



EUROPEAN FREE TRADE ASSOCIATION

CONSULTATIVE COMMITTEE

Ref. 22-3130

19 January 2023

Work Programme 2023

I Introduction

The core objectives of the EFTA Consultative Committee (EFTA CC) are threefold:

- To take part in the shaping of the EFTA and EEA agendas, and influence policies in the areas that affect the social partners;
- To be a forum for dialogue among social partners from all EFTA countries, and a link to social partners in the EU and EU accession countries;
- To raise awareness of the social and economic aspects of EFTA's free trade agreements (FTAs) and the European Economic Area, and the role of the social partners.

Through the close cooperation between the EFTA CC and various bodies of the European Economic and Social Committee (EESC), through the osmosis procedure, members of the Consultative Committee may participate in relevant meetings of the EESC, and vice versa, when mutual benefits can be derived therefrom, especially by avoiding duplication of work in the two Committees as described in the EFTA CC Rules of Procedure (ref-14-46784).

The EFTA CC may also plan and organise additional activities throughout the year. This may take the form of virtual meetings, in-person meetings or opinions issued based on the many policy areas mentioned in the work programme. The work programme is flexible and can be adapted to new developments in EFTA and the EU.

The Norwegian Employers will hold the chairmanship of the EFTA CC in 2023 as proposed in the Note on the Rotation System of the EFTA Consultative Committee (ref. 16-3584). Over the course of 2023, the rotation system shall be updated to reflect the next period.

II List of priorities in 2023

Third-country relations: horizontal priorities

The EFTA CC will continue to monitor, scrutinise, and advise the EFTA States on developments in EFTA's third-country relations and EFTA trade policy. The Committee encourages the EFTA

States to maintain and expand our ambitious free trade agenda with third countries to strengthen resilience and diversify supply chains. It is especially important to keep markets open during times of tumult and uncertainty in the global trading system. A rules-based international trading system is of utmost importance for small and medium-sized countries like the EFTA States.

There has been a major shift in geopolitics when it comes to trade in recent years which EFTA must consider in its policy making. Here we highlight three themes which are worth highlighting:

1. Interrelation of trade and climate;
2. Increased regionalisation of trade policy;
3. Geopolitics and the impact of national security.

The trade and sustainable development (TSD) agenda will remain of high priority for the EFTA CC. The EFTA States reviewed model provisions in 2020. The review added new provisions on the monitoring and implementation of EFTA agreements. The EFTA CC will continue to be an active participant in the TSD monitoring mechanism of EFTA and wishes to be consulted on sustainability impact assessments (SIAs) that the EFTA States undergo. It will also continue to follow closely the implementation of, and development related to the European Union's revised TSD approach.

To have a truly successful and inclusive trade agenda, it is important to conduct it in a transparent and open manner with involvement of key stakeholders at the EFTA level. Much has been done in this regard in recent years, such as the publication of a wide range of documents relating to negotiations by the EFTA States and increased dialogue between the EFTA States and advisory bodies. The Committee will continue helpful exchanges with the EFTA States on trade matters. The EFTA CC will continue to publish all relevant internal reports, agendas, and other relevant documents openly.

All EFTA States took part in a joint [communication](#) of 50 WTO members from 17 November 2020 on Trade and Environmental Sustainability. WTO serves as the basis of EFTA free trade agreements. Currently, there are “structured discussions” ongoing between interested WTO members. EFTA CC encourages the EFTA States to continue the role as global frontrunners for trade and environmental sustainability.

The Consultative Committee:

1. Will be a constructive partner of the EFTA States in their ambition to expand, update and monitor the EFTA free trade network and to ensure resilient and open trade during volatile and difficult times for rules-based trade.
2. The Committee encourages the EFTA States to continue to negotiate new trade agreements with revised TSD model provisions and modernise existing FTAs. The Committee will continue to take part in EFTA trade processes through formal channels such as the TSD monitoring mechanism and the first EFTA SIA.

3. Supports the efforts of the EFTA States to work together to galvanise global efforts to improve trade and sustainable development.

Third-country relations: ongoing processes

The EFTA CC will continue to monitor, scrutinise, and consult the EFTA States on third-country processes. This applies to ongoing negotiations, existing FTAs with TSD chapters, existing FTAs with no TSD chapters, and possible trade partners.

The current ongoing negotiations with prospective partners will be closely monitored in 2023 by the EFTA social partners: India, Mercosur, Thailand, Chile (modernisation), Mexico (modernisation), Viet Nam, Kosovo, Moldova, Malaysia.

Regarding the state of play on EFTA negotiations with Mercosur, the Committee will be a constructive partner in negotiations and is optimistic that a new government in Brazil may give impetus to the process. The Committee emphasises the importance of reaching an agreement with strong sustainability and deforestation clauses to avoid further damage to the Amazon rainforest. Of the third countries where EFTA has free trade agreements the EFTA CC intends to continue monitoring and advising on, when relevant, agreements with third-country partners, such as: Indonesia (TSD provisions), Ukraine (no TSD provisions), Singapore (TSD provisions), South Korea (TSD provisions), and others. EFTA should renew efforts to modernise agreements with important trade partners such as Canada.

In addition, the EFTA Consultative Committee also wishes to emphasise the importance of trade relations with the US. The discussions in the EU-US Trade and Technology Council are important for economic and social interests in the EFTA States and should be followed closely. The Committee is aware of regular trade consultations between EFTA and the US and encourages further strengthening of that dialogue. The Consultative Committee will continue to monitor relations between the EFTA States and the UK and revive relations between EFTA and UK social partners.

Two EFTA CC observers intend to participate in the EFTA Parliamentary Committee's third-country visit in spring 2023. Linked to this visit, the EFTA CC members may organise a supplementary programme to establish contact with social partners. The participating CC observers will brief the rest of the Committee on the visit afterwards with a written and oral report.

The EU developments, the EEA cooperation, the Single Market, and EFTA-EU relations

In recent years the European Union and European cooperation have developed a great deal. In response to various crises such as COVID-19, the war in Ukraine, and the energy crisis the EU has chosen the path of deeper integration.

Currently, there are several horizontal developments within the EU which are highly important for the EEA agreement and the EEA EFTA States, including:

- With its notion on strategic autonomy, the EU is now working systematically in order to build the capacity within strategically important policy areas and reduce its dependency on other countries. This is particularly evident within strategic areas such as raw materials and batteries, where the EU is looking at how to create strong European value chains. It is critical for the EEA EFTA States to be considered part of these value chains, not as a third country.
- An important tool for the EU to implement the EU industrial strategy, has been Important Projects of Common European Interest (IPCEI). Although this instrument has existed before, it has been little used until now. IPCEIs are large-scale European project consortia bringing together companies and research actors from several member states in strategic areas. These projects also represent opportunities for business and therefore jobs in EEA EFTA States.
- Many of the new EU policies are increasingly horizontal; where some elements of the rules are related to the Single Market and the EEA cooperation, and other elements of these same rules are not. This poses challenges both in order to implement the legal acts correctly, and also to coordinate the EU legislation within the EEA EFTA States.

It is of importance to the competitiveness of EEA EFTA citizens and economic operators to develop a comprehensive relationship with the EU within the framework of the EEA Agreement. Therefore, it is important for the EEA EFTA States to quickly identify the developments within the EU, and to make sure to adapt to the changes, within the EEA Agreement.

Russia's invasion and the war in Ukraine has had a colossal effect on European cooperation. All EFTA States have adopted EU's restrictive measures and have contributed towards rebuilding Ukrainian society and welcoming refugees from the war. Ukraine has applied to join the EU and formal discussions between the EU and Ukraine have begun. By joining the EU, Ukraine would also join the EEA. The EFTA States should play an active part in the reconstruction of the Ukrainian economy in concert with European partners.

EEA priority areas

The Single Market will turn 30 in 2023. The EEA EFTA States have been active and constructive partners in developments and maintenance of the Single Market for 28 years since the entry into force of the EEA Agreement in 1994. The CC hopes to have a chance to celebrate this occasion with counterparts on the EU side.

It is of great importance to ensure the homogeneity of the EU Single Market; therefore, the EEA EFTA States should make sure to incorporate relevant EU legal acts into the EEA Agreement as quickly as possible. In November 2022, the backlog consisted of more than 550 legal acts waiting to be incorporated into the EEA Agreement. The EFTA Consultative Committee should encourage a quicker incorporation of EU legal acts and identify the most important files that should be incorporated without further delay.

Priority areas of the current European Commission such as the European Green Deal and Fit for 55 package; Europe fit for the digital age; and an economy that works for the people, will be closely observed by the Consultative Committee. These areas will in many cases have a direct effect on employers and employees within the EEA EFTA States and some of the legislation stemming from these priorities will be adopted by the EEA Joint Committee into the EEA Agreement.

The European Council at their meeting on 23 and 24 June 2022 granted two new countries, namely Ukraine and Moldova, candidate status. Further, North Macedonia began accession talks with the EU. The Western Balkans continue negotiations. This needs to be monitored thoroughly given the fact that the EEA Agreement explicitly states that a country which becomes a member of the EU shall also apply to become a party to the EEA Agreement. The EFTA CC will observe meetings of EU and candidate country social partners during the negotiations.

The Swiss delegation of the EFTA CC may on a continuous basis be invited to provide updates on Swiss–EU bilateral relations and keep the other members informed of how the latest EEA developments are also of relevance to Switzerland.

The Consultative Committee:

4. Will continue to monitor and guard the interests of EFTA social partners. The Committee will play an active role in increasing the dialogue and scrutiny within the EEA EFTA Pillar, including on ministerial level.
5. Will identify the horizontal developments within the EU and encourage the EEA EFTA States to report to the Committee on how it will adapt to these developments within the scope of the EEA Agreement.
6. Highlights the importance that the EEA EFTA States and the EU do what is possible to ensure homogeneity in the Single Market and reduce the risk of lowered standards when it comes to market access and social policy. Encourages the EU and EEA EFTA States to ensure that the EEA Agreement is still fit for purpose.
7. Will take part in the relevant civil society platforms of the EU with EU candidate country civil society, and other relevant EESC work, as an observer, ensuring synergies between the work of the EFTA CC and the EESC and avoiding duplication of work.

EEA CC resolutions and reports and possible EFTA CC opinions in 2023

The EEA Consultative Committee (CC) will prepare reports and resolutions on the following topics in 2023 to present at the EEA CC plenary meeting in March 2023 that will take place in Stockholm:

- Energy resilience in the EEA in view of the geopolitical developments

- Future cooperation of the European Political Community

The EFTA CC will consider issuing other EFTA CC opinions on EEA, EU developments, or free trade issues relevant to the social partners.

Implementation and follow-up

This work programme for 2023 will be implemented throughout the year with guidance from the Chair of the Consultative Committee. At the last meeting of the year, usually held in November, the Committee will review this document, mindful of the progress made over the year in addressing specific topics. A yearly review report will be drafted by the outgoing chair with support from the EFTA Secretariat that will be shared with committee members and the public before the end of the year.

ANNEX I

Ref. 22-2848

19 January 2023

Meeting schedule for 2023

Dates	Place	Meeting
7-8 February	Geneva, Switzerland	<p>Joint meeting with the Committee on Third-Country Relations (TCC)</p> <p>Joint meeting with the EFTA Parliamentary Committee</p> <p>EFTA Consultative Committee meeting</p> <p>EFTA Consultative Committee Bureau</p>
14-15 March	Stockholm	<p>EEA Consultative Committee meeting</p> <p>EEA Consultative Committee Bureau</p>
13 April	Brussels, Belgium	<p>Meeting with the EFTA Standing Committee Chair</p> <p>Seminar with EFTA Working Groups</p> <p>EFTA CC meeting</p> <p>EFTA CC Bureau</p>
26-27 June	Schaan, Liechtenstein	<p>Joint meeting with EFTA Ministers</p> <p>Joint meetings with EFTA Parliamentary Committee</p> <p>EFTA Consultative Committee meeting</p>

		EFTA Consultative Committee Bureau
12 September	Videoconference	EFTA Consultative Committee
21-22 November	Brussels, Belgium	Meeting with EEA EFTA Foreign Affairs Ministers Meeting with EFTA Ministerial Chair Joint meeting with EFTA advisory bodies EFTA CC Bureau EFTA CC meeting
11 December	Videoconference	EFTA Consultative Committee