



EUROPEAN FREE TRADE ASSOCIATION

CONSULTATIVE COMMITTEE

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Review of the work of the EFTA Consultative Committee in 2023

1. The EFTA Consultative Committee (CC) is a venue for the EFTA social partners – that is EFTA employers and workers – to influence and shape EEA and EFTA policies. On a yearly basis the Committee adopts a work programme. The work programme for 2023 states that a review of the work of the Committee in 2023 should be carried out by the end of the year. The review is found in this document. The Chair of the EFTA Consultative Committee in 2023 was from the Norwegian Employers, Ms Kristin Hansen.
2. The year has been a successful one for the EFTA CC in terms of the work and engagement of the Committee. It has been marked by intense dialogue and engagement on the changed geopolitical context when it comes to trade and European cooperation. The Committee has met their core objectives for the year and expanded the scope of the social partner cooperation as will be discussed in the chapter below. It has also continued its close collaboration with the EFTA parliamentarians on these important issues.
3. The structure of the document is as follows: First, the review report will shortly discuss the main objectives of the committee and the purpose of the review. Second, the review will look into the different policy areas the committee prioritised this year. Specific sections will be devoted to cooperation with the EU and another section will be on EFTA trade cooperation. A sequential overview of meetings in will follow. Finally, conclusions regarding the work of the Committee in 2023 are drawn and we will address some lessons learned.

1. What's in the yearly review

4. The EFTA CC has three core objectives which guide their activities found in their work programme: (1) To take part in shaping both EFTA and EEA policies, in areas that affect social partners. (2) To be a forum for dialogue among social partners from all EFTA States, and to form a link to EU counterparts. (3) Raise awareness of the EFTA free trade agreements and the EEA. To reach these objectives the CC holds various meetings, presents its opinions, and publishes relevant material.

5. With this yearly review the purpose is to look closely at the activities of the EFTA CC in 2023 with these three key objectives in mind. It is not an easy task to measure success, but this report is an attempt to better understand what the Committee has managed to achieve this year. Over the course of 2023 the EFTA CC took part in three meetings with EFTA Ministers, three meetings with high-level officials or Ambassadors from the EFTA countries, a seminar with the relevant EFTA Working Groups, multiple joint sessions with the EFTA Parliamentary Committee through the year, met with their counterparts on the EU-side and finally held six internal meetings. You may find a more comprehensive overview in chapter 3 of this review. Their interlocutors included important decision-makers such as the WTO Director-General Dr Ngozi Okonjo-Iweala, US Ambassador to the WTO Maria Pagan, ILO Director of Research Richard Samans and a score of highly knowledgeable experts and decision-makers on European and trade related topics.
6. The objective of this review is to:
 - Strengthen the work of the Committee by ensuring sound implementation and follow-up on the yearly work programme; and
 - Work as a useful measurement and a benchmark for future activities and thereby increasing continuity in the work of the Committee and identifying areas of further improvement.

2. Substance: EEA Agreement and EFTA trade policy

7. A main overarching theme of the year was the changed geopolitical landscape and its impact on EFTA trade and the cooperation with the EU. The committee was guided by three themes from the work programme: (1) trade and climate; (2) regionalisation of trade policy; (3) security and trade. This development had featured prominently in discussions with Ministers, parliamentarians, high-level, and internally among social partners throughout the year. In this chapter we will review the main topics that were discussed and emphasised throughout the year, first related to the EEA cooperation and then in relation to trade. This reflects the double-hatted role of the EFTA CC which is tasked with providing advice regarding both the EEA cooperation and EFTA third-country relations. This chapter will deal with the substance of the multitude of meetings the committee held over the year. For a more comprehensive overview of the meetings, we refer to chapter 3 which has an overview of all EFTA CC meetings in 2023.

2.1 EEA-related topics

8. The key meeting the EFTA social partners had on the EEA cooperation was with the EEA EFTA Foreign Ministers on 20 November. The meeting had a substantive agenda and reflected the main priorities of the EFTA CC for the year. The meeting took place on the margins of the EEA Council meeting, where the EEA EFTA Foreign Ministers met with counterparts on the EU-side, both from EU Member States and the Commission.

At the meeting the Chair of the EFTA CC raised the crucial issue of the competitiveness of the EEA in the current turbulent geopolitical landscape – which was also marked by the EU's notion of strategic autonomy. Further, the social partners, parliamentarians and Ministers addressed ways to better coordinate when aiming to influence EU decision-making. They also discussed economic reconstruction efforts in Ukraine and the European prospects of Ukraine.

9. An important aspect of the work of the Consultative Committee is the close working relationship the EFTA CC has with the European Economic and Social Committee, the EFTA CC's counterparts on the EU-side. In this joint setting the committee is called the EEA Consultative Committee (CC). In 2023 the EEA CC extraordinarily held two meetings instead of only one, as has been the custom in the past. The first meeting was held in Stockholm in March and the second one in Brussels in November. At the first meeting several important and relevant topics were up for discussion. The members spoke with the Swedish Presidency of the EU on competitiveness and resilience of the Internal Market and with a Norwegian representative on EEA developments. The EEA CC adopted two resolutions and reports at the meeting on:
 - [Energy resilience in the EEA in view of the geopolitical landscape](#), authored by Nora Hansen from the EFTA-side and Alena Mastantuono from the EESC, with support from EESC advisor Tellervo Kylä-Harakka-Ruonala.
 - The [future cooperation of the European Political Community](#) authored by Dr István Komóroczi from the EESC and Jarle Hammerstad from the EFTA-side
10. At the latter meeting of the year in November the EEA CC did not adopt resolutions and reports but rather discussed pertinent EEA-related topics. Labour mobility within the EEA was discussed in relation to the 30 years of free movement of people within the area. Swiss-EU relations were also discussed with a Member of the European Parliament who had recently authored a report on the topic. Finally, representatives from the EESC presented their information report on the Arctic.
11. It has become customary for the EFTA CC to meet yearly with the EFTA Standing Committee, the Ambassadors of the EEA EFTA States to the EU every spring in Brussels. This year was no different and in April the social partners and the Ambassadors had lively discussions on the state of play of the EEA cooperation. The social partners also met with relevant experts of the EEA EFTA countries to address relevant developments pertaining to employment and labour affairs in the EEA. Priorities of the Swedish Presidency of the EU were discussed with a representative of the Swedish Permanent Representation to the EU and the social partners and experts exchanged views on relevant legislative proposals and acts from the EU that are under consideration for incorporation into the EEA Agreement.
12. Throughout the year the EFTA social partners met internally or with their counterparts in the Parliamentary Committee to follow and debate developments in the European context. Many of these discussions related to the increased relationship between trade and the Internal Market. Some main topics that were the highest on the agenda

was the EU's response to the Inflation Reduction Act. This included the European Green Deal Industrial Plan and Net-Zero Industry Act and Critical Raw Materials Act. The members also met with a representative of the European Commission to exchange views on the EU's new Economic Security Policy. The EFTA CC also continued its discussions on the potential impact of EU enlargement and possible institutional reform on the EEA cooperation and on various proposed legislation falling under the umbrella of the twin green and digital transitions, such as artificial intelligence.

13. Under the EEA priority areas in the work programme for 2023 the committee promised to continue to monitor and guard the interests of EFTA social partners; identify horizontal developments within the EU and encourage EEA EFTA States to report to the Committee on how they would adapt to these developments; highlight the importance of homogeneity in the Internal Market; and take part in the relevant work of the EESC. These priorities were clearly addressed with some progress throughout the year. The Committee actively used its agenda setting power to encourage a substantive discussion on horizontal developments and the need for a homogenous Internal Market. This was done at the level of Ministers, Parliamentarians, Ambassadors, high-level officials, and other relevant stakeholders both in the EEA EFTA States and the EU. EEA EFTA States seem more aware than ever that there is a need to consider the geopolitical context and its possible impact on the EEA Agreement. The cooperation with the EESC colleagues was strengthened in 2023 both by adding an extraordinary meeting in November with relevant topical discussions and by the EESC adding more members to their delegation.

2.2 EFTA trade relations

14. The changed geopolitical context also coloured the work of the EFTA CC in 2023 when it came to trade relations. The EFTA social partners met with the EFTA Ministers in Liechtenstein in June and put on the agenda the risks created by a global subsidies race created by rivalries between large actors in the international system. While discussing these geopolitical developments, the social partners also encouraged the EFTA countries to continue expanding their trade network, thereby ensuring resilience of supply chains. At the meeting with the Ministers the state of play of negotiations with Ukraine, India, Mercosur, and other important trade partners were highlighted. In November the social partners met with the Swiss EFTA Ministerial Chair to continue dialogue on these important processes and on important horizontal topics.
15. Among these horizontal topics addressed in 2023 was the finalisation of an EFTA draft chapter on Small-and-Medium-Sized Enterprises. The EFTA social partners were thoroughly consulted in the drafting of the chapter and the Committee's substantive comments addressed to the EFTA Ministers on the inclusion of references to collective bargaining agreements were taken on by the EFTA Member States. The EFTA social partners also contributed their comments in relation to the monitoring of trade and sustainable development (TSD) provisions in EFTA free trade agreements throughout the year. In short, the social partners provide input on TSD developments with specific

trade partners ahead of meetings of the EFTA States with said partners. This exercise is still in its early stages and can be further streamlined.

16. In the beginning of the year, the EFTA social partners held meetings in Geneva where they met with several high-level officials such as the Director-General of the WTO, Director of Research of the ILO, and the US Ambassador to the WTO. The purpose of these meetings was to gather facts to guide the work of the Committee and deliver a clear message to the Geneva trade community that EFTA parliamentarians and social partners were firm supporters of the multilateral institutions and the rules-based trading system in a time of geopolitical unrest. In tandem to these meetings with various interlocutors the EFTA CC members also met with the EFTA Permanent Representatives to the WTO and high-level officials of the Committee on Third Country Relations.
17. Throughout the year trade was discussed at various levels in the EFTA CC. Much of the internal discussions in the EFTA CC revolved around the changing geopolitical landscape for trade and the three key themes (1) climate and trade; (2) regionalisation of trade; (3) security and trade, identified in the work programme for 2023 were further elaborated. Important EFTA country or region-specific trade processes were also covered throughout the year and the EFTA social partners provided their insights in various meetings with Ministers and officials of the EFTA countries. The negotiations that received most attention due to the fact they gained momentum and moved relatively fast, were negotiations with India, Mercosur, and Thailand. Other processes such as the one with Ukraine, Moldova, Singapore, and others were also considered. EFTA concluded an agreement with Moldova in 2023 and the EFTA social partners held a meeting alongside members of parliament of the EFTA countries with the Moldovan Deputy Prime Minister and Minister of Economy to discuss the importance of increasing trade cooperation between Moldova and EFTA. They also carefully monitored the state of play of negotiations between Singapore and EFTA on a Digital Economy Agreement, whereas they met with the relevant Singaporean Minister.
18. The EFTA CC, in its work programme for 2023, aimed at being a constructive partner of the EFTA States in EFTA's quest to expand, update and monitor EFTA's network of free trade agreements and ensure resilient, open, and fair trade during this volatile geopolitical period. Secondly, they wanted to encourage the Ministers to negotiate new trade agreements with revised TSD model provisions and take part in EFTA trade processes through formal channels and thirdly to support efforts to galvanise global efforts to improve trade and sustainable development. The EFTA CC throughout the year used its agenda-setting power to bring up, and address, with Member States the changed geopolitical setting. They used the year to proactively form ideas on how best to address this situation. They did indeed actively participate in discussions on trade processes and in the formal monitoring of trade agreements both in an oral and written manner. Finally, the Committee went to Geneva to support the work of the EFTA States in the multilateral trade context, by among other things meet with the EFTA WTO Ministers, emphasising the importance of TSD.

3. Meetings of the EFTA CC in 2023

Meeting	What?	Who?
<p>7 February</p> <p>Meetings of the EFTA CC with high-level policy makers in Geneva</p>	<p>Trade relations</p>	<p>High-level policy makers and experts in Geneva, such as:</p> <ul style="list-style-type: none"> • María L. Pagán, Ambassador of US to WTO • Richard Samans, Director of Research, ILO • Ambassadors of EFTA to the WTO • Alice Tipping, Director, International Institute for Sustainable Development
<p>8 February</p> <p>Meeting with the EFTA Committee on Third Country Relations (TCC)</p> <p>Continued meetings with high-level policy makers and experts with EFTA Parliamentary Committee</p>	<p>EFTA trade relations</p>	<p>EFTA high-level trade officials</p> <p>High-level policy makers such as:</p> <ul style="list-style-type: none"> • Dr Ngozi-Okonjo-Iweala, Director-General WTO • Dr Ralph Ossa, Chief Economist WTO
<p>14-15 March</p> <p>EEA Consultative Committee</p>	<p>EEA</p>	<p>Joint meeting with colleagues in the European Economic and Social Committee (EU social partners)</p>
<p>13 April</p> <p>Meeting with Standing Committee of the EFTA States</p>	<p>EEA</p>	<p>Meeting with EEA EFTA Ambassadors</p>

13 April Seminar with EFTA Working Groups	EEA	Seminar with EFTA experts in Working Groups on labour law
13 April EFTA Consultative Committee	EEA and trade relations	Internal meeting with guests from the European Commission and an expert on trade
27 June Meeting of EFTA Consultative Committee and Parliamentary Committee with EFTA Ministers	EFTA trade relations	Joint meeting with Ministers and parliamentarians
27 June Joint meetings of EFTA Consultative Committee and Parliamentary Committee	EFTA trade relations	Joint meeting with the EFTA parliamentarians with guests such as: <ul style="list-style-type: none"> • The Deputy Prime Minister of Moldova and the Economic Minister of Moldova • Singaporean Minister of Trade Relations
27 June EFTA CC internal meeting	EFTA trade relations	Internal meeting
12 September EFTA CC videoconference	EEA and trade relations	Guest speaker from the European Commission
20 November EFTA Consultative Committee and Parliamentary Committee meeting with EEA EFTA Foreign Ministers	EEA	A joint meeting with the EFTA parliamentarians and EEA EFTA Foreign Ministers
20-21 November	EEA and trade relations	Guests included high-level experts from think-tanks,

Joint sessions of the EFTA Consultative Committee and Parliamentary Committee		European Commission, Financial Times, and Politico
21 November EFTA Consultative Committee and Parliamentary Committee meeting with the EFTA Ministerial Chair	EFTA trade relations	Swiss State Secretary of Economic Affairs represented the EFTA Ministerial Chair
21 November EFTA Consultative Committee internal meeting	EEA and trade relations	Internal meeting
21 November EEA Consultative Committee	EEA	Joint meeting with colleagues in the European Economic and Social Committee (EU social partners)
11 December EFTA Consultative Committee internal videoconference	Internal matters	Internal meeting

3. Lessons learned and prospects

19. As was stated in the introductory chapter, the year has been an overall success. Measured against the three core objectives of the Committee these have been met and, in some ways, surpassed due to the increased engagement and activities of the EFTA CC throughout the year. There are, as always, aspects of the work that can be improved. Let's review each of the three core objectives in turn.

20. The first objective of the Committee is at the core of what the EFTA CC does: *To shape both EFTA and EEA policies, in areas that affect social partners*. This can be measured through the level of engagement of the Committee throughout the year. The Committee did not only meet with EFTA and EEA EFTA Ministers to provide their input on relevant EEA and trade related topics, but also with high-level officials in the EFTA pillar, various experts, and counterparts on the EU-side. The Committee has a strong agenda-setting power in its relations with its main counterparts and has thoroughly

placed the future of EFTA trade cooperation, and the competitiveness of EFTA and the EEA on the agenda. Reviewing the topical scope of the Committee, the number of meetings (table of meetings in 2023) and written resolutions and reports, it is clear that the Committee has been very active in shaping EFTA and EEA policies in the relevant areas.

21. The second objective, *to be a forum for dialogue among social partners from all EFTA States, and to form a link to EU counterparts* has also been met and the Committee has surpassed its core objective. By design the Committee is a forum for the EFTA social partners to exchange views and coordinate positions. The Committee spent more effort than normally on discussing the future of EFTA trade cooperation in an internal setting. This discussion is something the social partners can then advise on both in the intergovernmental and domestic discussions. The other side of the coin, relations with the EU counterparts is where the Committee has surpassed its usual mandate. This year, the European Economic and Social Committee, the EU social partners have stepped up their engagement with the EFTA CC. They have both sent more members to equal the number of participants from the EU and EFTA and the two sides met twice this year, not merely once per year as has been customary. This increased engagement is welcome by the EFTA-side. The Committee is considering continuing the good cooperation with the EU social partners next year, when the 30-year anniversary of the EEA Agreement will be celebrated.
22. The third and final objective: *to raise awareness of the EFTA free trade agreements and the EEA* is slightly more difficult to measure. It has been met keeping in mind the following factors: The EFTA CC is a transparent Committee and meets with various interlocutors both in the EFTA pillar and perhaps more importantly on the EU-side. Reminding EU counterparts of the importance of the EEA cooperation is constant task which the Committee has taken part in. The social partners publish news articles, public opinions, and minutes of their meetings in the public forum. The social partners have done a good in job in raising awareness of EFTA free trade agreements and the EEA to targeted partners, such as high-level officials in the EU and with partner free trade countries. One example of this is a meeting the parliamentarians and social partners had with Ministers from Moldova and Singapore in 2023, where they encouraged increased trade and cooperation between EFTA and the third countries. When it comes to awareness raising towards the general public, one might argue that it is a core competence of the EFTA Member States to raise awareness of trade agreements and the EEA towards the general public. The EFTA social partners do take part in domestic discussions on these issues in their home countries contributing to an active dialogue on these important topics, bringing home the knowledge they have gathered over the course of the year.
23. On content, processes, and policy areas identified in the work programme for 2023, the Committee did a good job of following the relevant issues and contributing to discussions, when relevant. There is always a possibility to do more but keeping in mind limited resources of the Committee and its members the overall assessment of the work of the Committee in 2023 is very good. It is still important to retain a level of

flexibility to adapt to possible changed circumstances in either trade politics or European cooperation.

24. There are few things to keep in mind of the work of the Committee for next year:

- As has been highlighted in the work programme for 2024 the Committee will continue to work by three core objectives. The first two objectives remain unchanged. The third objective whereas the EFTA CC would raise awareness of social, economic, and environmental aspects of EFTA free trade agreements, has been made even more targeted than before.
- The Committee might consider in 2024 to be more active in contributing its advice and scrutiny through written opinions both in the field of EEA and trade relations.
- The changed geopolitical context will remain high on the agenda at the meetings of the EFTA CC in 2024 as an overarching, structural theme. The EFTA Member States should be encouraged to consider possible implications for EFTA people and economies by the changed geopolitical trade context and whether EFTA is fit-for purpose in this changed environment.
- The 30-year anniversary of the EEA Agreement is a good opportunity to take stock and look ahead when it comes to the relations between the EEA EFTA States and the EU. The EEA EFTA social partners should continue to be proactive in providing advice on the increasingly horizontal nature of the EEA cooperation and follow the work of, and provide advice, to a recently established task force to deal with this issue.
- There is potential to further increase the cooperation with EU social partners through formal and informal avenues. The EU social partners have experience in monitoring free trade agreements through Domestic Advisory Groups, that could be studied by the EFTA social partners in 2024.