

# EUROPEAN ECONOMIC AREA

## JOINT PARLIAMENTARY COMMITTEE

### RESOLUTION

Adopted pursuant to Rules 11 and 13 of the Rules of Procedure

on 13 March 2019, Strasbourg, France

on

### **The Annual Report of the EEA Joint Committee on the Functioning of the EEA Agreement in 2018**

Co-rapporteurs:

Mr Smári McCarthy, Member of the Icelandic Parliament  
Mr Jørn DOHRMANN, Member of the European Parliament

The Joint Parliamentary Committee of the European Economic Area (EEA JPC):

- Having regard to the EEA Agreement, and in particular Article 94(4) and Article 95(4) thereof,
- Having regard to the Annual Report of the EEA Joint Committee on the Functioning of the Agreement on the EEA in 2018,
- Having regard to Rules 11 and 13 of its Rules of Procedure,
- Having regard to its previous annual Resolutions on the Functioning of the EEA Agreement between 1994 and 2017<sup>1</sup>,

While:

- A. Emphasising the importance of parliamentary oversight for the good implementation of the EEA Agreement,
  - B. Mindful of its mission to contribute to a better understanding between the European Union and the EEA EFTA States in the fields covered by the EEA Agreement, as laid out by Article 95(3) of the EEA Agreement,
  - C. Acting in accordance with its mandate to examine the Annual Report of the EEA Joint Committee, as laid out by Article 95(4) of the EEA Agreement,
  - D. Stressing that the EEA EFTA States are fully participating in the Internal Market,
  - E. Aware of the importance of maintaining homogeneity within the EEA:
1. Welcomes the publication of the 2018 Annual Report at an early stage and encourages the EEA JC to continue this path, agrees with the EEA Joint Committee (EEA JC) on the main issues of concern and makes the following remarks;

### **Incorporation of legal acts into the EEA Agreement**

2. Notes that the number of legal acts incorporated into the EEA Agreement in 2018 decreased by 16 percent compared to 2017;

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<sup>1</sup> Respectively dedicated to the Functioning of the EEA Agreement in 1994 (adopted on 29 May 1995), in 1995 (adopted on 3 June 1996), in 1996 (adopted on 14 April 1997), in 1997 (adopted on 25 May 1998), in 1998 (adopted on 19 April 1999), in 1999 (adopted on 16 March 2000), in 2000 (adopted on 24 May 2001), in 2001 (adopted on 20 June 2002), in 2002 (adopted on 20 May 2003), in 2003 (adopted on 27 April 2004), in 2004 (adopted on 25 April 2005), in 2005 (adopted on 22 May 2006), in 2006 (adopted on 27 June 2007), in 2007 (adopted on 29 April 2008), in 2008 (adopted on 25 March 2009), in 2009 (adopted on 29 March 2010), in 2010 (adopted on 12 April 2011), in 2011 (adopted on 4 May 2012), in 2012 (adopted on 30 May 2013), in 2013 (adopted on 17 December 2014); in 2014 (adopted on 19 November 2015); in 2015 (adopted on 14 December 2016); in 2016 (adopted on 23 May 2017); in 2017 (adopted on 7 May 2018).

3. Notes with concern that the number of legal acts awaiting incorporation where the compliance date in the EU had passed (“backlog”) increased by 6.3% in 2018 compared to 2017.
4. Regrets that the number of outstanding legal acts in 2018 is the highest in many years<sup>2</sup>, reiterates the common interest of both the EU and the EEA EFTA States in the timely incorporation of these legislative acts and therefore urges them to pursue their efforts towards a lasting reduction of the backlog;
5. Welcomes the incorporation of important legal acts in 2018, in particular the General Data Protection Regulation (GDPR), which was incorporated in time for a simultaneous entry into force across the EEA, the Enforcement Directive on the Posting of Workers of 2014, as well as some long outstanding legal acts, such as the Anti-Money Laundering Directive IV and the Ship Recycling Regulation;
6. Underlines the urgent need to ensure the swift incorporation of some long outstanding legal acts, such as Ship Inspection and Survey Organisations, the Single European Railway Area, the Third Postal Directive, Directives pertaining to Energy Efficiency or Energy Performance of Buildings or the 2009 telecom package, in order to safeguard the homogeneity and the proper functioning of the Internal Market;
7. Welcomes the substantial progress made in the incorporation of legal acts in the field of financial services, either for legal acts incorporated in 2018, such as the Omnibus II Directive, or acts expected to be incorporated in 2019, in particular the Directives and Regulations on Capital Requirements (CRD IV and CRR) and on Markets in Financial Instruments (MiFID II and MiFIR);
8. Underlines the importance of rapidly incorporating the revision of the Directive on the Posting of Workers of 2018 to ensure its entry into force as close as possible to that of the EU;
9. Welcomes the significant reduction of all EEA EFTA States’ transposition deficit from 1,2% to 0,6% and encourages them to continue their efforts to minimise such deficit, in order to nurture the proper functioning and the homogeneity of the Internal Market;

### **Decision shaping**

10. Notes with satisfaction the submission of 13 EEA EFTA Comments in 2018, which is comparatively a high number in comparison with previous years, and encourages the EEA EFTA States to continue using this decision shaping tool;
11. Supports in particular the various EEA EFTA Comments pertaining to EEA EFTA participation rights in EU programmes under the 2021-2027 Multiannual Financial

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<sup>2</sup> There were 612 outstanding legal acts at the end of 2018. In comparison, there were 576 outstanding legal acts at the end of 2017, 522 for 2016, 435 for 2015, 428 for 2014, 506 for 2013 and 544 for 2012.

Framework and calls upon EEA EFTA States and the EU to ensure EEA EFTA participation rights, in accordance with the EEA Agreement;

12. Encourages the EEA EFTA States and the EU to continue sharing their views, assessments and information as early as possible in the decision-shaping process to ensure that each side's interest is duly taken into consideration;

### **EEA Financial Mechanism**

13. Welcomes the progress made in the implementation of the Agreement on the EEA Financial Mechanism for the 2014-2021 period, with a total commitment of EUR 1548.1 million, and the Agreement on the Norwegian Financial Mechanism for the same period, with a total commitment of EUR 1253.7 million;
14. Takes note that Memoranda of Understanding on the EEA Grants have been signed at the end of 2018 with Bulgaria, Croatia, the Czech Republic, Estonia, Greece, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia;
15. Underlines EEA EFTA States' positive contribution to the reduction of social and economic disparities in the EEA, for the benefit of all EEA EFTA and EU citizens;

### **Brexit and the EEA**

16. Reiterates that the UK withdrawal from the EU will have an impact on the EEA Agreement and the EEA EFTA States, encourages thus the continuation of close dialogue between the EEA EFTA States and the EU to ensure continued homogeneity in the EEA and calls upon the EEA governing bodies to regularly update the EEA JPC on this issue.

### **Parliamentary oversight**

17. Notes with satisfaction the reference made in the 2018 Annual Report of the EEA JC to the EEA JPC Resolution of May 2018 and invites the EEA JC to further detail the activities of the EEA JPC in its future Annual Reports in order to highlight the contributions of the EEA JPC to the well-functioning of the EEA Agreement;
18. Welcomes the regular participation of the EEA JC representatives in the activities of the EEA JPC meetings and underlines in this regard the importance of upholding reciprocal high-level representation at both the political and the technical level in these meetings;
19. Calls on all parliamentary delegations to ensure the largest possible participation of their respective Members in future EEA JPC meetings with a view to safeguarding a meaningful democratic scrutiny of the EEA Agreement;

20. Instructs its President to forward this Resolution to the EEA Joint Committee and the EEA Council.