

Report of the Norwegian Chair of the EFTA Standing Committee

Second half of 2024

This year, we celebrated the 30th anniversary since the entry into force of the EEA Agreement, and 30 years of successful, mutually beneficial and prosperous cooperation within the European Economic Area. The 30th anniversary was a focus under the Norwegian period as Chair of the EFTA Standing Committee. The Norwegian Chair had identified two main priorities for the second half of 2024 which guided the work of the committee: i) Incorporation of legal acts in the Agreement and ii) Outreach.

Incorporation of legal acts:

In order to maintain a dynamic and homogeneous European Economic Area, based on common rules and equal conditions of competition as well as in order to epitomize how the EEA EFTA States are the EU's closest and most reliable partners, a key priority is to ensure timely incorporation of EEA relevant EU legal acts into the EEA Agreement.

During the second half year of 2024 a total number of 274 acts were incorporated in 163 Joint Committee Decisions. The number of outstanding acts after the last EEA Joint Committee meeting under the Norwegian Chair was 486 acts. Furthermore, by the end of Norway's time as Chair the number of acts with constitutional requirements for which the six months deadline had already passed had also decreased to 18 on 31 December 2024 compared to 32 at the same time the year before.

The Joint Committee Decisions adopted during the second half of 2024 included important legal acts in the field of health and crisis preparedness, such as legislation on the reinforced role of the European Medicines Agency in crisis preparedness, on the European Centre for Disease Prevention and Control, and on serious cross-border threats to health. In addition, the Joint Committee adopted decisions in the field of employment policy: transparent and predictable working conditions, and in the field of environment: recycled plastic materials and minimum water requirements for water reuse.

During Norway's time as Chair, the EEA EFTA States also made considerable progress in reducing the backlog in areas where files have been long outstanding such as in the fields of financial services and statistics. The backlog in financial services was reduced from 104 to 89 or by 14%. Meanwhile, the backlog of acts in the field of food chain was reduced from 161 to 87 or by about 46% and in the field of statistics by around 11%.

In addition, keeping a close eye on new legislation with consequences for the Single Market is necessary in order to prevent a further build-up of the backlog. Consequently, following up the report from the Task Force on Files with Distinctive Horizontal Dimensions was prioritised. The report, titled *Cross-Sectoral Initiatives*, was presented to the Standing Committee on 4 July. It underlined that it was essential to conduct strategic, timely assessments of cross-sectoral EU initiatives and their impact on the Single Market and the EEA cooperation. The Task Force set out specific recommendations for the EEA EFTA States, the EFTA Standing Committee, and the EFTA Secretariat, with the aim of establishing work procedures to better facilitate such assessments. During the second half of 2024, the Standing Committee and the EFTA Secretariat cooperated closely to achieve working procedures and actions to follow-up on the report. At its meeting on 5 December, the Standing Committee agreed on how to implement the recommendations of the Task Force. Work began at all levels towards the objectives set out in the report.

EEA Outreach:

Under the Norwegian Chair, it was stressed in a variety of fora that the EEA EFTA States are full members of the Single Market and share economic strengths, opportunities and vulnerabilities with the EU. The EEA cooperation thus has a particular relevance in the current geopolitical environment, also in relation to economic security and trade policies.

Outreach activities included:

- A reception for the Council's Working Party on EFTA hosted by the Norwegian Ambassador to the EU in his residence
- Active use of the Joint Committee as a venue for discussions. The Chair brought up topics at this forum such as programme participation of the EEA EFTA States, the report of the Task Force on Cross-Sectoral Initiatives, and the importance of avoiding trade barriers within the EEA.
- Parliamentary outreach: during this period, on 15 October, a group of parliamentarians visited their newly elected counterparts in the European Parliament and emphasised the close connection between the EFTA States and the EU.
- Several meetings were held across the EU institutions on the importance of avoiding disintegration of the Single Market, i.e. through countermeasures to any trade barriers.

While economic cooperation lies at the core of the EEA Agreement, it is also based on a set of fundamental values and principles. This is clearly visible in the EEA and Norway Grants, where the three EEA EFTA States contribute to a more equal Europe, both socially and economically. On 12 September 2024, the Agreement on the EEA Financial Mechanism and the Agreement on the Norwegian Financial Mechanism for the period 2021-2028, as well as the two bilateral agreements on market access for fish between the EU and Norway, and between the EU and Iceland, were signed. By first of December, both agreements on the financial mechanisms were provisionally applied. The three priority areas for the EEA and Norway Grants for the period 2021-2028 are green transition; democracy, rule of law and human rights; and social inclusion and resilience.

To highlight the grants' contribution to the social and economic development of Europe, the exhibition *Our Stories. The EEA and Norway Grants* was displayed in the EFTA House during the semester. On the occasion of the opening of the exhibition, the Norwegian Chair hosted a reception with a cultural program. The exhibition showcased examples of impactful projects under the grants for the period 2014-2021. Common for all the projects, is the objective of a greener, more democratic and inclusive Europe.

Under the Norwegian Chair, work furthermore continued to ensure the EEA EFTA States' equal rights and obligations when participating in EU programmes. Meetings were held with DG EAC and DG RTD covering, respectively, Erasmus+ and Horizon Europe. EEA EFTA participation has also been regularly addressed in Working Group meetings.

The Standing Committee tasked the relevant working group to draft an EEA EFTA Comment on EEA EFTA participation in the new EU programme period 2028-2034, to be finalised early 2025. In addition, the comprehensive EEA EFTA Comment on 30 Years, 30 States: Together for a Competitive and Resilient Europe was shared with the new Commission and the incoming Polish Presidency before the end of the year. During Norway's Chair period, the members of the EEA Council agreed on Council conclusions on the cooperation between the EU and the EEA EFTA States, on issues related to the EEA Agreement and matters of mutual interest. This was the first conclusions adopted by the EEA Council for some time.

During its time as Chair, Norway initiated discussions regarding transparency initiatives related to the work of EFTA and EEA cooperation. The need for greater transparency had inter alia been highlighted in the Eldring report *Norway and the EEA: Development and experiences on Norway's cooperation with the EU*, published earlier in 2024.

The Secretariat was tasked to look into the matter, including the possibility of establishing a dedicated working group and to revert to the Standing Committee regarding a proposal for a possible mandate. Meanwhile, work towards forming a policy on the declassification of documents was advanced during the period. This initiative and general transparency was discussed a number of times on different levels including in the Standing Committee.