

EFTA Introductory Seminar on the EEA Agreement

Brussels, 3 February 2016



EFTA Seminar on the EEA Agreement – 3 February 2016

The EEA Agreement – Background, Developments and Challenges

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EFTA's quest for European Integration

- 1957 Treaty of Rome (EEC)
- **1960 European Free Trade Association (EFTA)**
- 1967 EEC Custom Union
- **1973 EFTA-EU bilateral free trade agreements**
- 1987 EEC Single European Act
- **1994 European Economic Area**
- **1999- Swiss-EU bilateral agreements**
- 1995 Schengen Agreement
- **2001- EFTA countries part of Schengen**



The Challenges of the 1980s

- End of European economic growth in the 1970s
- US and Japanese dominance in the electronics industry
- Numerous physical, technical and fiscal barriers to trade
- Failure of the "old" regulatory approach (harmonisation)

The EC response: Single European Act (1987)

- Completing the Internal Market by the end of 1992
- Strengthening the four freedoms and supporting policies
- Decisions by qualified majority voting

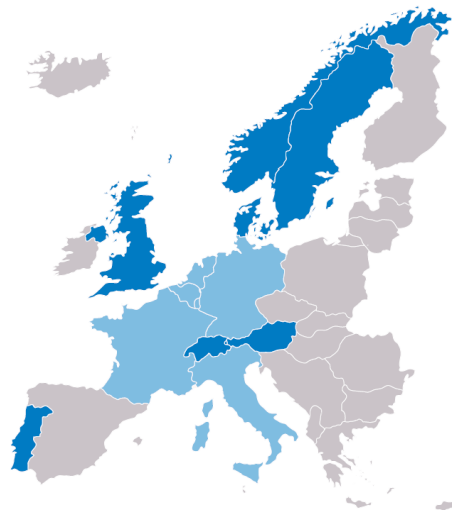


The Birth of the EEA

- 1984 - First EFTA-EU Ministerial meeting, Luxembourg Declaration on a dynamic "European Economic Space"
- 1989 - Commission President Delors offers the EFTA countries an EEA solution
- 1989 - Fall of the Berlin Wall
- 1992 - EEA negotiations finalised (signature)
- 1993 - Swiss no-vote
- 1994 - Entry into force of the EEA Agreement



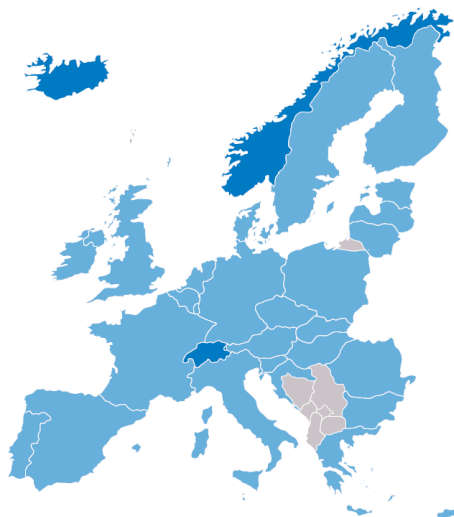
EFTA and the EU 1960



EFTA

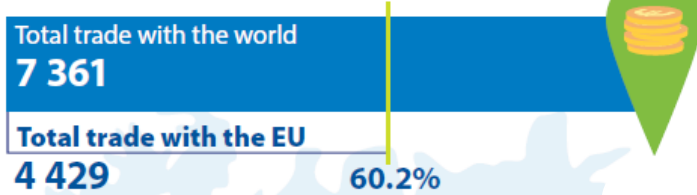
EU

EFTA and the EU 2015

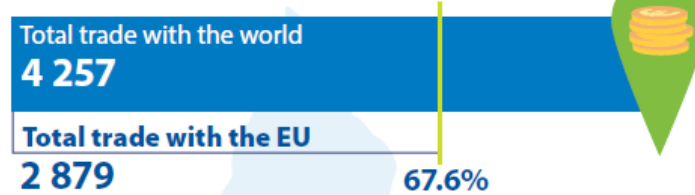


EFTA's merchandise trade with the world and the EU: 2013

Iceland



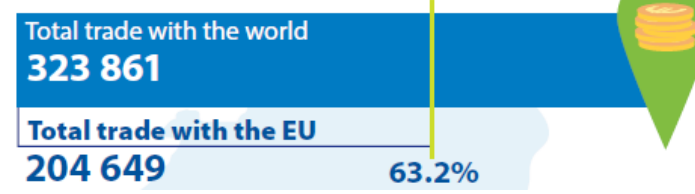
Liechtenstein*

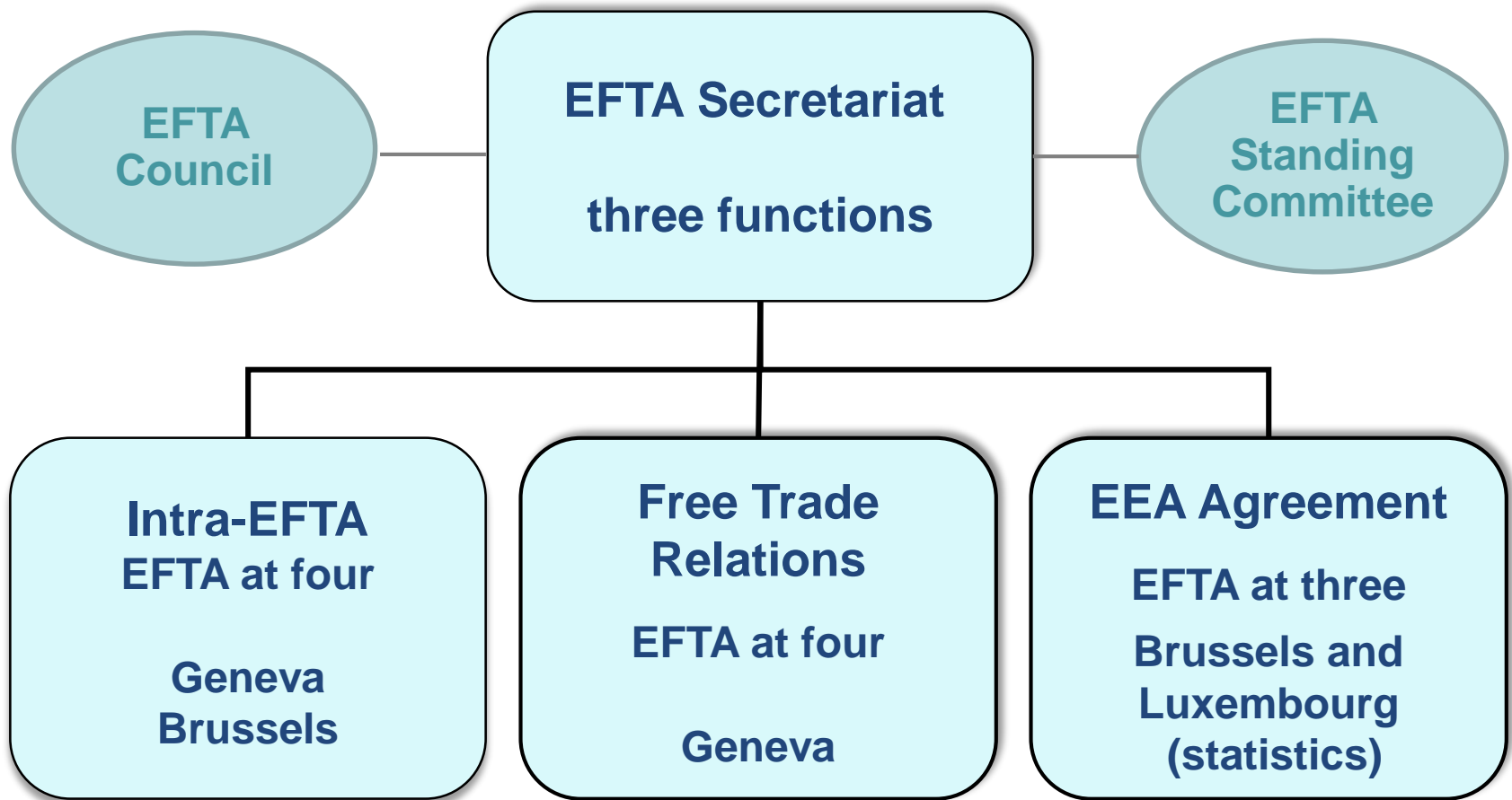


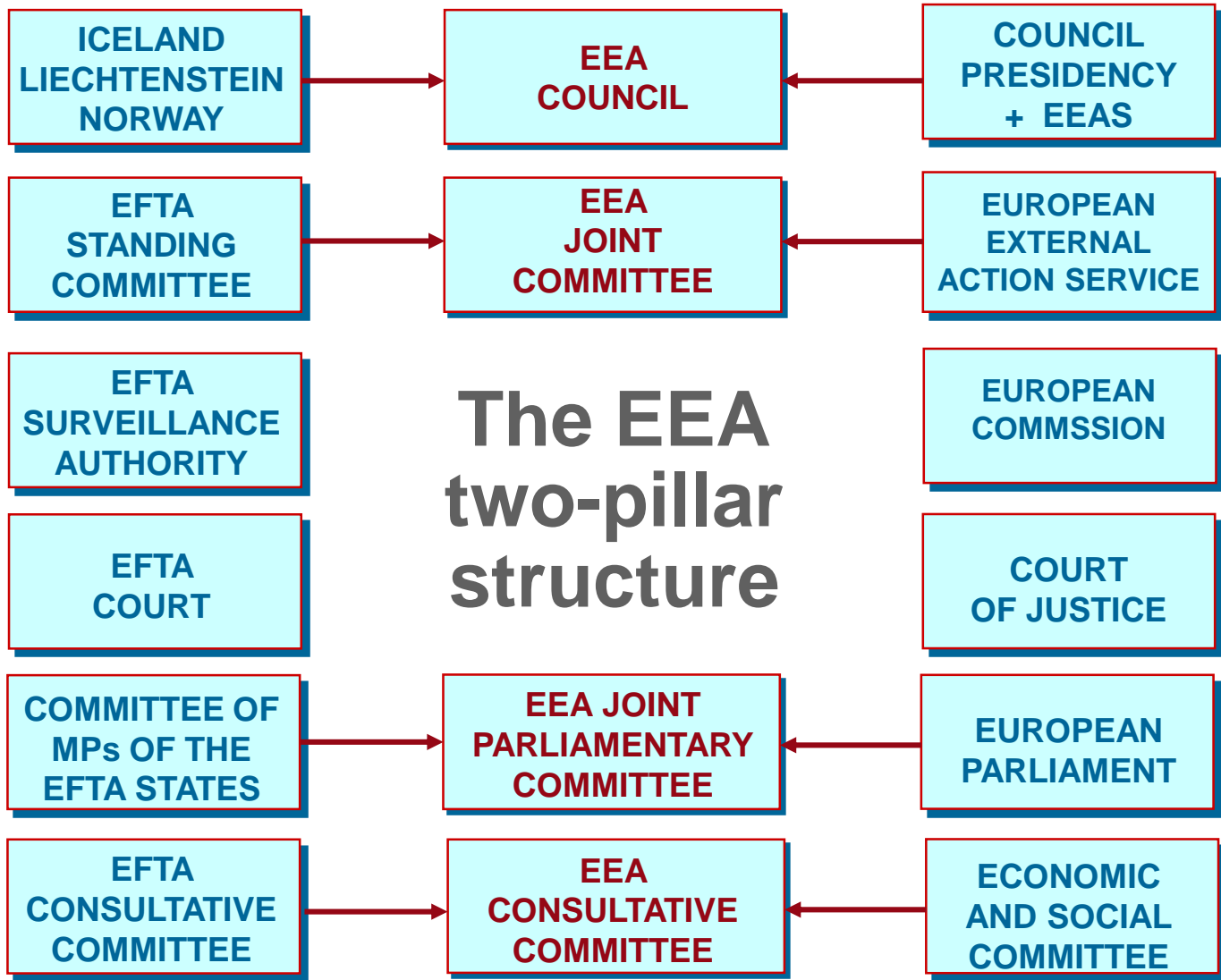
Norway



Switzerland*







The EEA two-pillar structure



The Four Objectives of the European Union

Article 3 (2-5) TEU

Freedom, Security and Justice

Free movement of persons

External border controls

Asylum and immigration

Prevention and combating of crime

Internal Market

Free movement of goods, services, capital and workers

Sector policies and programmes

Cohesion

Customs union

Economic and Monetary Union

Euro

Stability and growth pact

Treaty on stability cooperation and governance

European stability mechanism

Foreign Policy

Common foreign and security policy

Defence

Aid

Trade

Enlargement

The One Objective of the EEA

Article 1 EEA

Freedom, Security and Justice

Free movement of persons

External border controls

Asylum and Immigration

Prevention and combating of crime

Internal Market

Free movement of goods, services, capital and workers

Sector policies and programmes

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European Economic Area - Extending the EU Internal Market

Four Freedoms

- Free movement of goods
- Free movement of services
- Free movement of capital
- Free movement of persons

Horizontal Policies

- Environment
- Social policy
- Consumer protection
- Statistics
- Company law

Common Rules

- State aid
- Competition

Cooperation

- EU programmes
- EU agencies

Cohesion

- EEA and Norway Grants



Most visited legislation (EEA-lex)

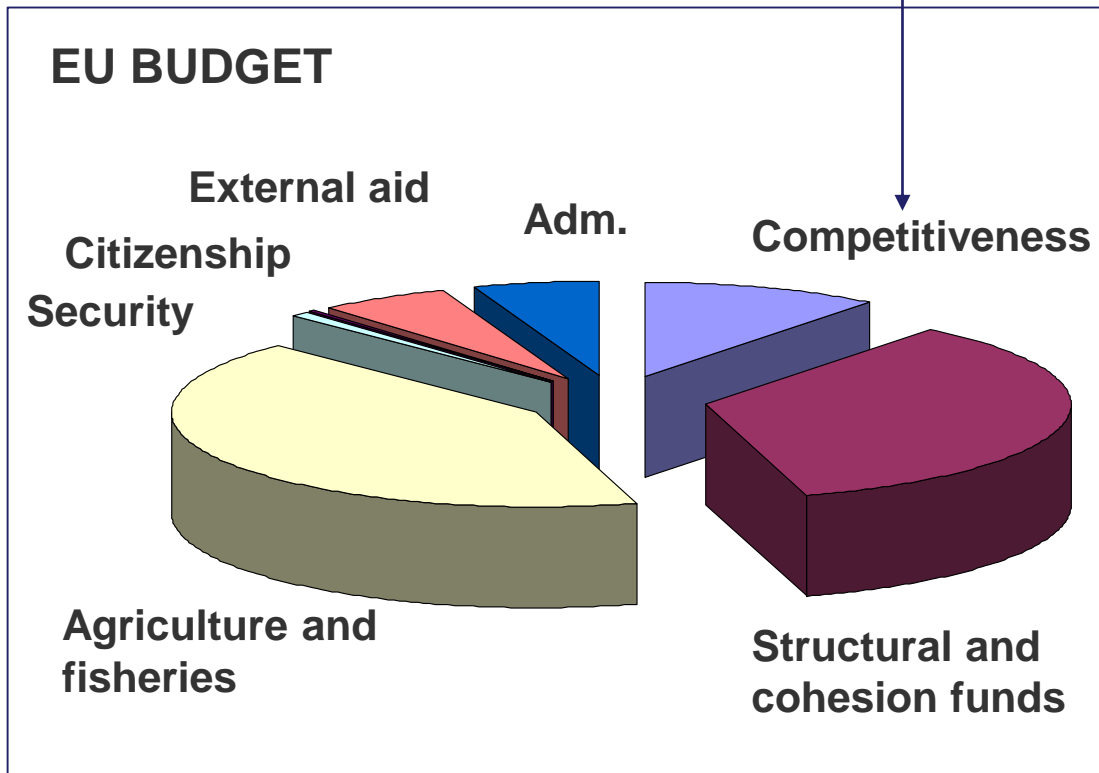
- **General Data Protection Directive**
- **Machinery Directive**
- **Driving Licence Directive**
- **Directive on Patients' Rights in Cross Border Healthcare**
- **Public Procurement Directives**
- **Directive on Unfair Contract Terms**
- **Services Directive**
- **Tobacco Products Directive**
- **Recognition of Professional Qualification Directive**
- **Directive on Consumer Sales and Guarantees**
- **Posting of Workers Directive**
- **Copyright Directive**



Financial Contributions 2016

- Participation in EU programmes and agencies: EUR 450 million

- Reducing economic and social disparities: EUR 400 million



The EEA - Static and Dynamic

Static in scope

- Covers the EU Internal Market (with some exceptions)
- No additional areas planned for inclusion

Dynamic in character

- Updated continuously by adding new EU legislation in areas already covered by the Agreement
- Ensuring homogeneity within the EEA



The EEA does NOT cover

- **Third-country issues (some exceptions)**
- **Common trade policy**
- **EU customs union (towards third countries)**
- **Common agricultural and fisheries policies**
- **EU regional policy**
- **Economic and monetary union**
- **Justice and home affairs**
- **Common foreign, security and defence policy**



Challenges

- Taking part in EU law making without the right to vote
- Ensuring homogeneity: efficiency vs consensus
- Financial contributions to cohesion: what level?
- A static EEA Treaty vs a changing EU Treaty
- EU regulatory agencies
- TTIP?

