EUROPEAN ECONOMIC AREA

JOINT PARLIAMENTARY COMMITTEE

Ref. 24-1713

RESOLUTION

Adopted pursuant to Rules 11 and 13 of the Rules of Procedure on 21 November 2024

on

The Annual Report of the EEA Joint Committee on the Functioning of the EEA Agreement in 2023

Co-rapporteurs:

- Mr Christophe Grudler, Member of the European Parliament, acting President of the EEA JPC
- Mr Daniel Seger, Member of the Liechtenstein Parliament, acting Vice-President of the EEA JPC

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 2023;
- 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 2022¹;

While:

- A. Emphasising the importance of parliamentary oversight for the good implementation and functioning 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 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); in 2018 (adopted on 13 March 2019); in 2019 (adopted on 16 November 2020), in 2020 (adopted on 28 April 2021); in 2021 (adopted on 25 May 2022); in 2022 (adopted on 15 December 2023).

- 1. Welcomes the publication of the 2023 Annual Report; and agrees with the EEA Joint Committee (EEA JC) on the main issues of concern and makes the following remarks;
- 2. Welcomes the joint celebrations at the 30-Year Anniversary Conference of the EEA Agreement at the margins of the 58th Meeting of the EEA Council on 28 May 2024 in Brussels, with participation of the EEA EFTA Foreign Ministers, the Belgian Presidency of the Council of the EU and the Executive Vice-President of the European Commission;
- 3. Emphasises that over the last 30 years the EEA Agreement has empowered people to do business, work, and study across the EEA thereby greatly contributing to the prosperity of the 30 EEA States;
- 4. Takes note of the EEA EFTA Comment 30 Years, 30 States: Together for a Competitive and Resilient Europe adopted by the Standing Committee of the EFTA States on 22 May 2024² and welcomes the ambition to further unlock the internal market's potential;
- 5. Takes note of the resolution and report on 30 years of EEA cooperation adopted by the EEA Consultative Committee on 24 May 2024³ and in particular its observations;
- Underlines the firm and united action of the EU and the EEA EFTA States regarding Russia's war of aggression against Ukraine in particular, and intensifying geopolitical challenges through attacks on rules-based order of non-democratic regimes, and terrorist actors in general;
- 7. Calls on the EU and the EEA EFTA States to work hand in hand to sustain their continued support to Ukraine and to address the adverse consequences on the good functioning of the EEA;
- 8. Acknowledges the contribution of EEA EFTA States in ensuring the resilience of the EEA and its energy security;

Incorporation of acquis into the EEA Agreement

- 9. Notes that 624 legal acts were incorporated into the EEA Agreement in 2023, which is four less compared to 628 in 2022;
- 10. Welcomes the fact that the number of legal acts awaiting incorporation where the compliance date in the EU had passed ("backlog") decreased by 11.4% in 2023

² <u>24-222 EEA EFTA Comment - 30 Years 30 States_ Together for a Competitive and Resilient Europe.pdf</u>

³ Resolution and report on thirty years of EEA cooperation.pdf (efta.int)

compared to 2022⁴; 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 reduction of the backlog;

- 11. Welcomes the incorporation of important legal acts in 2023 such as, in the field of state aid, the Regulation (EU) 2022/2473 declaring certain categories of aid to undertakings active in the production, processing and marketing of fishery and aquaculture products compatible with the internal market; 65 acts in the field of financial services, notably on an amendment to adaptation to 32014R0909 (Central Securities Depository -Liechtenstein); 29 acts in the field of environment, including EU Emission Trading System for aviation, and maritime and stationary installations; 13 acts in the field of energy, including in the field of technical regulations and energy, on ecodesign requirement as well as the Commission delegated regulation on the energy performance of buildings (JCD 318/2023); 9 acts in the field of Electronic communication, audio-visual services, information society and data protection, including NIS 1 Directive, the Cybersecurity Act and the Cybersecurity Competence Centre Regulation, as part of the 'Cybersecurity Package' and Radio Spectrum Policy Group; 105 legal acts in the field of transport, including on common rules in the fields of civil aviation and establishing a European Union Aviation Safety Agency (EASA); 5 acts on the free movement of persons, including on strengthening the security of identity cards of Union citizens and of residence documents issued to Union citizens and their family members exercising their right of free movement;
- 12. Underlines the urgent need to ensure the swift incorporation of some legal acts long outstanding, such as the Directive 2012/27/EU on energy efficiency, the Directive 2018/844 amending the energy performance of buildings directive and the energy efficiency directive, Directives pertaining to the gas infrastructure and transmission, the Regulation (EU) 2016/1199 on helicopter offshore operations (HOFO), the Directive (EU) 2015/413 on facilitating cross-border exchange of information on road-safety-related traffic offences (CBE Directive), and the Directive 2014/49/EU on deposit guarantee schemes (recast) DGS III;
- 13. Welcomes the decrease of the average transposition deficit of the EEA EFTA States from 1.3% to 1.1% according to the latest Internal Market Scoreboard published in October 2023 and reflecting the state of play on 11 June 2023. Since the November 2022

⁴ There were 542 outstanding legal acts in 2023. In 2022 there were 612. In comparison, there were 589 at the end of 2021, 677 at the end of 2020, 435 at the end of 2019, 612 at the end of 2018, 576 for 2017, 522 for 2016, 435 for 2015, 428 for 2014, 506 for 2013 and 544 for 2012.

- Scoreboard, the deficit of Iceland decreased from 2% to 1.9%, the deficit of Norway remained at 1.3% and the deficit of Liechtenstein decreased from 0.7% to 0.1%⁵;
- 14. Notes that on 31 December 2023, the number of JCDs awaiting the fulfilment of constitutional requirements for more than six months stood at 32, compared to 31 on 31 December 2022;
- 15. Acknowledges that on 31 December 2023, the number of "linked" JCDs, where the entry into force depended on the entry into force of other JCDs that had already been or would be adopted, stood at 79, compared to 55 on 31 December 2022; and calls on the EEA Joint Committee to prioritise the work on Joint Committee Decisions which may delay the adoption and the entry into force of other "linked" Joint Committee Decisions;

EEA EFTA States participation in EU agencies and programmes

- 16. Welcomes the active participation of the EEA EFTA States in 13 EU programmes and 23 agencies, of which 17 were regulatory agencies and six executive agencies;
- 17. Acknowledges that EEA EFTA participation in EU programmes is a key instrument for the EEA EFTA States' cooperation with EU institutions and Member States. The EEA JPC recalls that the EEA EFTA States are taking an active part in 13 EU programmes under the 2021-2027 financial framework such as Horizon Europe, European Defence Fund, Digital Europe, Life, Erasmus+, European Solidarity Corps, ESF+/EaSI, Single Market Programme, Union Civil Protection Mechanism/RescEU, European Space Programme, Creative Europe, EU4Health, and InvestEU;

Decision shaping

18. Welcomes the submission of seven EEA EFTA comments in 2023 compared to six in 2022 and underlines that the EEA EFTA Comments on establishing a Single Market Emergency Instrument, ensuring a secure and sustainable supply of critical raw materials, and the Net Zero Industry Act were extensively discussed at its respective meetings in 2023;

⁵ From 2009, ESA used the interim target of 1% set by the European Council in 2007 as a benchmark and is now looking towards a benchmark of 0.5% in line with the European Commission's Single Market Act proposed in April 2011.

- 19. Underlines that EEA EFTA Comments are useful tools to outline the EEA EFTA States' position on EU initiatives and legislation bearing potential EEA relevance and therefore encourages EEA EFTA States to pursue with their drafting and broad dissemination including to this Committee;
- 20. 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

- 21. Welcomes the conclusion of the negotiations on a new period of the financial contribution of the EEA EFTA States to reduce the economic and social disparities in the EEA on 30 November 2023;
- 22. Welcomes the signing of the agreement on a new period of the financial contribution of the EEA EFTA States on 12 September 2024, and notes the designated priority areas, including democracy, rule of law and human rights;
- 23. Notes that Iceland, Liechtenstein and Norway will provide EUR 3.2 billion to 15 EU Member States to reduce economic and social disparities across the EEA for the period 2021-2028;
- 24. Calls upon the EEA EFTA States to align the priority areas with Europe's competitiveness agenda;
- 25. Reiterates the importance of respecting the European values, independent institutions, and the rule of law as prerequisites for funding under the EEA EFTA Financial Mechanism 2021-2028;
- 26. Encourages both the donors and the beneficiary states to work seamlessly towards the completion of the programmes for the period 2014-2021;
- 27. Encourages both the donors and the beneficiary states to work constructively in order to conclude swiftly the Memoranda of Understanding (MoUs) under the new funding period;

Parliamentary oversight

- 28. Welcomes the reference made in the 2023 Annual Report of the EEA Joint Committee to the meetings held in 2023 and draws the attention of the EEA Joint Committee about its Resolution adopted in December 2023;
- 29. Invites the EEA Joint Committee to continue to 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;
- 30. Encourages the regular participation of representatives of the EEA Joint Committee and of the EEA Council in the activities of the EEA JPC meetings and underlines the importance of upholding reciprocal high-level political representation in these meetings;
- 31. Emphasises the fact that parliamentary oversight carried out in the EEA JPC provides for democratic scrutiny of the implementation of the EEA agreement and thus for its democratic legitimacy; stresses the role of the parliaments and parliamentarians in explaining the functioning and the benefits of the EEA Agreement to the citizens; is of the opinion that communication on the EEA Agreement should be a continuous undertaking;
- 32. Mindful of the impact of the war in Ukraine and of the sanctions against Russia on the good functioning of the EEA, calls on the EU and the EEA EFTA States to closely cooperate to mitigate adverse effects for EEA citizens and economic operators;
- 33. Notes the outcome of the European elections and the re-constitution of the Delegation for Northern cooperation and for relations with Switzerland and Norway and to the EU-lceland Joint Parliamentary Committee and the European Economic Area (EEA) Joint Parliamentary Committee (DEEA), and calls on both EU and EEA EFTA parliamentary delegations to ensure the widest possible participation of their respective Members in future EEA JPC meetings with a view to safeguarding a meaningful democratic scrutiny of the EEA Agreement;
- 34. Instructs its President to forward this Resolution to the EEA Joint Committee and the EEA Council.