EUROPEAN ECONOMIC AREA Council of the EEA

Brussels, 13 May 2025 (OR. en)

EEE 1604/25

DRAFT CONCLUSIONS

Subject: 60th meeting of the EEA Council (Brussels, 21 May 2025)

The sixtieth meeting of the EEA Council took place in Brussels on 21 May under the Presidency of Mr Michał Baranowski, Undersecretary of State, Ministry of Economic Development and Technology of Poland, representing the Presidency of the Council of the European Union. The meeting was attended by Ms Sabine Monauni, Minister of Foreign Affairs, Environment and Culture of Liechtenstein; Ms Þorgerður Katrín Gunnarsdóttir, Minister for Foreign Affairs of Iceland; and Mr Espen Barth Eide, Minister of Foreign Affairs of Norway 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 Economic Security and the EEA.

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 underlined the continued and growing 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 Polish Presidency and incoming Presidencies for the continuation of this practice.
- 5. The EEA Council emphasised the importance of a well-functioning Internal Market in fostering conditions for economic growth and new jobs throughout Europe. It 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.
- 6. 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.

7. 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 22 November 2024 in Oslo on the Annual Report of the EEA Joint Committee on the Functioning of the EEA Agreement in 2023.

Political dialogue

8. 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. This close relationship contributed to a Europe based on peace, democracy, the rule of law and human rights. The EEA Council welcomed the political dialogue, at ministerial level between the High Representative of the Union for Foreign Affairs and Security Policy and the foreign ministers of Iceland, Liechtenstein and Norway, where the participants held an informal exchange of views on current foreign policy matters of mutual interest, such as transatlantic relations, 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. The EEA Council welcomed the Joint Statement "Strengthening EEA Foreign and Security Policy Cooperation" signed between the High Representative and the foreign ministers of Iceland, Liechtenstein and Norway on the occasion of their political dialogue.

Incorporation of EEA-relevant EU acts

9. 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.

10. 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 2024 and 2025 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 Internal Market

- 11. The EEA Council recognised the ongoing challenges in international trade at a time when global supply chains are under strain, and reconfirmed its commitment to open, fair and sustainable trade and rules-based trade relations.
- 12. Furthermore, the EEA Council stressed the importance of the Internal Market in ensuring Europe's competitiveness, economic security, resilience, food security, 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 Internal 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.
- 13. 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.

- 14. 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 Internal Market, particularly in the fields of zero and low emission technologies in line with paragraph 28 of the first 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.
- 15. 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, biodiversity and the green transition

16. 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 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 line 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. It welcomed the publication of the Clean Industrial Deal to contribute to decarbonisation and competitiveness of Europe industry. The EEA Council also recognised the importance of secure, affordable and sustainable energy supplies and defending European energy infrastructure against hybrid and other threats. The EEA Council underlined that a comprehensive strategy for decarbonisation and competitiveness should offer predictability for the industry and strive to attract, scale-up and maintain businesses within Europe.

- 17. 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.
- 18. The EEA Council underlined the key role of carbon pricing in the green transition and the continued cooperation between the EU and EEA EFTA States in the development of the EU Emission Trading System. It welcomed the ongoing work on inclusion of the EEA EFTA States into the Carbon Border Adjustment Mechanism. The EEA Council further underlined the need for effective measures to ensure the credibility of-emission data and to continue efforts to ensure the reliability of third countries' data.
- 19. 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 sustainable fuels in the EEA while preserving the connectivity of remote areas, including island states, and just transition. Furthermore, improving rail capacity and reducing road freight transport emissions is of vital importance, therefore the EEA Council noted the proposals included in the Greening Freight Package. The EEA Council welcomed a stronger focus on green shipping and green aviation, including sustainable fuels, as well as airport and port infrastructures.

- 20. The EEA Council expressed its full commitment to stepping up efforts to tackle climate change, pursuing the sustainable energy transition, and to continue to protect our natural world and boost our circular economy across the board to increase our competitiveness. The EEA Council emphasised the importance of continued close cooperation between the EU and the EEA EFTA States in achieving their respective climate and biodiversity targets and objectives and upholding the objectives of the Paris Agreement. The EEA Council agreed that it is essential to address the loss in biodiversity, and noted the EU's zero-pollution ambition, as well as cooperation towards a cleaner Europe and toxic-free environment is a vital part of this. The EEA Council underlined the importance of regulatory alignment in the area of circular economy.
- Recognising that climate change and the loss of biodiversity are a global challenges, the EEA 21. Council reiterated its full commitment to implementing the UN 2030 Agenda, and the Paris Agreement and the Kunming-Montreal Global Biodiversity Frameworks the essential multilateral frameworks governing global action against climate change and biodiversity loss. Keeping in mind the outcomes of the United Nations Framework Convention on Climate Change COP28 and COP29, the EEA Council emphasised the continued importance of an increased global ambition under the Paris Agreement. To this end, the EEA Council considered it particularly important that all parties communicate ahead of COP30 in Belem their NDCs, aligned with the Paris Agreement 1.5°C temperature goal, and with the outcome of the COP28 Global Stock Take, which recognises the need for deep, rapid and sustained reductions in greenhouse gas emissions. The EEA Council underlined the need for countries to set and/or accelerate their net zero greenhouse gas emissions goals and to pursue an ambitious dialogue with key like-minded partners. Furthermore, the EEA Council noted Europe's ambition to keep its leading role to reach its international biodiversity commitments, notably those taken in the Kunming- Montreal Global Biodiversity Framework Agreement. Keeping in mind the outcome of the 16th Conference of the Parties to the UN Convention on Biological Diversity, the EEA Council underlined the need for all parties to update or revise their National Biodiversity Strategies and Action Plans to urgently address the direct and indirect drivers of biodiversity loss.

The digital transformation

- 22. 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.
- 23. The EEA Council underlined the importance of the EEA States working closely together to ensure a competitive, fair and resilient digital transformation, and for Europe to become a global leader in strategic digital technologies. It furthermore underlined that safeguarding the integrity and resilience of digital infrastructure and services is essential to protect our democratic societies and assert our European values.
- 24. Noting the need to accelerate the uptake of AI by industry, as well as small and medium-sized enterprises, and in line with the Statement on Inclusive and Sustainable Artificial Intelligence for People and the Planet, agreed on 11 February 2025 in Paris, the EEA Council supported the proposed Apply AI Strategy and called for the close involvement of authorities, industry and civil society from the EEA States in its implementation. Furthermore, to maximize the societal and innovation value of data, the EEA Council stressed the need to make further efforts to create a true European Data Union, including by simplifying compliance with existing legislation and improving data governance.
- 25. 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.

- 26. The EEA Council noted the importance of strengthening cybersecurity and protecting people, institutions and critical infrastructure against hybrid threats. It welcomed the Communication from the Commission on the European action plan on cybersecurity of hospitals and healthcare providers, as well as 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 cyber threats.
- 27. 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.
- 28. 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

- 29. 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, and of increasing labour market participation and ensuring a good match between skills and labour market needs, as key to deliver on a fair, green and digital transformation and strengthening the competitiveness of the Internal Market.
- 30. 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, resilient and competitive Europe.

Cooperation in the field of health

- 31. 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.
- 32. The EEA Council underlined the importance of building 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 also took note of the proposal for a regulation in the area of critical medicines with a view to enabling more resilient supply chains and strengthening European production capacities. The EEA Council also looked forward to further progress on the reform of EU pharmaceutical legislation, addressing timely and equitable access to safe, effective and affordable medicinal products, security of supply of medicinal products and providing an attractive and innovation friendly environment for research, investment, development and production of medicinal products in Europe as well as measures addressing antimicrobial resistance.
- 33. 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, including climate-resilience, especially in areas where the pandemic exposed shortcomings.

EU programmes and agencies

34. 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 and recognised their significant financial contribution to the programmes.

- 35. 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 regard, 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.
- 36. 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.
- 37. Without prejudice to the upcoming negotiations at EU level of the Multiannual Financial Framework, the EEA Council called for continuous dialogue on preparations for the programming period after 2027 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. Furthermore, the EEA Council highlighted the importance of ensuring a close cooperation between the EEA EFTA States and the European Union in the shaping of future EU programs in line with the EEA Agreement.
- 38. The EEA Council underlined the importance of the upcoming incorporation in the EEA Agreement of the EU Anti-money laundering and countering the financing of terrorism (AML/CFT) package to contribute to the fight against money laundering and terrorist financing.

Financial Mechanisms

- 39. 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.
- 40. The EEA Council welcomed the implementation and provisional application 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, and looked forward to the completion of the ratification process and entry into force of the two agreements.
- 41. 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.
- 42. The EEA Council stressed that the Contracting Parties shall, in the light of Article 10 in Protocol 38D, review the need to address economic and social disparities within the European Economic Area and shall, based on the assessment, start future negotiations on the next Financial Mechanisms well in advance of the ending of the Financial Mechanisms 2021 2028 in order to avoid implementation gaps and to allow for efficient and effective programming of the future funding perspective.

Fisheries and market access for fish and fishery products

- 43. The EEA Council took note of the implementation and provisional application of the two additional protocols to the EU's bilateral agreements with Iceland and Norway providing for tariff quotas for the import into the EU market until April 2028 of certain fish and fishery products originating in those countries.
- 44. The EEA Council also reaffirmed the commitments laid out in Protocol 9 to the EEA Agreement on trade in fish and other marine products.
- 45. 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 stock of common interest.
- 46. The members of the EEA Council acknowledged the importance of continuing to address respective outstanding fisheries policy issues and recognised the importance of bilateral dialogues in fisheries management between the EU and the respective EEA EFTA States.

Agricultural trade

47. 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.