) No 282/2008
  - Decision No 246/2024 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid granted to undertakings providing services of general economic interest

#### **Decision shaping**

- 5. The EEA EFTA States are participating in 15 EU programmes, and 17 decentralised agencies, as well as in activities of 6 executive agencies.
- **6.** Since the last EEA Council on 28 May 2024, the EEA Joint Committee has taken note of the EEA EFTA Comment on the following subject:
  - EEA EFTA Comment on 30 Years 30 States: Together for a Competitive and Resilient Europe

#### **Briefings in the Joint Committee**

- 7. In the period from 28 May 2024 to 25 November 2024 the EEA Joint Committee has received briefings on:
  - The EFTA Task Force Report on "Cross-sectoral EU initiatives: the way ahead for the EEA"

#### Status of files outstanding

**8.** Discussions on the following files are ongoing:

## Energy:

• Directive 2012/27/EU on energy efficiency; Regulation (EU) 2017/460 establishing a network code on harmonised transmission tariff structures for gas; Regulation (EU) 2017/459 establishing a network code on capacity allocation mechanisms in gas transmission systems and repealing Regulation (EU) No 984/2013; Regulation (EU) No 312/2014 establishing a Network Code on Gas Balancing of Transmission Networks and Regulation (EU) 2015/703 establishing a network code on interoperability and data exchange rules; Directive (EU) 2018/2001 promotion of the use of energy from renewable sources; Directive (EU) 2018/844 amending the energy performance of buildings directive and the energy efficiency directive; Commission Regulation (EU) 2016/631 establishing a network code on requirements for grid connection of generators; Regulation (EU) No 1227/2011 on wholesale energy market integrity and transparency (REMIT); Commission Regulation (EU) 2017/2196 establishing a network code on electricity emergency and restoration.

#### State Aid:

• Council Regulation (EU) No 734/2013 amending Regulation (EC) No 659/1999 laying down detailed rules for the application of Article 93 of the EC Treaty.

#### Food Chain:

• Regulation (EC) No 1829/2003 on genetically modified food and feed (GM Food and Feed); Delegated Regulation (EU) 2019/2122 on personal consignments.

#### *Transport:*

• Regulation (EU) 2016/1199 on helicopter offshore operations (HOFO); Directive (EU) 2015/413 of the European Parliament and of the Council of 11 March 2015 facilitating cross-border exchange of information on road-safety related traffic offences (CBE Directive).

#### Competition Policy:

• Directive (EU) 2019/1 of the European Parliament and of the Council of 11 December 2018 to empower the competition authorities of the Member States to be more effective enforcers and to ensure the proper functioning of the internal market ("ECN+ Directive"); Directive 2014/104/EU of the European Parliament and of the Council of 26 November 2014 on certain rules governing actions for damages under national law for infringements of the competition law provisions of the Member States and of the European Union.

#### Financial Services:

• Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee scheme (recast) – DSG III; Regulation (EU) 2019/2176 of the European Parliament and of the Council of 18 December 2019 amending Regulation (EU) No 1092/2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board (ESAs review (ESRB)); Regulation (EU) 2019/2099 of the European Parliament and of the Council of 23 October 2019 amending Regulation (EU) No 648/2012 as regards the procedures and authorities involved for the authorisation of CCPs and requirements for the recognition of third-country CCPs.

#### Environment:

• Directive (EU) 2016/2284 of the European Parliament and of the Council of 14 December 2016 on the reduction of national emissions of certain atmospheric pollutants, amending Directive 2003/35/EC and repealing Directive 2001/81/EC.

#### Statistics:

 Regulation (EU) 2016/1952 of the European Parliament and of the Council 26 October 2016 on European statistics on natural gas and electricity prices and repealing Directive 2008/92/EC; Commission Implementing Regulation (EU) 2018/1799 of 21 November 2018 on the establishment of a temporary direct statistical action for the dissemination of selected topics of the 2021 population and housing census geocoded to a 1 km2 grid.

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

#### **Financial Mechanisms**

- 9. On 12 September 2024, the Agreement on the EEA Financial Mechanism and the Agreement on the Norwegian Financial Mechanism for the period 2021-2028 were signed. On the same day, the two additional protocols on market access for fish between the EU and Norway, and between the EU and Iceland, were also signed. For the new period of the EEA and Norway Grants, the EEA EFTA States will contribute a total of 3.268 billion euros to 15 Beneficiary States in the EU.
- **10.** The three priority areas for the period 2021-2028 are:
  - Green transition;
  - Democracy, rule of law and human rights;
  - Social inclusion and resilience.
- 11. For the period 2014-2021, the EEA and Norway Grants allocated a total of 2.8 billion euros. The period of eligibility for expenditures in projects under both Mechanisms ended in April 2024. The final date for eligibility for support under the Fund for bilateral relations is 30 April 2025.