

**EEE 1604/08**

**DRAFT MINUTES**

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Subject : Draft minutes of the twenty ninth meeting of the EEA Council  
Brussels, Tuesday 27 May 2008

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**DRAFT MINUTES**  
**of the twenty ninth meeting of the**  
**EEA COUNCIL**  
**(Brussels, Tuesday 27 May 2008)**

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The EEA Council held its 29<sup>th</sup> meeting in Brussels on Tuesday 27 May 2008. The meeting was chaired by Mr. *Matjaž ŠINKOVEC* (State Secretary at the Office of the Prime Minister of the *Republic of SLOVENIA*), who led the Troika of the European Union composed of him, of Mr. *Karel KOVANDA* (Deputy Director General and Political Director in the Directorate General of External Relations at the *EUROPEAN COMMISSION*) and of Mr. *Pierre - Alain COFFINIER* (Deputy Director on Western and Northern Europe at the Ministry for Foreign Affairs of the *FRENCH Republic*).

The EEA - EFTA side was chaired by Ms. *Elisabeth WALAAS* (State Secretary at the Ministry for Foreign Affairs of the *Kingdom of NORWAY*), accompanied by Ms. *Rita KIEBER - BECK* (Minister for Foreign Affairs of the *Principality of LIECHTENSTEIN*), and by Mr. *Grétar Már SIGURÐSSON* (Permanent State Secretary at the Ministry for Foreign Affairs of *ICELAND*).

The *EFTA Surveillance Authority (ESA)* was represented by its President, Mr. *Per SANDERUD* and the *European Free Trade Association (EFTA)* was represented by Ms. *Bergdís ELLERTSDÓTTIR* (Deputy Secretary General).

**Opening statement of State Secretary ŠINKOVEC, on behalf of the EUROPEAN UNION:**

Dear Colleagues from Norway, Iceland, and Liechtenstein, from the EFTA Secretariat, as well as from the EFTA Surveillance Authority,

First of all allow me, also on behalf of the President - in - office of the Council, Mr. *Dimitrij RUPEL* (who, unfortunately, is unable to attend this meeting), to wish you and your Delegations on behalf of the Council of the European Union a very warm welcome.

I would also like to express my most sincere acknowledgement to you and to the EFTA Secretariat for the excellent co-operation in finalising the arrangements for this meeting.

Thank you.

**1. ADOPTION OF THE AGENDA**

The EEA Council adopted the Agenda, as set out in doc. EEE 1601/08.

**2. APPROVAL OF THE MINUTES**

of the 28<sup>th</sup> meeting of the EEA Council, which took place in Brussels on Tuesday 20 November 2007, as set out in doc. EEE 1609/07.

The EEA Council approved the minutes of the 28<sup>th</sup> meeting, as set out in the above-mentioned document.

**3. PROGRESS REPORT BY THE EEA JOINT COMMITTEE**

The EEA Council noted the Progress Report by the EEA joint Committee, as set out in doc. EEE 1603/08.

4. **RESOLUTIONS OF THE EEA JOINT PARLIAMENTARY COMMITTEE  
ADOPTED AT ITS 30<sup>th</sup> MEETING IN REYKJAVÍK, ICELAND ON 29 - 30 APRIL  
2008**

The EEA Council noted the Resolutions of the EEA Joint Parliamentary Committee adopted at its 30<sup>th</sup> meeting in *Reykjavík*, Iceland on 29 - 30 April 2008 on:

- *The Annual Report on the Functioning of the European Economic Area Agreement in 2007*, and on
- *Health Services in European Economic Area.*

**RESOLUTIONS OF THE EEA CONSULTATIVE COMMITTEE ADOPTED AT ITS  
16<sup>th</sup> MEETING IN SVALBARD, NORWAY ON 14 - 16 MAY 2008**

The EEA Council noted the Resolutions of the EEA Joint Parliamentary Committee adopted at its 26<sup>th</sup> meeting in *Svalbard*, Norway on 14 - 16 May 2008 on:

- *An Ambitious Transport Policy for Europe*, and on
- *Life-long Learning: A Key Component for Growth and Jobs.*

5. **ASSESSMENT OF THE OVERALL FUNCTIONING OF THE EUROPEAN ECONOMIC AREA (EEA) AGREEMENT**

(i.a. Maintaining and Enhancing the Homogeneity of the European Economic Area; Lisbon Strategy for Growth and Jobs and the European Economic Area; Decision Making and Shaping; Energy and Climate Change; the Financial Mechanisms)

**Intervention of State Secretary ŠINKOVEC, on behalf of the EUROPEAN UNION:**

Dear Colleagues,

First of all, I would like to underline, once again, the importance of the EEA Council meetings, which give us the opportunity to make this assessment and to have a useful exchange of views on some of its aspects.

As a general remark, we do consider that the evaluation of the co-operation between the European Union and the EEA - EFTA States is globally very positive and we are willing to continuously develop and deepen our co-operation even further.

I would like to recall that the European Economic Area Agreement gives the EEA - EFTA States access to an unprecedented economic integration of almost 500 million population with our 30 Member States, including of course the EEA - EFTA ones, fully participating in the broader Internal Market. Within the European Economic Area, there is free movement of goods, services, capital and persons. Thanks to the European Economic Area Agreement all our citizens acquire the right to move, live, work, invest and set up business freely throughout the enlarged European Economic Area.

Furthermore, the European Economic Area continues its task of legislative harmonisation for the benefit of all our citizens in the so called "*Flanking and Horizontal Policies*", such as Social Policy, Environment, Education, Research, Consumer Protection, Tourism, Culture, Information Services, Audiovisual and Statistics.



Moreover, thanks to the European Economic Area Agreement the EEA - EFTA States participate in EEA-relevant EU Programmes and Agencies, more or less on an equal footing with our Member States.

Finally, we do appreciate, once again, the substantial contribution of all the EEA – EFTA States, and especially of Norway, towards the reduction of the social and economic disparities in the Internal Market, which confirms that the European Economic Area Agreement is also an instrument of solidarity, prosperity and stability. As you know very well, this contribution ends on 30 April next year and we look forward to discussing with you the future of this contribution, after that date.

Given the increased cohesion efforts of the European Community and of the EU Member States, the increased benefits of the EEA - EFTA States from their participation in the Internal Market, as well as the increased success of the 2004 - 2009 EEA - EFTA Financial Contributions, I would like to stress the importance of the continuation and of the increase of this contribution as from 1 May 2009, as well as the need for a smooth transition between the *ante* and the *post* 1 May 2009 period.

Therefore, we look forward to the beginning of the necessary negotiations on the pertinent issues, e.g. the amount, the structure, the duration, the priority fields, the implementation, etc., preferably before the summer break, which would give us the opportunity to finalise all relevant procedures in time.

As far as the different items under item 5 of the Agenda are concerned, I would like to pass the floor to the European Commission, who, on the side of the European Union, is principally in charge of the day-to-day functioning of our European Economic Area Agreement.

Thank you.

**Intervention of Mr. KOVANDA on behalf of the EUROPEAN COMMISSION:**

Mr. Chairman,

I cannot recall any EEA Council meeting in the past when the European Commission's task of reporting on the general functioning of the European Economic Area Agreement has been more pleasant.

I could, in fact, make this very short and just confirm that, thanks to our joint efforts, we have cleared the deck, in the sense that at present, we have no item of controversy at the level of the EEA Joint Committee.

2007 was indeed a remarkable year. At the beginning of that year, we faced serious delays in the incorporation of new acquis, due to the difficulties in reaching an agreement on the participation of Bulgaria and Romania in the European Economic Area.

Fortunately, when this issue was resolved, the EEA Joint Committee rapidly dealt with the accumulated back-log of new legislation and, in fact, in the whole year of 2007, the EEA Joint Committee managed to adopt 170 Decisions, incorporating all of 416 new legislative acts into the European Economic Area Agreement, numbers that are significantly higher than in the previous years.

Moreover, in addition to the accelerated decision making in the later part of 2007, the EEA Joint Committee managed to find satisfactory solutions to all the substantial challenges, which it had to face. Already when we last met in November 2007, the EEA Joint Committee had adopted the comprehensive food law package. This very important body of legislation is expected to enter into force within the European Economic Area in the very near future, allowing amongst other things the participation of the EEA - EFTA States in the European Food Safety Authority (EFSA).

The EEA Joint Committee also adopted a Decision, following which Directive 87/2003 on the Greenhouse Gas Emission Trading Scheme was incorporated into the European Economic Area Agreement. The goal of having this Decision enter into force by 1 January this year was equally achieved. This was a significant step and certainly a key element in our co-operation in the wider field of climate change. I will come back to this issue in a moment.

I am equally pleased that very shortly after our last meeting, the EEA Joint Committee was able to conclude the complicated discussions on the incorporation of Directive 2004/38/EC concerning the free movement of persons and adopt the necessary Decision incorporating this core Internal Market-relevant Directive into the European Economic Area Agreement.

As for the work of the EEA Joint Committee so far this year, I would like to draw particular attention to the fact that we were able to adopt a Decision in March on Regulation 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), allowing amongst other things the participation of the EEA - EFTA States in the European Chemicals Agency. Thanks to our joint efforts, we were able to finalise the procedures very quickly. We are eagerly awaiting news about the finalisation of the parliamentary procedures within the EEA - EFTA States, so that that the period for pre-registration of chemicals can begin at the same time in the European Union and throughout the entire European Economic Area as from 1 June.

Coming back to the usual statistics, as you can see from the Progress Report by the EEA Joint Committee, since our last meeting in November 2007, the EEA Joint Committee has maintained a high level of efficiency, having adopted 83 Decisions incorporating 173 new legal acts into the European Economic Area Agreement.

The incorporation of new acquis is generally rapid, so the homogeneity of the Internal Market is being appropriately safeguarded and the European Economic Area Agreement continues to function very well.

Furthermore, we are pleased to note some progress in our negotiations with Norway on the further liberalisation in trade in agricultural products on the basis of article 19 of the European Economic Area Agreement and with Iceland in trade in processed agricultural products on the basis of Protocol 3 to the European Economic Area Agreement. We strongly urge also Norway to engage in constructive negotiations on liberalisation of trade in processed agricultural products, in accordance with its commitments in this regard.

Furthermore, on the EU side, we appreciate the progress achieved in the implementation of the EEA and of the Norwegian Financial Mechanisms.

The financial contributions from the EEA - EFTA States to alleviate economic and social disparities in the European Economic Area have developed into a very important and successful element in our shared efforts to maximise the possibility for also the poorer Member States to benefit from the Internal Market.

In addition, the priority areas identified in co-operation with the beneficiary countries often have the added value of strengthening other shared policy objectives to the benefit of us all, not least when it comes to environmental projects.

The success of the EEA and of the Norwegian Financial Mechanisms is also demonstrated by the fact that the number of eligible projects goes far beyond the available funds. This is particularly note-worthy in view of the considerable cohesion funds that the European Union allocates to the same beneficiary countries.

Flexibility is generally of the essence when implementing the financial contributions; a specific example of this was the particular need that emerged following the devastating fires in Greece last year, allocating funds to the purchase of fire fighting equipment for the Greek National Fire Service. I applaud your decision to rapidly ensure such assistance which could be provided from the Financial Mechanisms.

We are all aware that the current Financial Mechanisms expire at the end of April 2009 and many consultations have been undertaken on how best to approach the future.

We would like to build on the success of the current investments and strengthen the contribution of the EEA - EFTA States to the economic and social cohesion within the Internal Market.

The Council of Ministers of the European Union is in the process of adopting the necessary negotiation directives for the European Commission to negotiate this issue on behalf of the European Union. We hope to be able to make proposals to you before the summer holidays, with the aim of reaching an agreement which ensures continuity, supports the economic and social cohesion, and avoids any undue disruption.

Mr. Chairman,

Looking at the top priority subjects within the European Union, we find out that most of them have Internal Market dimensions and are relevant to the European Economic Area. The European Commission, and I dare say the European Union as a whole, continues to value the input from the EEA - EFTA States. We are particularly grateful for your constructive engagement and support, when it comes to energy, climate change, and the Lisbon Process.

In the EEA - EFTA Comment on the European Commission's proposal for a third energy package, the EEA - EFTA States confirm their support on the main direction of the proposals within this package.

The shared objective of promoting a well-functioning Single European Energy Market is also stressed. Well-functioning Electricity and Gas Markets are indeed essential for the Internal Energy Market within the European Economic Area. It is only natural that there are specific issues that still need to be clarified or discussed, and the European Commission looks forward to addressing such issues in our well-established dialogue, be it within the European Economic Area structures or bilaterally, as appropriate.

Energy and climate change are inextricably linked and, here again, we appreciate the support from the EEA - EFTA States, as demonstrated not least during the orientation debates at the last two meetings of this Council. Last year, the European Union decided to cut CO<sub>2</sub> emissions by at least 20% by 2020 (even by 30%, if global targets can be agreed on) and to set a binding 20% target for the use of renewable energy sources. In January, the European Commission presented an ambitious package of proposals on the concrete actions needed to reach these goals. One key component of this package is an improved emissions trading system (ETS), covering more emissions and allowing companies in one EU/EEA country to buy allowances in any other. As mentioned, “ETS one” is now part of the European Economic Area Agreement and we are looking forward to discussing “ETS two” with you.

Another crucial dimension of the European Commission’s proposals is enforceable targets for increasing the share of renewable energy in overall energy consumption. Once again, this is an area, where the EEA - EFTA States have much to contribute, and I am confident that we will continue to benefit from the close dialogue that we also have on this issue. New rules on carbon capture and storage (CCS) and on environmental subsidies were also proposed, and we are well aware that Norway, in particular, is at the forefront of this technology.

The European Council welcomed the European Commission’s package at its meeting on 13 - 14 March, and the EU leaders confirmed the ambition to reach agreement among the EU Member States and Institutions on a coherent and comprehensive package, before the end of 2008.

Another priority subject of shared priority is the Lisbon Process. The EEA - EFTA States have been closely involved with the elaboration and implementation of the Lisbon Strategy since it was originally conceived, and I can only reiterate our appreciation of your continued support. The March European Council launched the new cycle, covering the period 2008 to 2010, of the renewed Lisbon Strategy for Growth and Jobs.

This is a very comprehensive package, which builds on the achievements of the Lisbon Process to-date. I would like to stress this latter point. While it is important to be ambitious in the new cycle of the Lisbon Process, it should be acknowledged that its economic and social reforms implemented by Member States have born their fruits. Within the European Union, we have seen 6.5 million new jobs created just in the last two years, an increase in productivity growth for the first time in 10 years, and the lowest unemployment in 25 years.

Now, we must use this momentum, reinforce our efforts and initiatives, make Europe more resistant to economic turmoil and strengthen European efforts to shape and fully benefit from globalisation, while still combining the dynamism of the Internal Market with a strong commitment to social cohesion and to environmental sustainability.

Mr. Chairman,

The number of policy areas which are of EEA relevance and where we share the same objectives is too vast to mention. It is suffice to reiterate that the European Commission continues to value the EEA - EFTA participation in the decision shaping process, not least in the form of EEA - EFTA Comments, and the EEA - EFTA participation in an ever increasing number of expert groups and committees meetings.

So, let me conclude by saying that our co-operation within the European Economic Area Agreement can yet again be described as efficient, solid, constructive and progressive.

Thank you.

**Intervention of State Secretary WALAAS , on behalf of the EEA – EFTA States:**

Mr Chairman, dear Colleagues,

Since our last meeting, a number of key policies were incorporated into the European Economic Area, such as the Directive on the Free Movement of Persons and the REACH Regulation. REACH will improve the protection of human health and the environment from risks that can be posed by chemicals and enhance competitiveness and innovation within this field. I would like to underline that, through joint efforts combined with a constructive approach, we have succeeded in finding ways to incorporate these important policies into the European Economic Area.

Within a growing number of areas, we share common objectives as basis for increased co-operation, not least in the area of climate change and energy, which has become an issue of global importance.

Along with the European Union, the EEA - EFTA States are leading international efforts to address climate change. We welcome the Energy and Climate Change Package launched by the European Union in January. We are currently assessing the proposals within our EEA channels and look forward to seeing the outcome of the ongoing political processes within the European Union in time before the Climate Change Conference in Copenhagen in the autumn of 2009. We aim at being in the group of influential actors contributing to a new world climate change deal.

Last year, we joined the Emission Trading Scheme (ETS) and we are closely following the reform of the ETS. We support widening the scope of the Scheme to include new sectors. But, there are special circumstances within the European Economic Area, which will have to be taken into consideration, such as the peripheral areas in connection with the aviation sector.



The only way to achieve results in this area is to join forces and co-operate closely. The EEA - EFTA States are in the lead in promoting new energy technologies and the increased use of renewable energy sources, such as geothermal energy, as well as in developing carbon capture and storage (CCS) technology. Geothermal energy has extensive potentials and can be an important contribution to goals regarding renewables. Carbon capture and storage may contribute to the rapid reduction of large emissions and we appreciate the EU proposal to establish 12 carbon capture and storage pilot projects.

Expanded co-operation has taken place through our participation in EEA-relevant EU Programmes. In this context, I would like to mention in particular the area of Research and Innovation. Our active participation in Programmes, such as the Seventh Framework Programme on R&D, contributes positively to developments in a range of areas, such as energy and environment. Many of the challenges faced in these areas can only be resolved through international co-operation between researchers, research institutions and authorities throughout the European Economic Area.

We are now successfully participating in a wide range of new generation of Programmes. However, we regret that we still have not been able to formalise our participation in the European Institute for Gender Equality.

Agencies also play an increasingly important role for our co-operation within the Internal Market to the benefit of all parties concerned. Recently, we agreed on the EEA - EFTA States' participation in two key Agencies relating to the Internal Market, namely in the European Food Safety Agency and in the European Chemicals Agency.

The total EEA - EFTA financial commitment to programmes and agencies in 2008 will amount to approximately 196 million euro. And for the EU long-term budget period of 2007 - 2013, the total EEA - EFTA financial commitment to programmes and agencies is estimated to be 1.6 billion euro.

The increased importance of the Programmes for the Lisbon Strategy calls for even greater attention to the Lisbon Process. The EEA - EFTA States support the priorities of the second cycle launched earlier this year. Undoubtedly, the vast range of Programmes — in particular the Lifelong Learning and the Competitiveness and Innovation Programmes — will contribute to the realization of the goals of the Strategy for Growth and Jobs.

The EEA - EFTA States follow attentively the reform process within the European Union. The expected entry into force of the Lisbon Treaty, notably the elimination of the pillar structure, will represent new challenges for the European Economic Area Agreement.

Mr. Chairman,

Through the EEA and the Norwegian Financial Mechanisms the EEA - EFTA States are contributing to the reduction of social and economic disparities within the European Economic Area. Bulgaria and Romania joined the European Economic Area last year, and the two countries will benefit from the EEA Financial Mechanism and new Norwegian Co-operation Programmes through the end of April 2009.

Under the Financial Mechanisms, more than 930 million euro have been made available for individual projects, while 145 million euro are being channelled to groups such as NGOs, students and researchers through specific block grants. As of mid-May 2008, the EEA - EFTA States have approved 533 projects and funds. Several hundred projects are now under implementation.

We are working closely with the beneficiary States to ensure that our cohesion support is being used in a transparent and efficient manner, and that a wide range of good quality projects will reach their goals.

An increasing number of projects have a partner from the donor States. This is a concrete example of how the EEA and Norway grants contribute to the strengthening of bilateral ties between the beneficiary States and the EEA - EFTA States.

As we are going to discuss in more detail in the orientation debate, EU's Maritime Policy integrates many vital policy areas, such as environment, energy, fisheries and transport. The EEA - EFTA States support the comprehensive integrated and holistic approach and have been actively involved in the development of this Policy.

Before concluding my statement, allow me to draw attention to the security amendments to the Community Customs Code, which is an issue that needs to be addressed without further delay, given that the new security amendments will apply from 1 July 2009. Norway has requested a bilateral agreement in order to avoid unnecessary obstacles to trade, and we have discussed it informally with the European Commission. We hope a satisfactory solution could be found soon on the basis of the European Economic Area Agreement.

Finally, Mr Chairman, this term we have enjoyed very good co-operation with the Slovenian EU Presidency, and I would like to thank them for facilitating our participation in informal Ministerial meetings and political dialogues, including arranging the upcoming informal Ministerial meeting in the field of education in Oslo on 5 and 6 June. We look forward to continuing this during the incoming French EU Presidency.

Thank you

**Intervention of Minister KIEBER - BECK, on behalf of the Principality of LIECHTENSTEIN:**

Mr. Chairman, dear Colleagues,

In its Resolution on the Annual Report 2007, Resolution that we have just taken note of, the EEA Joint Parliamentary Committee agrees with the general assessment that the European Economic Area functioned well in the reporting period, and welcomes the solutions found to major outstanding issues.

Certainly, new challenges appear and the Parliamentarians mention some of them in their Resolutions. Let me highlight two issues of political importance.

The first are the necessary consultations for the EEA - EFTA-States' possible financial contributions to reduce the social and economic disparities within the European Economic Area after April 2009. It is important that until the autumn, we have a common understanding on this new period of cohesion funding. This should not be a major problem, since we don't have to take into account new parameters of importance. Continuity should be the rule of the game, no new enlargement before 2009 and no major political changes have to be taken into account. It is basically a prolongation of the EEA Financial Mechanism. It doesn't have to be reinvented. I would like to recall Liechtenstein's Declaration in this respect at the signature of the last European Economic Area Enlargement Agreement. Continuity in the cohesion funding and in its general scope does not mean that we should not give it clearer priorities and improve the functioning and the administration of the funding. I assume that the interests in this respect on the donor and on the beneficiary side are not far apart.

Another issue of interest for the Parliamentarians is the impact on the European Economic Area of the Treaty of Lisbon, for which the ratification procedures advance. It certainly is an issue that needs further reflection, also on the governmental side. In view of the increased role of the European Parliament and of national Parliaments also in Internal Market legislation, a constructive dialogue with the EEA Joint Parliamentary Committee on an increased co-operation with the European Parliament is advisable.

Mr. Chairman,

Let me conclude by thanking you, the whole Slovenian EU Presidency, as well as our Norwegian Presidency on the EEA - EFTA side for a good work in this first half year of 2008. Together with the European Commission and the EFTA Secretariat, you have taken us further in our co-operation. I wish you all the best for the concluding month of your Presidency and I look forward to the French EU Presidency.

Thank you.

## 6. **ORIENTATION DEBATE: MARITIME POLICY**

### **Intervention of State Secretary ŠINKOVEC, on behalf of the EUROPEAN UNION:**

Dear Colleagues,

With its Maritime Policy, the European Union aims to give more prominence to maritime activities and to the environmental advantages of energy-efficient shipping.

The European Union recognises the importance of a global approach to maritime affairs, while ensuring that Europe is ready to lead by example, where necessary.

It is important for Europe to preserve its maritime skills by building new links between training and job mobility, and by exerting pressure at international level for higher standards of shipping and better conditions for seafarers.

An integrated EU Maritime Policy should address in a coherent and comprehensive manner sea-related activities of the European Union, which are currently dealt within a sector by sector manner. This new Policy will allow the European Union to benefit from the full potential of its seas and oceans, while ensuring their sustainable use. Enhanced co-ordination between sectors can prevent inter-user conflicts, minimize inconsistencies, avoid duplications and ensure maximum contribution from individual policies to the overall EU goals of growth, jobs and sustainability.

The European Commission will launch, in accordance to its Action Plan, a wide range of initiatives. A Progress Report will be presented in 2009, following a wide stakeholders consultation across Europe on a future Maritime Policy for the European Union.

We would also like to draw your attention to the fact that the Council of the European Union adopted the Marine Strategy Framework Directive only a few days ago (14 May 2008). This Directive constitutes the Environmental Pillar of the EU Maritime Policy. It aims at achieving good environmental status in EU waters by 2021 at the latest.

It also promotes regional co-operation between the EU Member States and third countries in the European Marine Regions, including the North East Atlantic Ocean.

We look forward to the full participation of the EEA - EFTA partners in those activities.

At the same time, implementing an eco-system based approach within the context of an overall Maritime Policy is a challenge for all of us. This is particularly the case for fisheries, where the European Community has close links with you, especially with our Icelandic and Norwegian colleagues.

Implementing such an approach has been our objective since 2002, after the World Summit in Johannesburg and the reform of the Common Fisheries Policy. The focus has been on three elements:

- Firstly, reducing fishing pressure by implementing long-term management plans. We have agreed nine so far and are currently discussing with our Norwegian colleagues on a revision to the cod plan in the North Sea. In this context, I am pleased to see that the European Community, Iceland and Norway have been parties to Agreements in the last two years on such plans for blue whiting and Atlanto-Scandian herring in the North-East Atlantic. This shows a strong commitment to a long-term ecosystem based approach;
- Secondly, protecting sensitive marine habitats. Striking a balance with fishing interests is not always easy as we have seen this year for the protection of vulnerable habitats off the coast of Ireland;
- And finally, protecting sensitive species.

The European Community attaches great importance to continuing to implement such an approach. In this context, Fisheries Ministers will be discussing this September how the Common Fisheries Policy can implement an ecosystem approach to marine management.

We look forward to continuing to work with you on this issue, including in the context of our bi-lateral agreements.

Thank you.



**Intervention of Mr. KOVANDA on behalf of the EUROPEAN COMMISSION:**

Mr. Chairman,

It goes without saying that among the EEA - EFTA States, the subject of Maritime Policy concerns Iceland and Norway rather more than Liechtenstein; nevertheless, as a subject of general interest and universal importance and also as one with important Internal Market dimensions, I am pleased to address this issue in the context of the EEA Council.

The European Union, Iceland, and Norway share a common marine environment and face common threats and challenges. The prospect for increased shipping, the exploitation of fishing resources, the opening of new navigation routes, the impacts of climate change, the protection of the marine environment and the expanding exploitation of oil, gas and mineral resources raise a number of issues that we need to face together.

As you are well aware, the European Union has recently developed a new Maritime Policy aimed, in the wider maritime sphere, at stimulating growth and jobs under the Lisbon agenda. This should be done in a sustainable way, ensuring the protection of the marine environment. By looking at the oceans and seas in an integrated manner, the European Commission is putting particular emphasis on our oceans and seas and we are committed to promoting a more Maritime Europe.

The experience of Norway and Iceland in maritime affairs has provided useful food for thought in the preparation of the Maritime Policy at EU level.

The close co-operation between the European Union, Norway, and Iceland in this preparation of the EU Maritime Policy has produced valuable results. Both these EEA - EFTA States have participated in the Experts Group on Maritime Policy, have contributed to the consultation process launched by the Green Paper and have participated in the European Maritime Day conference that took place here in Brussels last Tuesday.

The European Commission is very interested in pursuing this close collaboration and in continuing this dialogue, not least on the implementation of the Maritime Policy and the development of the next steps to be taken.

We would like to keep Iceland and Norway involved in the development of projects of great importance, such as Maritime Surveillance, Marine Spatial Planning and the European Marine Observation and Data Network.

Our co-operation in the fisheries area, strictly speaking, notably our joint efforts on resource management, on combating illegal fishing, and on regulating discards, also deserves to be mentioned.

In relation to Iceland and Norway, there is of course a special arctic dimension to our common policy priorities in the field of Maritime Policy, as stressed at last week's Maritime Day Conference. This is demonstrated, for example, by our common objectives in relation to the Maritime Spatial Planning in the Barents Sea - *Lofoten* area, where we aim at creating a more rational organisation of the use of marine space and the interactions between its uses, at balancing demands for development against the need to protect the environment, and at achieving social and economic objectives in an open and planned way.

We also see the Norwegian Integrated Management Plan for the Barents Sea - *Lofoten* area as a very positive initiative, which again supports our shared priorities, equally reflected in the EU Integrated Maritime Policy, in terms of protection of the maritime environment and sustainable exploitation of energy resources.

The European Union is working very hard in strengthening the inclusion of renewables in its energy supply. Particular challenges are the maritime renewable energy sources, and in particular the wind energy. Currently, the European Commission is developing an Offshore Wind Energy Action Plan, focusing on the development of offshore and coastal water wind. This Action Plan is also relevant in the context of the Maritime Policy. We would be happy to discuss experiences and share best practices.

The European Commission is furthermore looking into new Maritime Policy areas to enhance co-operation with Iceland and Norway. In this light, the European Commission has begun reflecting on whether it could be of interest to all our partners to establish an OECD group on integrated Maritime Policy. Such a forum would allow a regular and structured exchange of best practices, and would also allow all parties to share conceptual work of common interest.

The EU Maritime Policy is to be implemented in a more joined-up approach in order to protect the ecological balance of our oceans as a sustainable source of wealth and well-being for future generations.

The Marine Strategy Directive and the Common Fisheries Policy will seek to achieve this goal by adopting an ecosystem-based approach. This should ensure protection for vulnerable habitats and biodiversity, should safeguard the integrity of key ecosystem processes, and thus should create a healthy marine environment, which will positively support sustainable human activities. Since we share common seas and oceans, the European Union alone cannot achieve these objectives without the participation of our neighbours.

Shipping is a thriving sector and although it is very efficient in general, it still has a large environmental footprint. The development of maritime transport policy is of interest not only to the sector itself, but also for the further development of the European Maritime economy.

The European Commission seeks to reinforce the sector with the EEA - EFTA States concerned, ensuring the appropriate development of such important initiatives as Maritime Space without Barriers, Motorways of the Sea or the forthcoming Strategy for Maritime Transport.

Promoting an efficient, competitive, environmentally friendly and sustainable maritime transport sector requires that the European Union adopts a holistic approach to maritime transport. The identification of synergies between issues such as environmental sustainability and green shipping, shipping technology, know-how and innovation, as well as maritime safety forms the foundation for the emergence of sustainable maritime transport.

In this light, the European Commission is committed in promoting the reduction of the environmental footprint of the shipping sector through actions, such as the reduction of gas emissions from ships, the establishment of a strategy for an environmentally sound management of ship dismantling, or the preparation of the necessary guidelines to make EU ports greener.

The co-operation on science, research and technological development that we enjoy with the EEA - EFTA States which, i.a., participate fully in the 7<sup>th</sup> Research Framework Programme through the European Economic Area Agreement, is equally very important for the development of the Maritime Research Strategy. It underpins key objectives, such as ecosystem-based management, sustainable growth in the marine and maritime sectors, greener maritime transport, climate change monitoring and mitigation such as Carbon Capture and Storage, renewable energy as well as capacity building of human resources and infrastructure.

To sum up, Mr. Chairman, Maritime Policy is an area that covers a multitude of policy priorities, where I am confident that we can help each other to achieve our common goals, be it by further developing the relevant European Economic Area legislation or through continued constructive bilateral co-operation.

Thank you.

**Intervention of State Secretary WALAAS , on behalf of the Kingdom of NORWAY:**

Mr. Chairman,

The European Union and Norway share a focus on the importance of maritime affairs, and we and other EFTA States have followed the process leading up to the presentation of the Action Plan closely. Norway became involved at an early stage, and both Norway and Iceland have provided input to the process. We stand ready to contribute also in the follow-up described in the Action Plan. In light of the importance of the Norwegian shipping industry, one of the many actions that we want to follow closely is the European Commission's White Paper on Maritime Transport Strategy for the years 2008 - 2018. This is in line with the close co-operation that we have had with the European Union on maritime matters for many years. Since 1977, we have had biannual maritime meetings with the European Commission.

Norway's goal is to maintain a world-leading maritime industry that is innovative and environmentally friendly. In 2007, we launched a Maritime Strategy that set out specific goals for our maritime sector. This work on our national maritime strategy and the foreseen marine strategy is well in line with the work of the European Commission.

Regarding Consultation on a European Space for Maritime Transport, we welcome the European Commission's initiative to gather data from relevant stakeholders with the aim of simplifying administrative procedures in shipping. This will strengthen efficiency and competitiveness. However, it is important that this initiative is "flag neutral", in order to avoid creating a "fortress Europe".

Maritime transport is a truly global industry. Challenges relating to safety, environmental, and security issues require international co-operation, global solutions and IMO rules. It is important that we join forces, that we take initiatives, and that we take the lead. Unilateral and regional regulations should be avoided.

An integrated approach to ocean management and maritime affairs, as represented by the EU Maritime Policy, is very much in line with Norwegian thinking and policy. In our view, cross-sectoral co-operation and integration is a key to sustainable use of the maritime area.

Ecosystem-based management is one of the fundamental principles of the EU's Maritime Policy and should be pursued within and across all activities related to the exploitation of the ocean's resources. The Norwegian Government's White Paper *Integrated Management of the Marine Environment of the Barents Sea and the Sea Areas off the Lofoten Islands* was adopted by the Norwegian Parliament in June 2006. It provides for a framework for sustainable use of natural resources that safeguards the structure, the functioning, and the productivity of the ecosystems in these sea areas. A management plan for the Norwegian Sea is also in the pipeline

Ecosystem-based management is also an important principle of Norway's recently passed Marine Resource Act. The Act establishes a new management principle, under which all harvesting of living marine resources under Norwegian fisheries jurisdiction by Norwegian vessels is allowed, unless expressly prohibited by the authorities. The fisheries management authorities are thus under legal obligation to evaluate on a regular basis what measures are necessary to ensure sustainable management of the living marine resources.

Illegal, unregulated and unreported fishing (IUU fishing) poses a serious threat to the sustainable management of marine ecosystems. Partly as a result of the co-operation between Norway and the European Union in the North East Atlantic Fisheries Commission (NEAFC), which also involves co-operation with Russia, the over fishing of cod in the Barents Sea has been significantly reduced. The introduction of port State measures has been particularly important in this context. We are also encouraged by the political commitment of the European Commission to reduce unwanted by-catch and discards of fish. Discard is a wasteful practice, and restrictions on discards in EU waters would contribute significantly to improving the condition of our shared stocks.

Norway shares the EU's concerns on unregulated and unreported fishing and is following closely the discussions in the Council of the European Union on a new Regulation on unregulated and unreported fishing. We have a good dialogue with the Presidency of the Council of the European Union and the European Commission to find practical solutions to avoid unintended consequences to the Norwegian exports of fish to the EU market.

Norway welcomes the EU's initiatives on increasing the efficiency, integration and sustainability of freight transport in Europe. Sustainable maritime transport requires a proactive maritime safety and security policy that seeks to improve ship safety, safeguard human life at sea, and protect the marine environment and coastal activities. As a coastal state, Norway shares the EU's goal to ensure safe, secure, and efficient maritime transport. Norway will play an active part in promoting good solutions.

Norway is also actively involved in the EU's development of maritime surveillance and tracking systems. We support the work by the European Union to develop a comprehensive network of existing and future vessel tracking systems in Europe. Access to reliable information on infrastructure, on the environment, on the exploitation of resources such as oil, gas and fish, and on transport in the High North, is vital for sound management of these sea areas. Knowledge about existing maritime surveillance systems, including any weaknesses they may have, is essential with a view to integration. Norway believes that close co-operation with neighbouring countries is important in order to develop an interoperable monitoring system in the High North.

Good emergency response systems for acute pollution are essential not only to protect the environment, but also to ensure the safety of ships and crew. Increasing maritime transport in northern sea areas gives rise to particular challenges, for example in relation to the transport of oil and gas. We attach great importance to our close co-operation with Russia both on safety at sea and in the field of accidental or deliberate acute marine pollution. We would also like to highlight the close co-operation that we enjoy with the European Maritime Safety Agency (EMSA), with regard to maritime safety and oil spill preparedness.

Norway believes that it is of crucial importance to develop sustainable and efficient sea routes between Europe and northwestern Russia in response to the expected increase in transport of cargo by sea. Norway has high expectations of the North Dimension partnership in terms of finding solutions to transport and logistics issues in the High North.

In April this year, the IMO's Marine Environment Protection Committee (MEPC) agreed on amendments to the MARPOL Convention, in order to reduce harmful air pollution from shipping. The amendments should lead to important reductions in sulphur oxide and nitrogen oxide emissions from ships. In Norway, this step forward has been termed "historical" and marks a milestone after years of hard work on this issue.

International shipping is also a significant contributor to global greenhouse gas emissions, and it is imperative to establish a legally binding, and preferably global, regime in this area. We believe that the UN Convention on Climate Change (UNFCCC) should set a global reduction target, which is in line with our shared vision of keeping the global temperature increase below 2 degrees Celsius. However, in view of the well-established role of the International Maritime Organisation (IMO) as a regulator for shipping, the regulatory framework should be established under the IMO.

We sincerely hope that, with active contributions from the EU and from the EEA - EFTA States, progress will be made at the IMO's Marine Environment Protection Committee intercessional meeting of the Greenhouse Gas Working Group, which will take place in Oslo in June this year. We certainly look forward to continuing our close and constructive co-operation on this matter.

Finally, we were pleased to see that the EU Maritime Policy shows commitment to new measures on ship recycling. Norway is taking active part in the development of the new IMO Convention on Safe and Environmentally Sound Ship Recycling. Indeed, Norway volunteered to draft this new Convention, because we have a genuine interest in solving the environmental and human safety problems associated with ship recycling. The negotiations are now in the final phase, and the new Convention is expected to be adopted in May 2009. We value the contribution of the European Commission within the International Maritime Organisation and in other fora, where this issue features on the agenda, and we will follow the development of an EU position in this regard with interest.

Thank you.



**Intervention of State Secretary SIGURÐSSON, on behalf of ICELAND:**

Dear Colleagues,

Iceland has followed the developments of the EU's Maritime Policy with great interest in the past years and taken an active part in the process.

It will therefore come as no surprise that Iceland attaches great importance to the benefits of an integrated Maritime Policy and that we have strongly welcomed the EU's commitment to address all the various policy aspects relating to the sea in a holistic manner.

I would like to thank the European Union for involving the EEA - EFTA States in the process that lies ahead and for making it possible for us to continue taking an active part in the shaping of the Maritime Policy. As a seafaring nation surrounded by the Atlantic Ocean and dependant on its sustainability for our survival, we have a lot to contribute in this field and great interests are at stake in maintaining the sustainability of the sea.

Of course, the EU's Maritime Policy will have a direct impact on the coastal EEA - EFTA States, as it is safe to assume that a part of the legislation adopted on the basis of the Maritime Policy will in due course be incorporated into the European Economic Area Agreement.

We will continue to follow the developments actively and use opportunities to take part in the shaping of the Maritime Policy.

Iceland has stressed the importance of ecosystem based management and that care should be taken that sustainability lies at the heart of all maritime development and use of resources.

Iceland has therefore welcomed the European Commission's focus on firm action against illegal, unreported and unregulated (IUU) fishing and the intention to review EU's discard policy. These problems are a serious threat to marine ecosystems and undermine efforts to achieve sustainable fisheries. We share the European Commission's view that it is time to take the combat against illegal, unreported and unregulated IUU fishing to a new level and that it is important to remove the incentive for illegal activities by making it very difficult, if not impossible, to market illegal, unreported and unregulated IUU fishing products. However, in this regard it must be ensured that administrative burdens do not become excessive, and thus make it difficult to market legally caught fishery products in the European Union.

Iceland also stresses that an international regulatory framework should be developed that prevents Governments from subsidising commercial activities that are not sustainable and endanger the resources of the sea.

Global warming and decrease of ice coverage in the Arctic creates opportunities, as well as challenges. The resources of the Arctic become more accessible and new transportation routes may open, creating a Transarctic connection between the North Atlantic Economies and the growing economies of the Far East.

Marine traffic in the Arctic has already increased substantially as a result of intensifying exploitation of Arctic resources, particularly oil and gas. The traffic will increase still faster in the near future with receding ice and the introduction of new technologies for navigation through ice will also increase.

The implications of drastically decreased ice in the Arctic Ocean have yet to be fully realised. New fishing grounds may open with some fish stocks in the North Atlantic moving further north.

Iceland is concerned about the environmental and safety concerns related to increased shipping. Particularly when it comes to the Arctic, as this area is extremely vulnerable, not least when it comes to climate change and its impact. Care must be taken to minimize environmental effects of resource development and increased shipping activity in the Arctic.

The capacity for emergency response must be increased to cope with intensifying resource development and shipping in the Arctic. International co-operation and multi-national arrangements must be made with the establishment of a unified command system for response, including common contingency plans, the availability of sensitivity maps, increased surveillance, etc.. Iceland would welcome increased multilateral co-operation of stakeholders, including the European Union, in order to address those issues. Iceland is a member of EMSA (European Maritime Safety Agency) and would welcome discussions about this in that forum.

Iceland called for a coherent policy on the Arctic in its contribution to the Green Paper. We have therefore especially welcomed the work already underway to develop an EU Strategy for the Arctic. Iceland is working on its own Arctic Strategy and is prepared to consult and co-ordinate with the European Union on this issue.

A strong focus should be given to research and development of more environmentally friendly shipping and of ways to reduce emissions and other pollution from ships.

Icelandic companies have been doing research in this field, for example on how to maximise operating results of ocean vessels by minimising fuel consumption and harmful emissions. Iceland has also been in the forefront of researching the potential of hydrogen as an energy carrier. A project for testing hydrogen as an energy carrier on sea was recently launched. A hydrogen fuel cell was put aboard a vessel for testing this technology in a new environment, which is both salty and wet and hard on electronic equipment.

The Icelandic Government strongly agrees with the concerns expressed by the European Union with respect to greenhouse gas emissions coming from ships and the importance of seeking all possible means of reducing emissions generated by maritime activity.

Monitoring of climate change and its potential impact on the Gulf Stream and other ocean currents, as well as on marine biota, should be strengthened. It is critical to minimise the risk of environmental damage to coastal areas as a result of maritime activity. Sailing routes with the heaviest traffic need to be better surveyed and mapped. Iceland takes the view that Governments must have the statutory authority to order that specific routes be taken by vessels with hazardous cargo.

Iceland has supported efforts by IMO (International Maritime Organisation) to look for ways to limit emissions from maritime transport. Iceland is of the opinion that the expertise of this Organisation should be utilised to set standards and other measures to limit emissions from maritime activity.

Currently measures are underway to extend the EU's Emissions Trading Scheme (ETS) to aviation. Such proposals have not been put forth regarding shipping. Iceland would be willing to study proposals for a trading system encompassing maritime transport, but such a system would have to be constructed in a transparent way, in order for it to be effective and fair.

Thank you.

**Intervention of State Secretary ŠINKOVEC, on behalf of the EUROPEAN UNION:**

I think that brings us to an end of our orientation debate.

## **7. ADOPTION OF THE CONCLUSIONS OF THE 29<sup>th</sup> EEA COUNCIL**

The EEA Council adopted its Conclusions, as set out in doc. EEE 1602/1/08 REV1.

## 8. OTHER BUSINESS

The EEA Council noted that there had been a debate on Kosovo, the Middle East, and Afghanistan, within the framework of the Political Dialogue.

**Intervention of State Secretary ŠINKOVEC, on behalf of the EUROPEAN UNION:**

We have then concluded the examination of the points on our Agenda.

Allow me to express my satisfaction at the closure of this 29<sup>th</sup> meeting of the EEA Council meeting and thank all of you from the EEA - EFTA States, the Member States of the European Union, the European Commission, the EFTA Secretariat, the EFTA Surveillance Authority and the EU Council Secretariat for your participation in this meeting.

**Intervention of State Secretary WALAAS, on behalf of the EEA – EFTA States:**

We do share your satisfaction at the end of this 29<sup>th</sup> meeting of our EEA Council.

**Intervention of State Secretary ŠINKOVEC, on behalf of the EUROPEAN UNION:**

The meeting is closed.

**Twenty ninth meeting of the**  
**EEA COUNCIL**  
**(Brussels, Tuesday 27 May 2008)**

**LIST OF DELEGATIONS**

**I. The Governments of the EEA – EFTA States were represented as follows:**

**THE KINGDOM OF NORWAY**

H.E. Elisabeth WALAAS	State Secretary at the Ministry for Foreign Affairs
H.E.. Oda Helen SLETNES	Ambassador, Head of the Mission of Norway to the European Union
Mr. Helge SKAARA	Minister, Deputy Head of the Mission of Norway to the European Union
Ms. Anne Sofie BJELLAND	Minister Counsellor
Ms. Hege HOFF	Deputy Director-General
Mr. Dag HOLLER	Counsellor
Mr. Paul OMA	Counsellor
Mr. Rune BJÅSTAD	Counsellor, Information, Communication and Press, Mission of Norway to the European Union
Ms. Ingeborg DJUPVIK	Counsellor, Mission of Norway to the European Union
Mr. Ole Bjørn RØEGGEN	Counsellor

## **THE PRINCIPALITY OF LIECHTENSTEIN**

H.E. Rita KIEBER -BECK	Minister for Foreign Affairs
H.S.H. Prince NIKOLAUS of Liechtenstein	Ambassador, Head of the Mission of Liechtenstein to the European Union
Mr. Georges BAUR	Deputy Head of the Mission of Liechtenstein to the European Union
Mr. Pascal SCHAFHAUSER	Counsellor, Mission of Liechtenstein to the European Union

## **ICELAND**

H.E. Grétar Már SIGURÐSSON	Permanent State Secretary at the Ministry for Foreign Affairs
H.E. Stefán Haukur JÓHANNESSON	Ambassador, Head of the Mission of Iceland to the European Union
Mr. Högni S. KRISTJÁNSSON	Director, Department for European Affairs at the Ministry for Foreign Affairs
Ms. Ragnheiður E. THORSTEINSDÓTTIR	Deputy Head of the Mission of Iceland to the European Union
Ms. Thora MAGNÚSDÓTTIR	Counsellor
Ms. Erna HALLGRÍMSDÓTTIR	First Secretary, Mission of Iceland to the European Union

## **II. The Troika of the European Union was represented as follows:**

### **THE REPUBLIC OF SLOVENIA**

#### **(PRESIDENCY-IN-OFFICE OF THE COUNCIL OF THE EUROPEAN UNION)**

H.E. Matjaž ŠINKOVEC	State Secretary, Office of the Prime Minister of the Republic of Slovenia
H.E. Jožef DROFENIK	Ambassador, Chair of the EFTA Working Party at the Council of the European Union.
Ms. Nataša FLORJANČIČ	Assistant to the Chair of the EFTA Working Party at the Council of the European Union
Ms. Katarina PETAČ	Permanent Representation of the Republic of Slovenia to the European Union

### **FRENCH REPUBLIC**

#### **(INCOMING PRESIDENCY-IN-OFFICE OF THE COUNCIL OF THE EUROPEAN UNION)**

Mr. Pierre-Alain COFFINIER	Head of the Department for Western & Northern Europe at the Ministry for Foreign Affairs
Ms. Natasha BUTLER	Permanent Representation of Portugal to the European Union, incoming Chair of the EFTA Working Party at the Council of the European Union



## **EUROPEAN COMMISSION**

Mr Karel KOVANDA	Deputy Director General and Political Director, DG External Relations
Mr. Matthias BRINKMANN	Head of Unit - Western Europe, DG External Relations
Mr. Peter MEYER	Principal Administrator, Western Europe Unit, DG External Relations
Mr. Lars-Olof HOLLNER	Principal Administrator, Western Europe Unit, DG External Relations
Ms. Alison LAWRENCE-MOLDERS	Western Europe Unit, DG External Relations

## **COUNCIL OF THE EUROPEAN UNION - GENERAL SECRETARIAT**

Mr. Massimo PARNISARI	Head of Unit, Trade and Non EU Western Europe
Mr. Georgios KRITIKOS	DG E II/2 - Desk Officer for Non EU Western Europe
Ms. Agnieszka CZARNECKA	DG E II/2 Non EU Western Europe

### **III. The European Free Trade Association (EFTA) was represented as follows:**

#### **SECRETARIAT**

H.E. Bergdís ELLERTSDÓTTIR	Deputy Secretary General
Mr. Lars Erik NORDGAARD	Director, EEA Co-ordination Division
Mr. Gunnar SELVIK	Director, Goods Division
Ms. Ásta MAGNÚSDÓTTIR	Director, Services, Capital, Persons and Programmes Division
Ms. Hrund HAFSTEINSDÓTTIR	Senior Officer, EEA Co-ordination Division, Secretary to the EFTA Standing Committee

#### **SURVEILLANCE AUTHORITY**

Mr. Per SANDERUD	President
Mr. Kurt JÄGER	College Member
Mr. Kristján Andri STEFÁNSSON	College Member
Mr. Inge Hausken THYGESSEN	Officer, Press and Information

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**EUROPEAN ECONOMIC AREA  
Council of the EEA**

**Brussels, 8 May 2008**

**EEE 1603/08**

**REPORT**

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Subject : Progress Report by the EEA Joint Committee to the 29<sup>th</sup> meeting of the EEA Council

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**Decision-making**

1. Since the last EEA Council in November, the EEA Joint Committee has adopted 83 Decisions incorporating 173 legal acts.

**Decision-shaping**

2. EEA - EFTA experts continued to contribute to the work of Commission's Working Groups and Committees. Since November 2007, five EEA - EFTA Comments have been submitted.

## **Important decisions taken by the EEA Joint Committee**

3. The EEA - EFTA States were successfully included in most of the EEA-relevant programmes and agencies in which they wished to participate for the period 2007 - 2013. The total EEA - EFTA payment contribution amounted to €131.8 million in 2007. The priority has been to make information on the new programmes more easily available to the public. The programmes are co-financed by the EEA - EFTA States and their participation contributes to the strengthening of the EEA co-operation outside the four freedoms of the Internal Market. Moreover, their participation promotes the attainment of the objectives of the Lisbon Strategy towards a more competitive and innovative Europe.
4. The EEA - EFTA States are linked to the EU ETS (Emission Trading Scheme) since the relevant acquis came into force in January 2008. The situation of the EFTA - EEA States varies in respect of the National Allocation Plans.
5. In December 2007, the Joint Committee adopted the Directive on the right of citizens of the European Union and their family members to move and reside freely within the territory of the Member States. In that connection, a General Declaration was adopted stating that immigration policy is not a part of the EEA Agreement.
6. In March 2008, the Joint Committee adopted the Decision providing for EEA - EFTA participation in REACH. The REACH Regulation will enter into force when parliamentary procedures of the EEA - EFTA States have been completed. This is foreseen to take place well before 1 June 2008, when the pre-registration of substances starts.

## **Status of outstanding issues**

7. The EEA - EFTA States have expressed their interest in participating in the European Institute for Gender Equality. The matter is under consideration by the EEA - EFTA side.
8. The EEA - EFTA States have welcomed the comprehensive approach of the Energy and Climate Change Package, launched by the Commission on 23 January 2008. The Package is under consideration within the EEA - EFTA States.

9. The EEA - EFTA States have followed developments regarding the EU's Maritime Policy closely and provided input. They have expressed their intention to continue to do so.

### **Financial Mechanisms**

10. With one year left of the five-year commitment period which ends in April 2009, the EEA - EFTA States have made available more than €1 billion to applicants in the 15 beneficiary States. Of this amount, close to €890 million has been made available for individual projects in the beneficiary States, while €145 million has been channelled to groups such as non-governmental organisations, students and researchers through block grants.

Open calls for project proposals were launched in Bulgaria and Romania this spring. By mid-April 2008, the EEA - EFTA States had approved more than 480 projects, programmes and funds amounting to around €590 million in grants.

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**EUROPEAN ECONOMIC AREA  
Council of the EEA**

**Brussels, 27 May 2008**

**EEE 1602/1/08  
REV 1**

**CONCLUSIONS**

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Subject :           Conclusions of the 29<sup>th</sup> meeting of the EEA Council  
                          Brussels 27 May 2008

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1.   The twenty-ninth meeting of the EEA Council took place in Brussels on 27 May 2008 under the Presidency of Mr. *Matjaž Šinkovec*, State Secretary at the Office of the Prime Minister of Slovenia. The meeting was attended by Ms. *Elisabeth Walaas*, State Secretary, Ministry of Foreign Affairs, Norway, by Ms. *Rita Kieber-Beck*, Minister for Foreign Affairs of Liechtenstein, by Mr. *Grétar Már Sigurðsson*, Permanent Secretary of State, Ministry of Foreign Affairs of Iceland, by Members of the Council of the European Union and by a Representative of the European Commission.
2.   The EEA Council noted that within the framework of the Political Dialogue, the Ministers discussed Kosovo, Middle East and Afghanistan.
3.   The EEA Council noted that the Lisbon Strategy for Growth and Jobs has entered into a more focused phase with integrated guidelines for growth and jobs, recognising that the renewed Strategy has already yielded results. The EEA Council welcomed the new cycle of the Strategy starting in 2008, following its endorsement at the Spring European Council.

4. The Ministers stressed the importance of the proposals in the Third Energy Market Package submitted on 19 September 2007 for effective, fully-functioning and interconnected European Electricity and Gas Markets. The Ministers agreed that the further legislative processes in this Package are now approaching a decisive phase and underlined the necessity and feasibility of finding appropriate solutions to the issues at stake.
5. The Ministers welcomed the comprehensive approach of the Energy and Climate Change Package launched on 23 January and endorsed at the Spring European Council. The Package is currently under consideration within the EEA - EFTA States. The Ministers stressed the importance of continuous close co-operation between the EU and the EEA - EFTA States, *inter alia*, in promoting energy technology, increased use of renewable energy resources (e.g. geothermal energy), and carbon capture and storage (CCS) alongside other technologies. They underlined the importance of supporting early and environmentally safe demonstration of CCS, and expressed interest for EEA - EFTA States' CCS projects to participate in the EU project network for early movers. They recognised the need to address the concern represented by the risk of carbon leakage in certain sectors such as energy intensive industry particularly exposed to international competition.
6. Furthermore, the Ministers noted proposals on the introduction of new sectors into the Emission Trading Scheme and took note of the need to take into account the special circumstances of the EEA - EFTA States.

7. The Ministers expressed their appreciation for the continued progress concerning the EEA Financial Mechanism and the Norwegian Financial Mechanism, with a current portfolio of almost 500 committed projects and block grants supported across Central and Southern Europe, and for the direct co-operation between bodies in the beneficiary States and in the EEA - EFTA States through partnership projects. The EEA Council expressed its satisfaction with the fact that calls for individual project proposals have been held in all beneficiary States. In addition to the € 887 million made available to individual projects by 1 April 2008, more than 40 block grants have been established within the beneficiary States to channel over € 145 million in grants to groups such as non-governmental organisations (NGOs), students and researchers. By 1 April 2008, the EEA - EFTA States had approved applications totalling € 569 million. The EEA Council also noted the further positive effects to be gained from the dedicated efforts of both the donor and the beneficiary States for the successful and timely implementation of the selected projects.
8. The EEA Council noted the Progress Report of the EEA Joint Committee and in particular:
- Welcomed the participation of the EEA - EFTA States in EEA-relevant EU Programmes for the period 2007 - 2013. This participation is co-financed by the EEA - EFTA States. It also welcomed the EEA - EFTA States' active participation in the new generation of Programmes, thus promoting common interests, towards a more competitive and innovative Europe;
  - Welcomed the on-going trade negotiations between the European Community and Iceland in processed agricultural products within the framework of Protocol 3 to the EEA Agreement and the possible inclusion of Article 19 products into these negotiations. It equally welcomed the continued negotiations between the European Community and Norway on further liberalisation of trade in agricultural products on the basis of Article 19 of the EEA Agreement and noted the review process between the European Community and Norway within the framework of Protocol 3 to the EEA Agreement;



- Welcomed the incorporation of the EU Chemicals Regulation – *REACH* - into the EEA Agreement, including the participation of the EEA - EFTA States in the new European Chemicals Agency. The Ministers agreed that a good foundation for further co-operation in this important area had thus been established.
- Welcomed the follow-up of the new EU Innovation Strategy, in particular the emphasis on the Lead Markets Initiative and the establishment of the European Institute of Innovation and Technology;
- Welcomed the follow-up of the Integrated Maritime Policy and underlined the importance of the close involvement of the EEA - EFTA States in further developments;
- Underlined the importance of EEA – EFTA contribution to the follow-up of the Single Market Review;
- Welcomed the second review of the Better Regulation Initiative and underlined its relevance for the whole of the EEA;
- Acknowledged the EEA - EFTA stake in the efforts to establish an improved general framework for services in the Internal Market;
- Welcomed the EEA - EFTA contributions to the decision-shaping process of EEA-relevant EC legislation and programmes through i.a. participation in relevant Committees and Expert Groups, and by submitting EEA - EFTA Comments.

9. The EEA Council held an orientation debate on *Maritime Policy*.

10. The Ministers underlined the importance for the Contracting Parties to ascertain that relevant actors throughout the European Economic Area remain well informed about the EEA Agreement.

11. The EEA Council recognised the importance of inviting EEA - EFTA Ministers to attend relevant informal EU Ministerial Meetings and Ministerial Conferences on the basis of EEA - EFTA participation in the Internal Market. The EEA Council also recalled the practice of inviting the EEA - EFTA States - at the level of officials - to political dialogue meetings with relevant Council Working Parties in troika format and expressed its appreciation to the incoming French Presidency for the continuation of this practice.
12. The EEA Council noted the Resolutions of the EEA Joint Parliamentary Committee adopted at its 30th meeting in *Reykjavík*, Iceland on 29-30 April 2008 on *The Annual Report on the Functioning of the EEA Agreement in 2007* and on *Health services in the EEA*.

The EEA Council also noted the Resolutions of the EEA Consultative Committee adopted at its 16th meeting in *Svalbard*, Norway on 14-16 May 2008 on *Transport* and *Life-long Learning*.

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