



The Single Market and the EEA

Our future challenges

Marius Vahl

Senior Officer, EFTA Secretariat (Brussels)

mva@efta.int

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The changing context of the EEA

- The EEA Agreement is almost 20 years old
- The EU has developed considerably since the early 1990s
 - Four treaty reforms: from the EC to the EU
 - Enlargement from 12 to 27 Member States
 - The Single Market is ‘completed’
 - New policy areas:
 - Economic and monetary union
 - Justice and home affairs
 - Foreign, security and defence policy



The 'new' EU and the EEA

- **Changed EU-EFTA balance of power**
- **The enlarged EU is more heterogenous**
- **New EU policies covered by separate bilateral agreements**
- **Rising costs for the EFTA side**
- **New forms of EU governance**



New forms of EU governance and the EEA: *Institutional aspects*

- Growing power of the European Parliament
 - The ‘missing link’ in the EEA
- New approaches, tasks and structures in the Commission
 - “Evidence-based policy-making”, agencies
- New forms of Member States’ interaction
 - European Council, the OMC, regulatory authorities



New forms of EU governance and the EEA:

Policy instruments and architecture

- A more diverse range of policy instruments
 - Legislation + benchmarks, targets, guidelines, etc
- Enhanced coherence through horizontal policies initiatives
 - Single Market less prominent, and more integrated with other policy areas
 - Facilitated by successive treaty reforms
 - The core of the Europe 2020 strategy



Lisbon Treaty and the EEA

- Focus on institutional reforms; substantial changes beyond the EEA
 - Lisbon Treaty as such will have limited impact on the EEA
- Merger of the pillars
 - (Even more) difficult to assess EEA relevance and ensure participation in policy-shaping
- Presidency reforms and the EUs new diplomatic corps (EEAS)
 - Uncertainty about EFTAs interlocutors on the EU side
- Parliamentary dimension
 - EP more important, and possibly also the national parliaments



Europe 2020 and the EEA

- **The EU's overarching economic strategy for the next decade**
- **Successor of 2000 Lisbon Strategy, but conceptually different**
 - All EU economic policies + coordination of national economic policies
 - Partnership between EU institutions and Member States, led by the European Council
- **2020 both more and less relevant for the EEA EFTA States**
 - Internal market an instrument of Europe 2020
 - Budget and regional policy included, with consequences for programmes
 - But many areas outside EEA, including trade, EMU, and agriculture
- **More important and more difficult for the EFTA side in the EEA**



Future challenges for the EEA

- **What happens to the EEA if Iceland joins the EU?**
 - The answer depends on whether or not...
 - The Agreement functions ‘on the ground’
 - The parties are positive to the EEA
 - The EEA functions well and all parties are satisfied
- **Future EEA enlargements, through EU or EFTA?**
- **The future of the EU**