

**DRAFT MINUTES**

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Subject : Draft minutes of the 38<sup>th</sup> meeting of the EEA Council  
Brussels, 26 November 2012

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**DRAFT MINUTES**  
**of the 38<sup>th</sup> meeting of the**

**EEA COUNCIL**

**(Brussels, 26 November 2012)**

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The EEA Council held its 38<sup>th</sup> meeting in Brussels on 26 November 2012.

The meeting was chaired by Mr *Espen Barth EIDE* (Minister of Foreign Affairs of the *Kingdom of Norway* and President-in-office of the EEA Council), accompanied by Ms *Aurelia FRICK* (Minister of Foreign Affairs of the Principality of *LIECHTENSTEIN*) and Mr *Össur SKARPHÉDINSSON* (Minister for Foreign Affairs of *Iceland*). The EEA EFTA delegation also included Mr *Kristinn F. ÁRNASON* (Secretary General of the *European Free Trade Association - EFTA*) and Mrs *Oda Helen SLETNES* ( President of the *EFTA Surveillance Authority - ESA*).

The EU delegation was led by Mr Andreas D. MAVROYIANNIS (Deputy Minister of the President of *Cyprus* for European Affairs), representing the Presidency of the Council of the European Union, accompanied by Mr John O'SULLIVAN (Deputy Director of the Western Europe and External Relations Section in the Department of Foreign Affairs and Trade of the *Republic of Ireland*), Mr Zoltan MARTINUSZ (Director for Enlargement, Security, Civil Protection, Foreign Affairs Council Support, *General Secretariat of the Council*), Mr David O'SULLIVAN (Chief Operating Officer, *European External Action Service (EEAS)*), and Mr Olivier SALLES (Head of Unit, DG Markt of the *European Commission*).

At the political dialogue preceding the EEA Council meeting, the EU delegation was led by Mr Andreas D. MAVROYIANNIS (Deputy Minister of the President of *Cyprus* for European Affairs) on behalf of the High Representative of the Union for Foreign Affairs and Security Policy, and participants included Mr Zoltan MARTINUSZ (Director for Enlargement, Security, Civil Protection, Foreign Affairs Council Support, *General Secretariat of the Council*) and Mr David O'SULLIVAN (Chief Operating Officer, *European External Action Service (EEAS)*).

**Opening statement of Minister Eide, President of the EEA Council:**

Dear co-chair and dear colleagues,

I welcome you to the 38<sup>th</sup> meeting of the EEA Council. I would like to open the meeting by giving the floor to Deputy Minister MAVROYIANNIS.

**Opening statement of Deputy Minister MAVROYIANNIS , on behalf of the EU:**

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

It is a great pleasure for me to welcome you here in the premises of the Council of the EU for our 38th EEA Council meeting. We are especially pleased to welcome among us today the new Minister for Foreign Affairs of Norway, Mr EIDE, and we extend to you our wishes for success in your new duties.

The President of the Council of the EU, Foreign Minister Kozakou-Marcoullis, who, due to other commitments, is unable to attend, has asked me to convey to you her best wishes for a fruitful meeting.

Before we go into the substance of our agenda, I would like to sincerely thank you and the EFTA Secretariat for the excellent co-operation in finalising the arrangements for this meeting.

To save time, I would like to confirm that there is an agreement on dealing with items 1, 2 and 3 of our Agenda without prior discussion.

**1. ADOPTION OF THE AGENDA**

The EEA Council adopted the Agenda, as set out in doc. EEE 1606/12.

## **2. APPROVAL OF THE MINUTES**

The EEA Council approved the minutes of the 37<sup>th</sup> meeting of the EEA Council, which took place in Brussels on 14 May 2012, as set out in doc. EEE 1604/12.

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

The EEA Council took note of the Progress Report by the EEA Joint Committee, as set out in doc. EEE 1608/12.

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

### **Intervention of Minister EIDE, on behalf of the EEA - EFTA States:**

Mr Chairman,

Dear colleagues,

These are challenging times for Europe. As we try to resolve the greatest economic crisis for generations, it is essential that our responses build upon what has already been accomplished. One of Europe's greatest achievements is the Single Market, which celebrates its 20th anniversary this year. This has not only increased prosperity and created millions of new jobs across thirty European countries. It has also expanded the freedom of our citizens; to live, study, and work wherever they want within an ever larger European Economic Area.

Simply to maintain the Single Market is in itself a daunting task. The mere fact that the integrity of the Single Market has been safeguarded during the unprecedented crisis we are living through, is testament to the importance we attach to this common endeavour.

But it cannot be taken for granted and its maintenance is not, in itself, enough.

The further development of integrated networks and the digital economy, improving the Single Market in services and strengthening its governance, are among areas important for future growth in Europe. The EEA EFTA States support these priorities, as set out in the Single Market Acts and other recent EU initiatives.

The EEA Agreement has been in force and served all of us well for almost 19 years in a dynamic way. It has provided a level-playing field and predictability for economic operators and other stakeholders across the EEA.

There are, however, particular challenges with regards to the EEA, as it includes both Member States and non-Member States of the European Union. It is a common imperative that the balance of rights and obligations for both sides arising from the EEA Agreement is maintained.

The EEA EFTA States do share the objective of timely incorporation of *acquis* in the EEA Agreement. Indeed, this is important for ensuring a level playing field in the European Economic Area, and has been a key priority. New procedures have been adopted on the EFTA side and new working-methods developed in our day-to-day cooperation with the EEAS.

We are already seeing the results of these efforts. The number of outstanding legal acts is steadily decreasing. More legal acts have been incorporated already this year than in any calendar year since 1999. This includes the Directives on Consumer Rights, Temporary Agency Work and Audio Visual Media Services, the revised Emissions Trading Scheme, and the ‘Goods Package’, to mention some of the most important.

At the same time, it is important to underline that there are limits as to how far the number of outstanding acts can be reduced in practice. This is due to the very nature of the EEA Agreement: Legislation is adopted first on the EU side before it is processed on the EEA EFTA side. Many legal acts enter into force in the EU very soon after being adopted by the relevant EU institutions, which does not allow for a simultaneous implementation in the EEA EFTA States.



Dear colleagues,

The continued existence of the Single Market in financial services is essential for the continued functioning of the Single Market as such. A key priority in this regard is to ensure participation in the European Supervisory Authorities for financial markets. This has been raised by the EEA EFTA States in this forum on several occasions. It is necessary to find pragmatic solutions that ensure EEA EFTA participation in these Authorities. The EFTA side has emphasised that in seeking such a solution, the two-pillar structure of the EEA Agreement will need to be taken into account. Further, the constitutional challenges and “red lines” in some EEA EFTA States, related to the participation in the Supervisory Authorities and the question of transfer of powers, will need to be respected. The EFTA side stands ready to engage in a constructive and result oriented dialogue on the matter.

The EEA Agreement also provides for close cooperation linked to the Internal Market, notably through the participation of the EEA EFTA States in EU programmes. Assessing the possible participation in the new programmes from 2014 to 2020 is therefore a key priority. We are of course also following the discussions in the EU on the next Multiannual Financial Framework with great attention.

The enlargement of the EEA is another important issue in the months ahead. The joint aim is that Croatia becomes a party to the EEA Agreement upon its accession to the EU next year.

Finally, I would like to thank the outgoing Chair, the Cyprus Presidency, for their positive and constructive cooperation during their term at the helm. We appreciate in particular how you have facilitated our participation in informal ministerial meetings and political dialogues. These are important venues for the exchange of views and to foster closer ties with our European colleagues. We look forward to working with Ireland during their Presidency of the EU Council in the first half of next year.

**Intervention of Minister EIDE, on behalf of Norway:**

Dear colleagues,

The Norwegian Government submitted a white paper on the EEA Agreement and Norway's other agreements with the EU to Parliament on 12 October (based on an important evaluation report).

Our assessment is that the EEA Agreement has been mutually beneficial and well-functioning. The agreement has achieved its main task, which is to provide a predictable framework and level playing field for business, economic operators, migrant workers and citizens across the EEA. This has been to the advantage of EFTA states and EU Member States alike.

Another striking feature is the robustness of the Agreement, taking into account the dynamic integration in the EU, including various treaty revisions and enlargements. The robustness of the EFTA institutions is part of this picture, including the independent surveillance and court system.

The main message in the white paper is that the EEA Agreement will continue to be the main pillar of Norway's relations with the EU.

Generally speaking, we benefit from the development of common rules and standards for the European market. We will contribute to the further development of this market on a broad basis. At the same time, the Government will make use of the opportunities and available options within the framework of the EEA Agreement, to influence how Norwegian companies and citizens are affected.

By the terms "opportunities and available options", we in particular refer to the following:

- Firstly, using the opportunities Norwegian authorities have to participate in EU decision-shaping on new legislation for the internal market. We wish to contribute to good solutions and promote our interests in all relevant stages of the EU legislative process, in accordance with the conditions established under the EEA Agreement.
- Secondly, negotiating adaptations when incorporating new legislation into the EEA Agreement, if Norway has important interests to safeguard of a professional, legal or political nature.

- Thirdly, using available flexibility when transposing EEA legislation in Norway. In many cases, there may be alternative ways to transpose into national legislation, choosing the alternative that we find most suitable.

Further, in light of the dynamic development of EU integration, including the abolition of the pillar structure, the task of assessing the EEA relevance of new legal acts may be somewhat more complicated than it has been in the past. We will give priority to addressing these issues and make informed and qualified decisions as to whether legal acts belong in the EEA or not.

EU cooperation is dynamic. Tools and measures used may be innovative and expand the competence of community institutions. We have the last few years seen an increase in the establishing of EU agencies and supervisory authorities. These new institutions may pose challenges for the two-pillar structure of the EEA Agreement, as well as in relation to the Norwegian constitution. Despite taking a pragmatic approach, in an attempt to solve these challenges and ensure our participation, there are certain “red lines” that cannot be crossed. It is essential that all parties do acknowledge this. Regarding the European Supervisory Authorities, Norway is ready to elaborate on possible solutions and to engage in a constructive dialogue on the matter.

The emphasis on using the opportunities and available options does not represent a policy shift in the Government’s European policy. It is rather a question of systematically identifying what alternatives we have within the framework of the EEA Agreement. I take for granted that this is the obvious and common approach among EU members as well; taking care of national interests in all stages, from decision-shaping to transposition, within the framework of EU obligations.

The Government will give particular priority to some selected areas where Norway may provide valuable contributions to common European solutions, such as welfare and labour policy, energy, climate and the environment, and research. Lately, there have from some quarters in Norway been raised demands to suspend or take out legislation regarding working life from the EEA Agreement.

Let me make it clear that this is not the position of the Norwegian Government. We strongly believe that it is possible to ensure a well-functioning labour market and combat social dumping within the framework of the Agreement.

Another aspect of an active European policy, is giving our support to initiatives such as Europe 2020 and Single Market Act I and II. These are important tools in overcoming the economic crisis. So far, Norway has not been severely affected by the crisis in Europe. However, it is in the interests of all countries that economic and financial stability in Europe is restored. Norway is therefore, among other things, contributing to the IMF's international efforts, in Europe and elsewhere. In 2012, we have helped to boost the lending capacity of the IMF by providing a bilateral loan of EUR 7 billion.

Further, together with Iceland and Liechtenstein, Norway provides substantial funding for reducing economic and social disparities in EU countries. Since 1994, the EEA EFTA countries have provided a total of EUR 3.27 billion through various grant mechanisms, of which EUR 1.78 billion has been allocated to 15 of the EU Member States for the period 2009–2014.

Finally, a few words on agricultural trade. For numerous reasons – not least climatic reasons – Norwegian agriculture is in a different situation compared to most EU Member States. Agricultural policy as such is not covered by the EEA Agreement. A high level of border protection and state aid are necessary to secure a national production of agricultural products in Norway. The proposed change of 6 tariff lines for cheese, beef and lamb meat from specific to ad valorem duty must be seen in this context. The value of the specific duty has gradually been eroded since it was introduced in 1995. The situation is therefore becoming unsustainable and could erode large part of our national production.

The changes are proposed in a way that minimize the negative implications and do not threaten the concessions Norway has granted the EU under the EEA Agreement. These measures are within our international obligations.

We have fulfilled the intention in Article 19 of the EEA agreement and will continue to do so. Our import of agricultural products from the EU has increased by 150% since 2000.

We are ready to continue the dialogue with the EU in accordance with the commitments and the procedures laid down in the EEA Agreement. The upcoming review of the condition of trade in agricultural products within the framework of Article 19 is a step in this respect.

**Intervention of Deputy Minister MAVROYIANNIS, on behalf of the EU:**

Dear Colleagues,

At the end of this year, the Single Market will celebrate its 20th Anniversary. At a time, when the economic crisis in Europe is absorbing all our attention, it might be of particular interest to take a moment to reflect on the Single Market and the stimulating and stabilising role, which the Single Market has had for the European economy in the past 20 years. In the light of the current situation, the importance of the Internal Market for the cohesion and the evolution of the EU is rather likely to grow than to diminish.

As you know, the EU is currently striving to develop further the Internal Market with the Single Markets Acts I and II, aiming at untapping further potential in support of efforts to stimulate growth and the creation of jobs. In this context, I would like to mention that the EU highly appreciates the contributions of the EEA EFTA States to the preparation of new legislation related to the Single Market Acts I and II.

For nearly 20 years, the EEA EFTA States have also fully participated in the EU's Internal Market. I think that we can look back to our cooperation in the European Economic Area with satisfaction, noting that all in all, over this period, the EEA Agreement has proven to be a useful and efficient instrument for the extension of the EU's Internal Market to the EEA EFTA States.

This said, I would like to turn to a few specific issues of our relations, some of which are positive, while others are of concern to the EU side.

With regard to agriculture, we strongly welcome the opening of negotiations with Iceland in the area of agriculture, in particular on further liberalisation of trade in basic and processed agricultural products under Article 19 and Protocol 3 of the EEA Agreement.

Furthermore, we are happy with Norway's flexibility and commitment and we look forward to undertaking with Norway in 2013/2014, under the same Article 19, another review of the conditions of trade in basic agricultural products, in view of launching negotiations on further liberalisation of trade. However, regarding trade in processed agricultural products, because we are good friends and we need to be honest, the EU has to reiterate its disappointment with regard to the continued opposition of Norway to opening negotiations on the liberalisation of trade in these products under Protocol 3 to the EEA Agreement. A point of particular concern to the EU are the plans of Norway, recently announced, to switch from currently applied specific tariffs to ad valorem tariffs for certain agricultural products. The EU strongly urges Norway to reverse its decision on the subject, which, to our understanding, is not compatible with the spirit of the EEA Agreement.

Furthermore, the ongoing controversy with Iceland on the joint management of mackerel stocks remains a very sensitive open issue for the EU. We will need to further discuss this matter under item 6 of our agenda.

While welcoming recent joint efforts to reduce a significant backlog of EU legal acts to be incorporated into the EEA Agreement, the EU considers that progress made so far is not sufficient and further efforts need to be made in order to ensure the timely incorporation of new acquis and not to jeopardize the homogeneity of the Internal Market. Furthermore, the continued delay regarding the incorporation into the EEA Agreement or the implementation by the EEA EFTA States of certain legal acts, adopted by the EU years ago, but not yet incorporated into the Agreement, is of increasing concern to the EU and its Member States. The EU strongly calls on EEA EFTA partners to solve internal issues with regard to these acts and to fulfil their obligations under the EEA Agreement without further delay.

Currently, nearly all Parties to the EEA Agreement are undertaking reviews of the Agreement. In this context, the EU welcomes the White Paper issued by the Norwegian Government on Norway's overall relations with the EU, including under the EEA Agreement. We look forward to the result of the current discussion on this White Paper by the Norwegian Parliament. The EU is also looking forward with interest to the imminent presentation of the EEA Review commissioned by Liechtenstein. On the EU side, the Council intends to start discussions (at Working Party level) in December on the findings of the Commission and the EEAS, who have assessed the EEA Agreement from the EU perspective. We would suggest to have an extensive exchange on the results of our respective reviews at our next EEA Council meeting in May next year.

The EU is also currently preparing conclusions on its relations with the four EFTA countries. In this regard, I can inform you that the Cyprus Presidency aims at the adoption of these conclusions by the EU Council on 20/21 December.

With that, I would like to pass the floor to my colleague representing the European Commission, who will report to you more in detail on the day-to-day functioning of the EEA Agreement. Thank you for your attention.

**Intervention of Mr O'SULLIVAN on behalf of the EEAS and the EUROPEAN COMMISSION:**

I am delighted to have the opportunity to present our assessment of the overall functioning of the EEA Agreement since the last Council meeting.

**20th Anniversary of the Single market**

Allow me first to join the previous speaker in acknowledging this very important symbolic moment: the celebration of the 20th Anniversary of the Single Market in October this year.

On this occasion, we can certainly pride ourselves in the remarkable successes of the Single Market. Much has been achieved over the past twenty years, notably in terms of growth, mobility and competitiveness of our economies.

This anniversary is however no occasion for complacency. While our societies and economies are confronted to the most severe challenges of recent years, we are convinced that the solution lies in more Europe, not less. In particular, through a modernised single market as a true lever for European competitiveness and growth. These are precisely the objectives of the Single Market

Act and most recently, of the Single Market Act II.

**Positive developments of the EEA Agreement**

Undoubtedly, the EEA Agreement has provided us with a solid bedrock for very good and close relations with our EEA EFTA partners over the past two decades.

Today's EEA Conclusions – once again- underscore an unclouded sharing of minds on both sides in relation to the positive contribution of the EEA Agreement to our relations. This is also further attested in the recent White Paper of the Norwegian Government on the functioning of the EEA Agreement. The dynamism and strength of the EEA Agreement are illustrated in the latest Progress Report of the EEA Joint Committee, which is presented to us today. I welcome the substantial efforts, which are reported in this paper to the EEA Council, towards reducing the number of outstanding legal acts to be incorporated into the EEA Agreement since our last meeting. Hundreds of legal acts have indeed been introduced into the EEA Agreement over the past few months, and at a rather unprecedented rhythm. Moreover, a number of important legal acts have recently been adopted and will now be in force throughout the EEA, including in the fields of roaming, emission trading schemes and audiovisual services. In this context, I also welcome the recent efforts on the EEA EFTA side to review internal mechanisms to deal with the backlog and to accelerate the submission of draft EEA Joint Committee decisions.

#### EEA issues of concern

That being said, the Progress Report also states that over 400 legal acts, for which the transposition or implementation deadline in the EU has passed, have not yet been incorporated into the EEA Agreement. You will agree with me that such a situation might prima facie raise legitimate questions with regard to the two very core principles of our single market, which are those of homogeneity and legal certainty.

In such a situation, how can we for example reassure our economic operators that they will not be facing different legal or administrative requirements depending on whether they operate in EU Member States or in EEA EFTA countries?

Also, how can we guarantee that no competitive advantages are granted to some operators in one part of the single market, or that a level-playing field is guaranteed to all? How can we affirm that no loopholes are at risk of being introduced in a number of internal market sectors?



This situation is therefore of concern to us and we would very much urge further progress to be made towards reducing the current backlog in a significant manner. In particular, we would like to see incorporated the EU acts of EEA relevance which have long entered into force in EU Member States and which have yet to do so in our EEA partner countries. Some of these date back to 1997. This is a matter of legal security, homogeneity, predictability and ultimately, that of our credibility vis-à-vis our economic operators.

The Progress Report also lists a number of EEA relevant acts, where both sides are yet to agree on the way forward and which would deserve all our attention. I regret that the list of outstanding issues mentioned in the Progress Report has been virtually unchanged since our last Council, and even since much longer back. More specifically, allow me to refer to the lack of tangible progress on the incorporation of the Directive on Deposit Guarantee Schemes and the Third Postal Directive, as well as the Regulation on Novel Foods and Novel Food Ingredients, the remaining part of the TELECOM package, and the Regulation on medicinal products for paediatric use. Let us express the hope that the EEA Council's conclusion under paragraph 15 on the need to settle these issues will effectively occur, as it is stated, "within the coming months".

Moreover, in the current context of major efforts from all sides to address the financial turbulences, tangible progress has yet to be made relating to the incorporation of the legal acts establishing the European supervisory framework for financial markets and the subsequent directives which confer specific implementing powers to its institutions.

On all these outstanding issues, we strongly hope that progress can be made in the full letter and the spirit of the Agreement, with a view to ensuring the good functioning of the latter and the uniform application of the Single Market acquis.

Finally, let me mention briefly an issue of EU concern which is raised regularly by our side, including in May, in relation to constitutional requirements. We regret that a number of Decisions, which were adopted by the Joint Committee, cannot enter into force pending constitutional requirements, which are still pending beyond the six month period, foreseen under the Agreement [Article 103]. The total number of acts concerned has remained quasi-identical to when we last met. We can only encourage special attention to be paid to this particular issue with a view of ensuring the timely incorporation of EEA-relevant acts.

With this I would like to conclude that we have indeed made a lot of progress with regard to the functioning of the EEA Agreement. Some issues of concern remain, however, and they would need to be addressed in order to maximise the use and benefits of this grand Agreement. Thank you very much.

**Intervention of Minister Össur SKARPHÉDINSSON on behalf of ICELAND:**

I concur with my Norwegian colleague. The EEA Agreement has been a positive experience and a catalyst for prosperity for Iceland.

The EEA has continued to develop since it entered into force. When it was being negotiated it was debated in Iceland whether our Constitution allowed us to become parties to the EEA Agreement without a change to the constitution. Bear in mind that the EFTA States have remained outside the EU in part for sovereignty reasons. Paradoxically, recent developments in the EU have increased democratic accountability on the EU side but at the same time increased the democratic deficit on the EFTA side. However, despite these reservations, it is important to note that the EEA functions overall very well.

The EU is now going through one of the most difficult periods in its history – but is responding in the right way by making structural changes in order to prevent another crisis. Iceland supports these efforts, including the establishment of financial supervisory authorities, nevertheless, these developments pose challenges with regard to Iceland's Constitution. Before the Icelandic Parliament there is a proposal for changing the Constitution but it might take some time for that proposal to go through and cannot be an immediate solution. In the meanwhile the EEA Agreement is throwing up serious challenges to our Constitution to which we need to find creative solutions. I would urge our colleagues on the EU side to work together to find such solutions.

In response to the President's stated intention to refer to the mackerel dispute under item 6, I would like to emphasize that the EEA Agreement does not cover management of fisheries and this would not be an appropriate forum for this issue.

## **Intervention of Minister FRICK on behalf of LIECHTENSTEIN:**

Mr Chairman, dear Colleagues,

In its 20th year, the EEA Agreement continues to be a solid foundation for our close cooperation and I would like to start by underlining Liechtenstein's strong commitment to the proper functioning and further development of the EEA. In this regard, I am also glad to see that the streamlining of our incorporation procedures is starting to bear fruit and I am convinced that we will together manage to reduce the outstanding acquis substantially in the months to come. I am pleased to note that Liechtenstein currently has no constitutional procedures outstanding for more than 6 month regarding incorporated EU acquis. This shows that even in a country with a system of extensive direct democracy, the requirement of the EEA Agreement for timely incorporation of EU legislation can be lived up to.

My Norwegian colleague has in the general statement already touched upon the importance of the internal market for financial services and the need to find a pragmatic solution for the incorporation and participation of our countries in the European Financial Supervisory Authorities. Let me also recall that another outstanding issue in this field is the Directive on Alternative Investment Fund Managers where a new regime is about to take effect in July next year. It is of utmost importance for Liechtenstein that a solution is found in time to allow undertakings in the EEA EFTA States to participate under the new regime as of day one. I am confident that, if we all work together constructively, we will in the very near future manage to find a way forward on this matter as well.

Another topic briefly mentioned is the proposal for a Multiannual Financial Framework for the years 2014-2020 and in particular the newly foreseen EU programmes. Based on the current level of participation in EU programmes, the cost for participation under the new structures could lead to a substantial increase of up to 90% due to the EU's internal shifting of resources between sectors. In these dire economic times where State revenues are diminishing and budget cuts are unavoidable also in Liechtenstein, the prospect of such an extensive cost increase to the single biggest budget post related to the EEA Agreement obviously attracts a lot of attention. The future participation in each and every EU programme therefore will have to be thoroughly assessed with a view to identifying those areas and activities where closer cooperation will contribute to the achievement of our common objectives in relevant fields.

Let me conclude by saying that I look forward to welcoming Croatia also in this circle and that Liechtenstein stands ready to engage in EEA accession negotiations regarding Croatia with the clear aim of concluding this process in time to allow for a simultaneous EU and EEA Enlargement. Thank you for your attention.

## **5. ORIENTATION DEBATE: TRADE AND REGULATORY COOPERATION WITH EEA NEIGHBOURS**

### **Intervention of Deputy Minister MAVROYIANNIS, on behalf of the EUROPEAN UNION:**

Dear Colleagues,

For today's orientation debate we have chosen a subject, which is as broad as a subject can be. I will need to make a 'grand tour' around Europe to present to you a summary of our current trade and regulatory cooperation with those countries in our neighbourhood, which are not EEA members.

I intend to focus on trade and internal market related matters in the EU's relations with countries of the Western Balkans and the Eastern Neighbourhood. Furthermore, I will briefly refer to countries in the Southern Neighbourhood of the EU as well as to Non-EU Western European countries.

#### **Western Balkans**

In its Council conclusions in December 2011, the EU reaffirmed its unequivocal commitment to the European perspective of the Western Balkans, which remains essential for the stability, reconciliation and future of the region. It also reaffirmed the need for fair and rigorous conditionality, in the framework of the Copenhagen political criteria and the Stabilisation and Association process and in accordance with the renewed consensus on enlargement, approved by the European Council in December 2006.

The Council recalled that by making solid progress in economic and political reform and by fulfilling the necessary conditions and requirements, the remaining potential candidates in the Western Balkans should achieve candidates status, according to their own merits, with European Union membership as ultimate goal. Furthermore, a country's satisfactory track record in implementing its obligations under the Stabilisation and Association Agreements, including trade-related provisions, is an essential element for the EU to consider any membership application.

The transformative power of the enlargement process generates far-reaching political and economic reform in the enlargement countries. These also benefit the EU as a whole. In this respect, trade plays an important role in the EU's efforts to promote peace, stability, freedom and economic prosperity in the Western Balkans.

The process of stabilising the Western Balkan countries politically, and encouraging their swift transition to a market economy in line with EU law, as well as European and international standards is based on an ever-closer partnership. This partnership offers a mixture of trade concessions, economic and financial assistance, assistance for reconstruction, development and Stabilisation and Association Agreements – a far-reaching contractual relationship with the EU, entailing mutual rights and obligations.

### Eastern Neighbourhood

One of the main goals of the EU in the Eastern Neighbourhood is to accelerate political association and deepen economic integration between the EU and the partner countries, which was among the core incentives for launching the Eastern Partnership in 2009.

Among its other objectives, the Eastern Partnership aims to forge new, deeper contractual relations between the EU and partner countries in the form of Association Agreements, including, where appropriate, Deep and Comprehensive Free Trade Areas (DCFTA).

The Council has recognised the economic benefits of enhancing trade in goods and services, the potential for increased investment flows and the importance of progressive economic integration with the EU Internal Market, and has supported, as expressed in its Conclusions of 20 June 2011, the EU continuing to pursue such integration through the establishment of DCFTAs with ENP partners as soon as conditions are met.

In the Eastern Neighbourhood, the EU has concluded the technical DCFTA negotiations with Ukraine, but the signature, subsequent conclusion and entry into force of the Association Agreement, of which the DCFTA forms an integral part, are pending on the fulfilment of political conditions by Ukraine. Negotiations on DCFTAs as part of Association Agreements are currently ongoing with the Republic of Moldova, Georgia and Armenia.

Negotiations with the Republic of Moldova are the most advanced and those with Georgia and Armenia are making good progress. All three countries need to carry out deep regulatory reforms, adopt new legislation and reinforce administrative capacities at all levels.

According to the Eastern Partnership Roadmap of 15 May 2012, DCFTA negotiations with Armenia, Georgia and the Republic of Moldova should be well advanced, if not finalised by the Vilnius Eastern Partnership Summit at the end of 2013. This goal is within reach, most notably with Moldova, if vigorous reform efforts continue. The Roadmap also foresees that Azerbaijan should by then have made progress towards WTO accession as a precondition for starting DCFTA negotiations.

Many Member States have underlined in the Council preparatory bodies the importance of the good pace of negotiations and the target of the Vilnius Eastern Partnership Summit for the finalisation of negotiations, while emphasising the importance of quality over timing.

### Southern Neighbourhood

While the concept of DCFTAs was developed in the context of the Eastern Partnership, the Council decided subsequently to offer this concept also to four South Mediterranean countries, namely Morocco, Tunisia, Egypt and Jordan, and adopted at its meeting of 14 December 2011, negotiating directives for DCFTAs with the four countries in question.

The main objective of negotiations will be the progressive integration of the economies of these countries into the EU Internal Market through agreements providing for regulatory convergence in areas, which have an impact on trade and investment. It is evident that this ambitious project requires significant efforts from the partner countries, including in the area of capacity building. Preparatory work with these partners is ongoing, and it appears that Morocco might be the first one of the four countries, with which negotiations might be launched in 2013. Tunisia might follow a few months later, while no indication can be given at this stage regarding a start of negotiations with Egypt and Jordan.

## Non-EU Western Europe

In its conclusions of 14 December 2010, the Council stated that the EU should assess its relations with Andorra, Monaco and San Marino, and undertake an analysis of the possibilities and modalities of a possible progressive integration of these countries into the Internal Market.

Based on these conclusions, the Hungarian Presidency launched in 2011 a discussion on EU relations with the three countries concerned. In a Presidency report adopted by the Council in June 2011, the Commission and the EEAS were tasked to continue the analysis on the future development of EU relations with these three countries, and to present their findings and recommendations on possible further steps to the Council.

A few days ago, the Commission adopted a Communication on EU Relations with Andorra, Monaco and San Marino, setting out and assessing five options for a closer integration of these three States into the Internal Market. These options are: 1) maintaining the Status Quo, 2) a sectoral approach, 3) framework association agreements, 4) participation in the EEA and 5) EU membership. The Commission recommends in its Communication to give further consideration in particular to options 3 and 4.

In the coming weeks, the findings and recommendations of the Commission will be discussed in the Council. We attach great importance to presenting draft conclusions on the subject and to submit them to the Council for adoption before Christmas, if possible. If the EU would decide to further pursue any of these options, a thorough discussion with the Governments of Andorra, Monaco and San Marino would need to follow.

Regarding Switzerland, the Council underlined in its conclusions of December 2010 that the current system of bilateral sectoral agreements with Switzerland had clearly reached its limits. The Council stated, in addition, that before further agreements on Swiss participation on the Internal Market area could be concluded, a number of institutional issues would need to be solved. These issues concern the dynamic adaptation of agreements to the evolving acquis, the homogeneous interpretation of the agreements, an independent surveillance and judicial enforcement mechanism as well as a dispute settlement mechanism.

In summer 2012, the Swiss Federal Government submitted to the EU proposals for solutions on these institutional issues. These proposals were assessed by the Commission and the EEAS and have recently been discussed in the Council. The Cyprus Presidency has submitted to Member States draft conclusions on EU relations with Switzerland, which cover also the question of the aforementioned institutional issues and further internal market participation of Switzerland. The Cyprus Presidency intends to conclude the discussion on these conclusions in time for adoption by the Council on 20/21 December 2012.

### Conclusion

Although the EEA Agreement serves as a model for many of the ongoing discussions and negotiations of the EU on trade and regulatory cooperation with third countries, the scope and intensity of cooperation under the EEA Agreement are such, that an accession to the Agreement is an ambitious aim for many countries which might wish to join us in the future. Nonetheless, we can commend the efforts made by third countries in view of coming closer to the EU and the European

### Economic Area.

With that, I would like to pass the floor to the EEAS, on behalf of the European Commission to present their reflections on the subject.

### **Intervention of Mr O'SULLIVAN on behalf of the EEAS and the EUROPEAN COMMISSION**

Further to the comprehensive remarks of the previous speaker, I would like to add a few words from an EEAS/Commission perspective.

Within the EEA, regulatory integration through participation in the Single Market has been a successful and efficient means to stimulate growth, economic development and competitiveness.

Outside the EEA, it becomes slightly more complex. Schematically, this extension can be pursued through two different approaches: either extending the EU/EEA or extending the cooperation of the internal market by other agreements. In theory, of course, extending the EEA/EFTA would also be a possibility, although we understand that there are no such immediate plans.



In practice, the real extension of the internal market has thus primarily occurred through EU/EEA enlargement, but now increasingly also through bilateral agreements with the Southern and Eastern neighbourhood. At times, this has been a challenge, for example with Switzerland, where we are reaching the limits of such arrangements. Similar challenges in terms of extending the internal market will also arise in relation to Andorra, Monaco and San Marino.

### Enlargement and the Western Balkans

Turning to the Western Balkans, the EU has greatly appreciated the willingness of the EEA EFTA countries to embrace the EU enlargement process as it has taken place over the past decades, and as it is now occurring towards South East Europe. This process is occurring as we speak; we are currently in the preparatory phase of concluding an agreement which will include Croatia in the EEA. As such, the EU enlargement process can be considered a most efficient tool for the further deepening of integration of neighbouring countries in the EU/EEA internal market, but this might not be the solution for all our neighbours.

Other means to deepen cooperation includes the implementation of the Pan Euro Mediterranean Convention (signed on 15 June 2011) on the rules of origin that will provide an additional link between all members of the EEA with the Western Balkans, Turkey and the Eastern and Southern neighbourhood countries. It will facilitate trade when goods move across more than two borders, thus further encourage EEA investors which operate in various neighbouring countries.

Additional, important tools at our disposal in relation to this region are the Agreements on Conformity Assessment and Acceptance of Industrial Products (ACAA). This tool is also foreseen with candidate countries as part of the pre-accession strategy and builds on the successful experience with the Protocols on Conformity Assessment to the Europe Agreements concluded as part of the pre-2004 enlargement.

## Eastern Partners

As regards the Deep and Comprehensive Free Trade Agreements (DCFTAs), which were mentioned by the previous speaker, in relation to the Eastern Neighbourhood, let me underline that they are intended to cover all trade-related areas, including services, intellectual property rights, customs, public procurement, energy-related issues and competition. Moreover, they will also aim to tackle the so-called "behind the border" obstacles through deep regulatory approximation with the trade-related EU acquis. The agreement with the Ukraine can be seen as a model in this respect.

It is also to be noted that the future Association Agreements, of which these DCFTAs are an integral part, will include co-operation on customs, taxation, energy, infrastructure development, social development and mobility.

In addition to the conclusion of these agreements the EU will continue to provide extensive financial assistance, with a focus on key institutions linked to the implementation of the Association Agreement/DCFTAs. This may include competition authorities, sanitary and phyto-sanitary bodies and customs services. Such comprehensive agreements are vital to the success of the extended internal market.

Finally, the emphasis given in Association Agreements to modernization and improved economic governance is inextricably linked to the enhancement of the business climate, and thereby should raise the prospects for increased inward investment and expanded opportunity.

## Conclusion

As a means of conclusion, allow me to note that trade and regulatory cooperation with our neighbours has become an ever-increasing priority of our external relations. We are literally trying to construct an internal market embracing most of our neighbours. This is to the net benefit of our single market, which is thus becoming considerably vaster than probably ever imagined 20 years ago when it was initially conceived.

More than ever, this calls for close and intensive coordination between the EU and the EEA EFTA countries with respect to relations with EEA neighbours; we share an internal market and we must thus extend it together. This is a common project where our close cooperation is vital to its success.

Thank you

**Intervention of Minister EIDE, on behalf of NORWAY:**

The successive EU enlargements have brought the countries of the rest of Eastern Europe and the Southern Caucasus closer to us. The European neighbourhood policy ensures that we remain committed to strengthening our ties with these countries, also in times when political attention may not be peaking. To quote the Norwegian Nobel Committee: "The stabilizing part played by the EU has helped to transform most of Europe from a continent of war to a continent of peace."

Norway therefore welcomes both the enlargement of the European Union and the strengthening of European integration through the neighbourhood policy. Like the EU, Norway is keen to help promote a positive development in and to strengthen our economic ties with the EEA's eastern neighbourhood. Allow me to highlight some main elements in Norway's policy towards these countries.

EFTA already has free trade agreements with EEA neighbours in the east, and others are currently being negotiated. A free trade agreement (FTA) with our neighbouring country Russia has been one of Norway's top priorities for many years. Russia is one of Norway's main trading partners, and stable and predictable market access is crucial to further develop the trade relations between the two countries. As a consequence of the customs union between Russia, Kazakhstan and Belarus free trade negotiations with Russia was broadened to include Belarus and Kazakhstan. If democratic reform in Russia is lagging behind, this is even more true for Kazakhstan and Belarus. Negotiating an FTA with these three countries therefore challenges the balance between economic interests and the promotion of human rights and democracy. The negotiations were launched in 2010. Good progress has been made, but it is too early to predict when the negotiations will be concluded.

## Eastern Partnership

Norway also follows the development of the EU's Eastern Partnership (EaP) with great interest. The EU's goals in this region and many spheres of EU activity coincide with our own priorities in these countries. Not least, this is seen in the realm of financial support for concrete project activities. In 2012, Norway's support for various projects in the EaP countries amounts to some 30 million euros. Generally speaking, our main priorities for this support are threefold: (1) democracy and human rights, not least support for civil society; (2) good governance and institution building; (3) sustainable environmental management and energy use, and combating climate change. There is also a co-operation programme in higher education.

Although the scope for third-party involvement in the EaP is limited, we are prepared to consider opportunities for contributing to undertakings in the EaP framework where priorities coincide with Norway's. Possible synergies should be exploited. One example is our contribution to the Eastern Europe Energy Efficiency and Environment Fund in Ukraine. In the years to come, there might be other such examples.

Challenges abound. The overall development in the EaP region forms a very mixed picture: There is a stark contrast between – on the one hand – countries like Moldova and Georgia, and – on the other hand – Belarus.

Belarus remains a special case. Sadly, there are few – if any – signs that domestic developments are taking a more positive turn. The same can be said about the country's relations with the outside world. Norway is aligned with the restrictive measures introduced by the EU. Given current trends, these remain justified. But at the same time, it is more important than ever to strengthen our support for the forces of freedom, democracy and human rights.

It is all the more heartening to witness the progress made by Moldova in its determined stride towards ever closer integration with the EU. Although huge challenges remain, Moldova's radical re-orientation since the communists lost power in 2009 is impressive.

Much of the same can be said about Georgia. We have been impressed with reforms implemented since the “Rose Revolution” in 2003. With an orderly transition of power after the opposition won the parliamentary elections last month, Georgia will have passed an essential litmus test. But it remains a young and fragile democracy. Our support – and our attention – will still be needed.

Ukraine is a stark reminder that democratic revolutions are not irreversible. The overall trend we have witnessed since the presidential elections in 2010 is worrying: Recentralised power. Selective justice. Elections last month that were a step backwards rather than forward. But Ukraine is an important country – to its region, and to Europe as a whole. It may not always be an easy partner, but we must stay engaged. Prime Minister Azarov is due to visit Oslo later this week. He is welcome – and he will receive some clear messages on Ukraine’s place in a European community of values.

To close our quick circuit of the EaP region, two words on Armenia and Azerbaijan. We have followed with some concern recent developments in Armenia, where the political situation seems to be heating up in anticipation of the presidential elections. Whereas our ties with Armenia are modest, Norwegian business involvement in Azerbaijan’s energy sector remains substantial. Balancing mutually beneficial economic co-operation with engagement to promote a positive development in terms of democracy and human rights has long been a tightrope exercise – and recently even more so.

Facing this heterogeneous neighbourhood, how can the EU and Norway benefit from co-operating? First of all, by ensuring that we are sending a unified message. This is not only about speaking with one voice in multilateral fora, where we often join EU statements. It also applies at the local level: We are pleased with the good contact between our respective missions in third countries, sometimes translating into joint demarches or statements. And as already mentioned, we can also co-operate on concrete action – be it restrictive measures when called for, or joint project undertakings in the EaP framework.

EFTA’s FTA with Turkey was concluded in 1991 and is one of EFTA's first agreements. The FTA has strengthened the economic relations between the countries and contributed to increased trade.

Western Balkans

Free trade agreements are an integral part of the Norwegian Western Balkans Policy. The EFTA states have concluded free trade agreements with most of the countries in the Western Balkans region. We are also providing technical assistance under these agreements. FTAs with Croatia and former Yugoslav Republic of Macedonia entered into force in 2002. FTAs with Albania and Serbia entered into force in 2011 and an FTA with Montenegro in November 2012. We expect the agreement with Bosnia and Herzegovina to be signed in 2013.

Further to our relation with the Western Balkan countries, we support the process towards EU membership for all these countries. It is important not lose sight of the fact that commitment to European integration and EU membership remains solid among political leaders in all Western Balkan countries, even though popular support is decreasing.

Abolishment of visa requirements is very visible, and large groups perceive the ability to travel without visa as the most positive result of the integration policy so far. A temporary cancellation of the visa liberalization regime would be seen as a serious setback.

Norway welcomes Croatia's upcoming EU membership and, by consequence, the extension of the European Economic Area. At the same time, we realize that Croatia's membership may influence trade patterns and have negative economic consequences for third countries outside the EEA, at least in the short run.

We are concerned about the situation in Bosnia and Herzegovina. The recent Lagumdžija-Dodik accord could, however, lead to the establishment of a new and more vigorous government. We would welcome this, but at the same time we should be aware that an effect can be policies and decisions which the international community may find difficult.

We welcome the EU-led dialogue between Belgrade and Pristina. The problems are political of nature, and they are not insoluble. Norway shares the Commission's assessment of the great steps forward Serbia has taken on their reform path the last few years. The challenges are mostly of a political nature. For Norway's part, we will continue to support and assist Serbia in her reform policy aiming at EU membership.

As for the former Yugoslav Republic of Macedonia, we appreciate the start of the High Level Accession Dialogue (HLAD). Further progress for the EU integration process is important for the internal stability of the country. We also welcome the opening of negotiations on EU membership with Montenegro.

Norway remains committed to assist the Western Balkan countries in their reform processes. We focus on strengthening of the rule of law, security sector reforms and reform of public administration. We continue to be committed to the Western Balkan Investment Framework as an important joint instrument for modernization and increased efficiency, not least with regard to an upgrading of infrastructure and promotion of small and medium enterprises. For 2013, our financial support to these and other sectors will amount to approx. € 50 million. We will continue to pursue a double track course: combining political engagement with the use of financial measures for concrete programmes/projects in the priority areas.

Regarding the cooperation with the southern neighbourhood of the EU, we follow closely the wishes of these countries for closer cooperation with the EU.

With regard to the “smaller states”, the EEA framework was negotiated and established among states having more diverse economies and with a larger administrative capacity.

Thank you.

**Intervention of Minister Össur SKARPHÉDINSSON on behalf of ICELAND:**

Regarding the question of the small States joining the EEA, this is not a new idea. I am not so sure that the EEA is a simpler solution for small States and I have some doubts whether this is the best option for them. In order for the small States to become members of the EEA they would first have to become members of EFTA. I would like to point out that this is at the discretion of the EFTA Member States. I am not aware that the States referred to have demonstrated an interest.

Regarding broader regional aspects of trade and regulatory cooperation, I would also like to draw your attention to the importance of our neighbours west and north of us. We have strong relations with Canada and I am hoping that we will be able to include services in the Free Trade Agreement with Canada. It is also important not to forget the Faroe Islands and Greenland. The Free Trade Agreement between Iceland and the Faroe Islands is the most far reaching free trade agreement that Iceland has concluded. Greenland is extremely important because the Arctic and the far North will be a source of great wealth in the future as well as related challenges.

I would like to stress that Iceland supports the trade restrictions with regard to Belarus. However, I would like to draw your attention to aspects of the application of EU and EFTA free trade agreements with the Palestinian Authority. Israeli policies have had serious repercussions for our respective FTAs and Palestine has been prevented from taking full advantage of the opportunities offered. In this respect allow me to inform you that Iceland's proposal to provide Palestine a special contribution from EFTA's Technical Assistance Fund in light of their difficulties caused by Israel in applying their Free Trade Agreement with EFTA was accepted at EFTA's Ministerial meeting last October.

**Intervention of Minister FRICK on behalf of LIECHTENSTEIN:**

Mr Chairman, dear Colleagues,

Let me start by thanking the representatives of the European Union for their very interesting briefings and open insights regarding the EU's cooperation with neighbouring third States in trade and regulatory matters.

Although external trade policy is not covered by the EEA Agreement as such, it goes without saying that our trade relations with neighbouring states also have an effect on the European Economic Area as a whole. Sharing an internal market, we have a common interest in seeing these countries reach a certain level of economic development as well as meeting regulatory standards.



My colleagues from Norway and Iceland have already touched upon the EFTA's free trade relations with the states in the neighbourhood of the EEA as well as existing technical cooperation programmes to assist partner countries outside the EEA in the framework of our free trade agreements. These efforts are essential in order to help these states with the harmonisation of their statutory frameworks and to implement regulations to facilitate trade. Apart from exclusively EFTA-based projects, there is of course also good cooperation between the EU and EFTA States regarding EU projects and programmes to enhance statistical databases and infrastructure quality.

Liechtenstein can only underline the importance of aligning our positions with the EU as far as possible in the field of trade and regulatory relations with the neighbouring states of the EEA. Therefore, we highly welcome today's exchange of views on this topic and we also think that this exchange on positions should continue to be part of the regular Political Dialogues between the EU and the EEA EFTA States dealing with relations to neighbouring countries.

As for the issue of possibly expanding EEA-membership or the partial use of some of our EEA institutions, we remain open to discuss such ideas as long as any such change or use does not weaken the functionality and stability of the EEA Agreement.

Furthermore, EFTA membership is an important historical element of EEA-membership. In a changed environment 20 years later we do however not necessarily see it as sacrosanct anymore, in particular if it does not provide added value for possible candidates or EFTA. We would therefore be open to discuss a possible waiver, should this become the sole obstacle for expanding EEA membership.

Thank you, Mr Chairman, dear Colleagues.

## **6. ADOPTION OF THE DRAFT CONCLUSIONS OF THE EEA COUNCIL**

### **Intervention of Minister EIDE, on behalf of the EEA - EFTA States:**

We have not been able to reach agreement on the Draft Conclusions of the EEA Council before the meeting. Before I open the floor for comments, I would like to propose that paragraph 2 of the Draft Conclusions is amended to take into account that we also discussed Israel, Palestine and the Middle East Peace Process in our political dialogue earlier today. Can the EU side agree to this?

### **Intervention of Deputy Minister MAVROYIANNIS, on behalf of the EUROPEAN UNION:**

We can agree to this amendment.

### **Intervention of Minister EIDE, on behalf of the EEA - EFTA States:**

I would now like to give the floor to my colleague from Iceland.

### **Intervention of Minister Össur SKARPHÉDINSSON on behalf of ICELAND:**

As I remarked earlier in this meeting, the EEA Agreement does not cover management of fish stocks and therefore it is not appropriate to discuss the mackerel dispute here or include it in the EEA Council Conclusions. For that reason, we propose the deletion of paragraph 25 of the draft conclusions.

However, since the issue has been brought up I would like to make the following points.

I am very disappointed with the lack of tangible results in the mackerel negotiations. Iceland has consistently reiterated willingness to negotiate a solution that would ensure a fair share for all parties and to adhere to scientific advice on total allowable catch.

Indeed, Iceland has participated actively in the negotiations and we have made a number of constructive proposals. However, they have not found agreement of our partners in the negotiations. There is no point in pointing a finger at one or other of the partners in the negotiations. The reality is that all the Coastal States have a common responsibility to seek an acceptable and sustainable solution to the mackerel debate.

The fact is that the mackerel stock has changed its migration pattern in recent years. The percentage of the total mackerel stock that now spends time in Iceland's exclusive economic zone (EEZ) has risen from 23% in 2010 to at least 30% in 2012. This 1.5 million tonnes of mackerel has a major impact on the other fish stocks in our waters and on the survival of our valuable seabirds.

Iceland is a Coastal State and has the right to fish mackerel within its EEZ according to international law.

Iceland is being accused of unilateral decisions and for overfishing from the mackerel stock. Those that thus accuse us neglect that the Government of Iceland has set quota for mackerel fisheries in Icelandic waters for the very purpose of managing the fisheries and thus prevent untrammelled fisheries.

In the meantime, the EU and Norway have unilaterally claimed 90 percent quota share of the recommended total catch, leaving only 10 percent for Iceland, the Faroe Islands and the Russian Federation.

We were disappointed by the London meeting of the Coastal States last October. We made two constructive proposals at that meeting. Only one of those met with some approval:

Firstly, Iceland offered to decrease the size of its mackerel catch by strictly adhering to scientific advice on total allowable catch for 2013. Disappointingly, not all Coastal States were able to make an unambiguous commitment in that regard. However, the European Union and Iceland were in agreement that in the absence of an agreement, all Coastal States should reduce their catches so that the total catch would be in line with scientific advice. These would have been interim measures that would temporarily have protected the stock.

Our second proposal fortunately met with more success. This was our proposal that the Coastal States would jointly work on improving scientific assessment of the mackerel stock as well as strengthen cooperation on monitoring, control and surveillance of all pelagic fisheries in the Northeast Atlantic. This is of paramount importance for such cooperation is a key to joint sustainable management.

It is unfair to accuse Iceland of unsustainable fishing. The good state of fish stocks in Icelandic waters proves that Iceland puts great emphasis on sustainable management of fish stocks. During the crisis it could have been tempting to increase the quotas of total allowable catch in order to obtain foreign currency. But we resisted the temptation, demonstrating how seriously Icelanders take scientific advice regarding sustainable management of fish stocks.

A few words about possible trade measures. We have followed closely the development regarding possible trade measures against Iceland. We underline here as we have frequently done before that such measures, if applied, be in line with international obligations – notably WTO obligations and Protocol 9 of the EEA Agreement.

**Intervention of Deputy Minister MAVROYIANNIS, on behalf of the EUROPEAN UNION:**

The EU strongly regrets that it was not possible to reach a final agreement on the conclusions between the EU and the EEA EFTA sides before this meeting, due to diverging views on paragraph 25 concerning the joint management of mackerel stocks.

As at the last EEA Council meeting, the EU Presidency underlined that the management of mackerel stocks in the North East Atlantic, on which there is currently no agreement, remains a very sensitive political issue for the EU. Thus, we cannot agree at this stage to the deletion of paragraph 25.

We feel obliged to recall that during successive rounds of negotiations in 2011 and 2012, the EU has expressed its desire for stability and predictability in the form of a ten year agreement involving all parties, including the four coastal states. This remains our position. Together with Norway, the EU has put forward offers that were not accepted by the two other coastal states. The EU had hoped for a more constructive response to its proposals and is disappointed at the lack of engagement by Iceland as regards these offers.

As we all know, the mackerel stock is not in a satisfactory state after being fished intensively for nearly four years now. We fear that continued fishing at such high levels will cause the stock to fall below safe levels, perhaps as early as 2014.

All parties have the responsibility to negotiate with a view to reaching an agreement. The proposed wording of paragraph 25 merely sets out the facts and is framed in neutral terms. Consequently, we invite the EEA EFTA parties to show some flexibility and understanding so that this paragraph can be maintained.

**Intervention of Minister EIDE, on behalf of NORWAY:**

For the record I would like to note that Norway does not have any problems with paragraph 25 of the draft conclusions.

Would the EU side like to make any further comments?

**Intervention of Deputy Minister MAVROYIANNIS, on behalf of the EUROPEAN UNION:**

As I said earlier, the issue of the management of mackerel stocks in the North East Atlantic remains a very sensitive political issue for the EU.

However, notwithstanding its strong position on the issue, the EU does not wish to jeopardize the adoption of the rest of our conclusions, which is a priority for both sides. Thus, in a spirit of compromise, the EU delegation will not insist on maintaining paragraph 25 of the draft conclusions regarding mackerel and can agree on its deletion, while not changing its position on the subject as such.

Concerning future steps, we strongly urge all parties to assume their responsibilities. As you are no doubt aware, the EU Regulation on "certain trade measures in relation to countries allowing non-sustainable fishing for the purpose of the conservation of fish stocks" was adopted by the European Parliament and the Council and entered into force ten days ago. Accordingly, the EU could use this Regulation to ensure sustainable fishing of the stock in question, should it become appropriate or necessary to do so.

**Intervention of Minister EIDE, on behalf of the EEA - EFTA States:**

This means that we have agreement on the conclusions of this meeting. I would like to thank the EU side for the flexibility it has shown with regard to this item.

**7. OTHER BUSINESS**

No additional issues were raised under this agenda item.

**Closing remarks of Minister EIDE, on behalf of the EEA - EFTA States:**

I would like to express my satisfaction with this meeting, and in particular thank the Cyprus Presidency, the European External Action Service, the Council Secretariat, and my colleagues from Iceland and Liechtenstein, for their participation and constructive dialogue in this meeting. We look forward to working with the Irish Presidency in the months ahead.

**Closing remarks of Deputy Minister MAVROYIANNIS, on behalf of the European Union:**

We share your satisfaction at the end of this 38<sup>th</sup> meeting of our EEA Council and we wish to warmly thank all of you from the EEA - EFTA States, the EFTA Secretariat, the EFTA Surveillance Authority and the Member States of the European Union for your participation in this meeting. We are looking forward to the future meetings.

**Intervention of Minister EIDE, on behalf of the EEA - EFTA States:**

I then declare the meeting closed.

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**38<sup>th</sup> meeting of the**  
**EEA COUNCIL**  
**(Brussels, 26 November 2012)**

**LIST OF DELEGATIONS**

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

**ICELAND**

Mr Össur SKARPHÉDINSSON	Minister for Foreign Affairs
Mr Thórir IBSEN	Ambassador, Head of Mission of Iceland to EU
Mr Martin EYJÓLFSSON	Ambassador, Permanent Mission of Iceland to EFTA
Mr Kristján Guy BURGESS	Political Advisor to the Minister
Mr Bergthór MAGNÚSSON	Director, Ministry of Foreign Affairs
Mr Nikulás HANNIGAN	Deputy Head of Mission of Iceland to EU
Mr Matthías Geir PÁLSSON	Counsellor
Ms Sigríður EYSTEINSDÓTTIR	First Secretary
Mr Andri JÚLIÚSSON	First Secretary

**THE KINGDOM OF NORWAY**

Mr Espen Barth EIDE	Minister of Foreign Affairs
Mr Atle LEIKVOLL	Ambassador
Ms Elisabeth WALAAS	Secretary General
Ms Ingrid AUNE	Political Advisor
Mr Per SJAASTAD	Deputy Director General
Mr Ragnhild IMERSLUND	Deputy Director General
Mr Niels ENGELSCHIØN	Deputy Head of Mission
Ms Laila STENSENG	Minister Counsellor

Ms Aud HELLSTRØM	Minister Counsellor
Mr Lars-Erik HAUGE	Press and Information Attaché
Ms Birgitte HYGEN	Senior Adviser
Ms Kari STEENSTRUP VAALUND	Senior Adviser
Ms Camilla LANGSHOLT	Press and Information Officer

## **THE PRINCIPALITY OF LIECHTENSTEIN**

Ms Aurelia FRICK	Minister of Foreign Affairs
Mr Martin FRICK	Ambassador, Director of the Office for Foreign Affairs
Mr Kurt JAEGER	Ambassador, Mission of Liechtenstein to the EU
Mr Pascal SCHAFHAUSER	Deputy Head of Mission, Mission of Liechtenstein to the EU
Mr Dominik MARXER	Counsellor, Mission of Liechtenstein to the EU
Ms Emilia BREUSS	Third Secretary, Mission of Liechtenstein to the EU

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

### **REPUBLIC OF CYPRUS**

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

Mr Andreas MAVROYIANNIS	Deputy Minister to the President of the Cyprus for European Affairs
Mr Andreas PHOTIOU	Counsellor B', Head of European Union Department, Division of European Union
Ms Maria BOTSARI	Attaché, Chair of the EFTA Working Party of the Council of the EU
Mr Vasilis KOUNADIS	Attaché, Deputy Chair of the EFTA Working Party of the Council of the EU



**REPUBLIC OF IRELAND**

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

Mr John O'SULLIVAN

Deputy Director of the Western Europe and External Relations Section in the Department of Foreign Affairs and Trade

Ms Hilda Ó RIAIN

Attaché to the Permanent Representation of Ireland to the EU, incoming Chair of the EFTA Working Party at the Council of the EU

Ms Karen LYNCH

Attaché to the Permanent Representation of Ireland to the EU, incoming Chair of the EFTA Working Party at the Council of the EU

**EUROPEAN COMMISSION**

Mr Olivier SALLES

Head of Unit, DG Markt

**EUROPEAN EXTERNAL ACTION SERVICE**

Mr David O'SULLIVAN

Chief Operating Officer

Mr Gianluca GRIPPA

Head of Western Europe Division

Mr Raphael FISERA

Desk Officer for the EEA, Western Europe Division

Ms Monika CSAKI

Desk Officer for Norway, Iceland and Liechtenstein, Western Europe Division.

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

Mr Zoltan MARTINUSZ	Director for Enlargement, Security, Civil Protection, Foreign Affairs Council Support
Mr David JOHNS	Head of Unit, Enlargement
Ms Bärbel DÜRHAGER	Desk Officer for Non-EU Western Europe

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

#### **EFTA SECRETARIAT**

Mr Kristinn F. ÁRNASON	Secretary General
Mr Lars Erik NORDGAARD	Director, EEA Coordination Division
Ms Katrín SVERRISDÓTTIR	Director, Services, Capital, Persons & Programmes Division
Mr Knut HERMANSEN	Director, Goods Division
Mr Marius VAHL	Senior Officer, EEA Coordination Division
Ms Erna HJALTESTED	Senior Legal Officer, EEA Coordination Division
Mr Espen EVENSEN	Trainee, Secretary-General's Office

#### **EFTA SURVEILLANCE AUTHORITY**

Ms Oda Helen SLETNES	President
Ms Sabine MONAUNI-TÖMÖRDY	Vice-President

**EUROPEAN ECONOMIC AREA  
Council of the EEA**

**Brussels, 20 November 2012**

**EEE 1608/12**

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**PROGRESS REPORT**

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Subject: Progress Report by the EEA Joint Committee to the 38<sup>th</sup> meeting of the EEA Council

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**Decision-making**

1. Since the last EEA Council on 14 May 2012, the EEA Joint Committee adopted 101 Joint Committee Decisions incorporating 201 legal acts.
2. The substantial efforts to reduce the number of outstanding legal acts to be incorporated into the EEA Agreement have continued since the last EEA Council on 14 May 2012. A List of outstanding legal acts where the compliance date in the EU is passed has been established, and is regularly updated in order to better monitor progress in this area. As of 13 November 2012, there were 417 legal acts for which the compliance date in the EU has passed that had not been incorporated into the EEA Agreement (including 169 acts for which the compliance date in the EU had expired before December 2011), compared with the 544 acts which had been identified on 9 December 2011. The number of Joint Committee Decisions awaiting fulfilment of constitutional requirements, where the six months period foreseen by Article 103 had expired, has been reduced slightly from 17 at the time of the last EEA Council on 14 May 2012 to 15 as of 16 November.

3. Important decisions taken by the EEA Joint Committee since the last EEA Council on 14 May 2012 include the following :
- Decision 181/2012 on consumer rights
  - Decisions 173/2012 on roaming
  - Decision 152/2012 on the revised Emission Trading Scheme (ETS)
  - Decision 129/2012 on the Eurovignette Directive
  - Decision 126/2012 on the New Legislative Framework for goods ('Goods Package')
  - Decision 64/2012 on the classification, labelling and packaging of chemicals
  - Decision 109/2012 on the Audio Visual Media Services (AVMS) Directive

### **Decision-shaping**

4. EEA EFTA experts continued to contribute to the work of the Commission's advisory groups, clusters, peer learning activities, Working Groups, Agencies and Committees. Since the last EEA Council on 14 May 2012, six EEA EFTA Comments were taken note of by the EEA Joint Committee :
- EEA EFTA Comment on the Consultation on the review of the auction time profile for the EU Emissions Trading System
  - EEA EFTA Comment on the Commission's proposal for a Regulation on a Common European Sales Law
  - EEA EFTA Comment on the partial general approach on the Programme for the Competitiveness of enterprises and SMEs (COSME) 2014-2020, as agreed during the Competitiveness Council meeting on 30 May 2012
  - EEA EFTA Comment on the Proposal for a Directive amending Directive 2005/36/EC on the recognition of professional qualifications
  - EEA EFTA Comment on the Commission's Communication on "A coherent framework to build trust in the Digital single market for e-commerce and online services"
  - EEA EFTA Comment on the Commission's Proposal for a Directive on Alternative Dispute Resolution and the Commission's Proposal for a Regulation on Online Dispute Resolution

## **Briefings in the Joint Committee**

5. The European Commission provided a briefing on the Single Market Act II.

## **Status of outstanding issues**

6. The EEA EFTA States continued discussions with the EU side on how to ensure that the significant volume of legislation being adopted in the EU in the financial services field is dealt with and included in the EEA Agreement. Both sides continued to agree on the need to ensure the timely incorporation of the above-mentioned legislation, including the Regulations establishing the European supervisory framework for financial markets on which, to date, limited progress has been noted due to the complexity of the issues raised by the specific roles and powers the European Supervisory Authorities are vested with. Nevertheless, the Joint Committee agreed to the importance of engaging in a constructive and result oriented dialogue to find a mutually acceptable solution allowing for the incorporation of the relevant acts into the EEA Agreement.
7. The Joint Committee noted the importance of the Third Package for the Internal Energy Market and that important work on derived legislation was currently ongoing in the new bodies, the Agency for the Cooperation of Energy Regulators (ACER) and the European Network(s) for Transmission System Operators (ENTSOs). Since the EEA EFTA States were already well integrated in the Internal Energy Market, the Joint Committee underlined the importance of ensuring appropriate EEA EFTA participation in the new bodies in line with the Third Package and the EEA Agreement.
8. The outstanding issues concerning the processing of the Data Retention Directive (2006/24/EC), the Directive on Deposit Guarantee Scheme (2009/14/EC), the Regulations on Novel Foods and Novel Food Ingredients (n°258/1997) and GM Food and Feed (n°1829/2003) , the remaining part of the TELECOM package, including the Regulation establishing the Body of European Regulators for Electronic Communications (BEREC) (n° 1211/2009), the Third Postal Directive (2008/6/EC) and the Regulation on Medicinal Products for Paediatric Use (n° 1901/2006) have not yet been solved. The Joint Committee reiterated the expectation for a conclusion of this process in the coming months.

## **Participation in programmes**

9. The EEA EFTA States participate in and co-finance EEA relevant EU programmes. With programmes playing a key role in contributing to smart, sustainable and inclusive growth in Europe, it is important to include the EEA EFTA States in all EEA relevant programmes.

## **Financial Mechanisms 2004-2009 and 2009-2014**

10. The implementation of projects under the Financial Mechanisms 2004-09 closed on 30 April 2012. An end-review concluded that the mechanisms contributed to reducing economic and social disparities at the local level, that more than one third of the funding targeted disadvantaged regions and vulnerable groups, and that partnerships established between donor state and beneficiary state entities were important and even fundamental to many projects.
11. In the period 2009-14, the EEA Financial Mechanism amounts to EUR 988.5 million and the Norwegian Financial Mechanism amounts to EUR 800 million. By end-of September 2012, some 20 supported programmes had been approved. Programmes and projects under the Financial Mechanisms 2009-14 may be implemented until 2016.
12. The EEA and Norwegian Financial Mechanisms aim to strengthen bilateral relations between the EEA EFTA States and the 15 EU countries benefiting from the funding. A total of 26 public entities from Iceland, Liechtenstein and Norway have engaged in strategic partnerships with Programme Operators in 86 programmes to be implemented across the 15 countries. The Council of Europe contributes to a number of programmes. The EEA EFTA States have engaged the Transparency International Secretariat in Berlin to develop tools to strengthen risk management and assess corruption risks.

**EUROPEAN ECONOMIC AREA  
Council of the EEA**

**Brussels, 26 November 2012**

**EEE 1607/1/12  
REV 1**

**CONCLUSIONS**

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Subject: Conclusions of the 38<sup>th</sup> meeting of the EEA Council  
Brussels, 26 November 2012

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1. The thirty-eighth meeting of the EEA Council took place in Brussels on 26 November 2012 under the Presidency of Mr Espen Barth Eide, Minister of Foreign Affairs of Norway. The meeting was attended by Mr Össur Skarphéðinsson, Minister for Foreign Affairs of Iceland, Ms Aurelia Frick, Minister for Foreign Affairs of Liechtenstein, and Mr Andreas D. Mavroyiannis, Deputy Minister to the President of Cyprus for European Affairs, representing the Presidency of the Council of the European Union, as well as by Members of the Council of the European Union and Representatives of the European Commission and the European External Action Service.
2. The EEA Council noted that within the framework of the Political Dialogue the Ministers discussed *Israel/Palestine/MEPP, Syria, Iran and Myanmar*.
3. The EEA Council underlined the importance of inviting EEA EFTA Ministers to informal EU ministerial meetings and ministerial conferences relevant for EEA EFTA participation in the Internal Market, and expressed its appreciation to the present Cyprus and the incoming Irish presidencies for the continuation of this practice.

4. The EEA Council recalled that the EU side had continued the practice of inviting the EEA EFTA States - at the level of officials - to political dialogue meetings at the level of relevant Council working parties, and underlined the importance of continuation of this practice.
5. The EEA Council held an orientation debate on *Trade and Regulatory Cooperation with EEA Neighbours*.
6. In light of the 20<sup>th</sup> anniversary of the Single Market at the end of this year, the EEA Council recognised with satisfaction that the EEA Agreement has been a durable instrument in ensuring the smooth functioning of the European Economic Area.
7. The EEA Council recognised that the current economic crisis was a common concern, and reaffirmed the need for responsibility and solidarity among the countries of Europe in tackling the challenges ahead. The EEA Council recalled in this context the orientation debates held in previous EEA Councils on the crisis and stressed that it was in the common interest of all countries of the European Economic Area to restore confidence and put the economies on the path towards renewed and sustainable growth. The EEA Council underlined the need to take into account budgetary discipline and shared social objectives in the measures taken to combat the crisis. The EEA Council underlined its full support for the calls by the G20 to avoid a repetition of the historic mistakes of protectionism of previous eras, and voiced its intention to resist all forms of protectionism in order to help safeguard the global economic recovery.
8. The EEA Council looked forward to the accession of Croatia to the EU, which is expected on 1 July 2013. The EEA Council welcomed the application of Croatia to become a Party to the Agreement on the European Economic Area, as required by Article 128 of the Agreement.
9. The EEA Council welcomed the progress being made towards Iceland's accession to the European Union following the seventh Intergovernmental Conference in October 2012.



10. The EEA Council welcomed the progress made on the seven flagship initiatives of the Europe 2020 Strategy and the Single Market Act and the publication of the Single Market Act II. With many of the proposals contained in these initiatives being EEA relevant, the EEA Council welcomed the contribution of the EEA EFTA States towards their development. The EEA Council welcomed the initiatives of better governance in the Single Market as well as the Services Package which both aim at reducing barriers and ensuring a timely and correct transposition and implementation of EU legislation, thereby boosting the full development of the Single Market. The EEA EFTA States will continue to be actively involved in the developments of the Single Market.
11. The EEA Council noted the Progress Report of the EEA Joint Committee and expressed its appreciation for the work of the EEA Joint Committee in ensuring the smooth functioning of the EEA.
12. The EEA Council welcomed the incorporation of the revised Emissions Trading Scheme, the Audiovisual Media Services Directive, the Temporary Agency Work Directive and the Directive on charging heavy goods vehicles into the EEA Agreement.
13. As on the occasion of its 37<sup>th</sup> meeting in May 2012, the EEA Council again welcomed the joint efforts to further improve the process of preparation and incorporation of EEA relevant EU *acquis* into the EEA Agreement. The EEA Council underlined the importance of timely incorporation of legal acts into the EEA Agreement, to ensure a homogenous Internal Market and fair competition for all operators.
14. In this regard, the EEA Council noted the remaining important number of legal acts, which had already entered into force in the EU but not yet in the entire EEA. The EEA Council also took note that EEA EFTA notifications for a number of Joint Committee decisions, for which the constitutional requirements have exceeded the six month period stipulated in the EEA Agreement, remained pending. The EEA Council encouraged the parties to continue efforts to reduce the number of outstanding legal acts.

15. The EEA Council noted that the outstanding issues concerning the processing of the Data Retention Directive, the Directive on Deposit Guarantee Schemes, the Regulation on Novel Foods and Novel Food Ingredients, the remaining part of the TELECOM package (including the BEREC regulation), the Third Postal Directive and the Regulation on Medicinal Products for Paediatric Use had not yet been solved and reiterated the need for a conclusion of this process in the coming months.
16. The EEA Council noted the urgency to continue discussions between the EU and EFTA sides on how to ensure that the significant volume of legislation being adopted in the EU in the financial services field is dealt with and included in the EEA Agreement. The EEA Council emphasised the need to ensure the timely incorporation of such legislation, including the Regulations establishing the EU supervisory framework for financial markets, on which, to date, limited progress has been noted. The EEA Council recognised the complexity of the issues and the constitutional challenges for the EEA EFTA States raised by the specific role and powers these Authorities are vested with. It encouraged all sides to actively and without delay engage in a constructive and result oriented dialogue to find a mutually acceptable solution allowing for the incorporation of the relevant acts into the EEA Agreement.
17. The EEA Council reiterated the importance of maintaining close cooperation between the EU and the EEA EFTA States in environment, energy and climate change policies, in particular in the areas of emissions trading, the promotion of competitive, safe and sustainable low carbon economy, energy efficiency, renewable energy resources, carbon capture and storage (CCS), as well as in the development of the internal energy market.
18. The EEA Council recognised the importance of cooperation for the development of future-oriented energy technologies, among others by means of advocating and supporting common research and development projects, enhancing and developing a framework allowing cross-border exchanges of knowledge and scientific cooperation, and advocating a free flow of intellectual capital while fully respecting the rights of respective property rights holders in accordance with European and international legislation on intellectual property protection.

19. The EEA Council noted the importance of the Third Package for the Internal Energy Market and that important work on derived legislation was currently ongoing in the new bodies, the Agency for the Cooperation of Energy Regulators (ACER) and the European Network(s) for Transmission System Operators (ENTSOs). Since the EEA EFTA States were already well integrated in the Internal Energy Market, the EEA Council underlined the importance of ensuring appropriate EEA EFTA participation in the new bodies in line with the Third package and the EEA Agreement. The EEA Council welcomed that the work on incorporating the Third Package into the EEA Agreement was well under way.
20. The EEA Council took note of the new Energy Efficiency Directive, as well as the ongoing work in the EU on a new Regulation on Energy Infrastructure, and agreed on the importance of energy efficiency and infrastructure as a means of realising energy and climate goals.
21. The EEA Council welcomed the new programme for business competitiveness and SMEs (COSME 2014-2020) and emphasized the key importance of SMEs for promoting economic growth and employment. The EEA Council shared the engagement in implementing the Small Business Act, simplifying rules and regulations and facilitating SMEs access to the green market, the international market and, in particular, the European public procurement market. The ongoing revision of public procurement policy in the EU was particularly important in this regard. The EEA Council welcomed the EEA EFTA States' participation in the consultation preceding the publication of the revision proposals, as well as the subsequent EEA EFTA Comment on the revision package.
22. The EEA Council took note of the adoption of the Integrated Maritime Policy Work Programme for 2011-2012 and welcomed the active involvement of the EEA EFTA States in preparatory actions for a European marine observation and data network. It noted that the EEA EFTA States were currently looking into possible participation in activities under the new programme for the further development of the Integrated Maritime Policy. The adoption of the European Commission Communication on a Maritime Strategy for the Atlantic Area was also noted.

23. The EEA Council acknowledged that the Contracting Parties to the EEA Agreement, as set out in Article 19 of the Agreement, have undertaken to continue their efforts with a view to achieving progressive liberalization of agricultural trade. To this end, it welcomed the negotiations on further liberalisation of agricultural trade between the EU and Iceland launched in 2012. The EEA Council looked forward to the upcoming review in 2013/14 of the conditions of trade in agricultural products between Norway and the EU with a view to open negotiations within the framework of Article 19. Furthermore, the EEA Council took note that the EU deeply regrets the proposal by the Norwegian Government to increase customs duties by switching from currently applied specific duties to ad valorem duties for some agricultural products and that the EU strongly encourages Norway to reverse its decision.
24. The EEA Council welcomed the discussions in the EEA Joint meeting on processed agricultural products that took place on 16 October 2012, and agreed to continue the dialogue on the review of the trade regime for processed agricultural products within the framework of Article 2(2) and Article 6 of Protocol 3 to the EEA Agreement.
25. The EEA Council welcomed the participation by the EEA EFTA States in EEA-relevant EU programmes to which they contribute financially. It emphasised the importance of including the EEA EFTA States in appropriate programmes, thus contributing to building a more competitive, innovative and social Europe.
26. The EEA Council welcomed the EEA EFTA States' contributions to the decision-shaping process of EEA-relevant EU legislation and programmes through their participation in relevant committees, expert groups and agencies, and through the submission of EEA EFTA comments.
27. The EEA Council reiterated that it was in the common interest of all Contracting Parties that the EEA Agreement was well known throughout the European Economic Area, and urged them to ensure that appropriate information on the Agreement is available.
28. The EEA Council looked forward to the findings of the independent EEA review commissioned by the Government of Liechtenstein as well as the results of the ongoing review being undertaken by the European Union.

29. The EEA Council emphasised the importance of the financial contributions from the EEA EFTA States through the EEA and Norwegian Financial Mechanisms 2009-2014.
  30. The EEA Council underlined the importance of achieving the bilateral objective of these two Financial Mechanisms, and to use the supported programmes actively to develop closer cooperation and relations between the three EEA EFTA States and the 15 beneficiary countries.
  31. The EEA Council recognised the contribution of the EEA Joint Parliamentary Committee and the EEA Consultative Committee to the functioning and development of the EEA Agreement, and looked forward to the outcome of the 39<sup>th</sup> meeting of the EEA Joint Parliamentary Committee on 27 November 2012.
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