

EEE 1605/1/22
REV 1

MINUTES

Subject: Minutes of the 54th meeting of the EEA Council
(Brussels, 23 May 2022)

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of the 54th meeting of the

EEA COUNCIL
(Brussels, 23 May 2022)

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The EEA Council held its 54th meeting in Brussels on 23 May 2022.

The meeting was chaired by Mr Mikuláš BEK, Minister for European Affairs of Czech Republic on behalf of the French Presidency, who led the delegation of the European Union. Minister BEK was accompanied by Mr Maroš ŠEFČOVIČ, Vice-President of the European Commission, and Ms Angelina EICHHORST, Managing Director for Europe and Central Asia, representing the European External Action Service (EEAS).

The EEA EFTA side was led by Ms Dominique HASLER, Minister for Foreign Affairs, Education and Sport of Liechtenstein, accompanied by Ms Thórdís Kolbrún Reykþjörd GYLFADÓTTIR, Minister for Foreign Affairs of Iceland and Ms Anniken HUITFELDT, Minister for Foreign Affairs of Norway.

The EEA EFTA side also included Mr Henri GETAZ (Secretary-General of the European Free Trade Association - EFTA) and Mr Arne RØKSUND (EFTA Surveillance Authority - ESA).

Opening statement of Minister Mikuláš BEK on behalf of the European Union

Dear colleagues from Liechtenstein, Iceland and Norway, from the EFTA Secretariat and from the EFTA Surveillance Authority,

First of all, on behalf of the Council of the European Union, allow me to wish you and your delegations a very warm welcome.

It is our privilege, as incoming Presidency, to chair this very important session and we would like to thank the French Presidency for its excellent work so far.

We are especially pleased to have with us today, and for the first time in an EEA Council meeting, the new Minister for Foreign Affairs of Iceland. Congratulations on your appointment - we wish you every success in your duties. We are certain that our relations will continue to be marked by the same traditionally high level of good cooperation that we have enjoyed in the past.

Before we start our meeting, I would like to express my thanks to you and to the EFTA Secretariat for your excellent cooperation in finalising the arrangements for this meeting.

I am looking forward to our discussions!

Intervention of Minister Ms Dominique HASLER on behalf of the EEA EFTA side

Thank you, Chair, for your words of welcome. We look forward to the discussion and an exchange of views with our EU partners.

On the EFTA side, in addition to my colleagues representing Iceland and Norway, I would also like to introduce the new College of the EFTA Surveillance Authority: ESA president and Norwegian college member Arne Røksund, together with the Icelandic college member Árni Páll Árnason and the Liechtenstein college member Stefan Barriga.

Intervention of Minister Mikuláš BEK on behalf of the European Union

Let us now move to the formal agenda of our EEA Council, as set out in document 1601/22. As we have done in the past, and in order to gain time, I hope that we can agree to deal with items 1 to 5 of our agenda without further discussion, and therefore note our agreement on the agenda and the other documents related to those items.

Intervention of Minister Ms Dominique HASLER on behalf of the EEA EFTA side

I would like to confirm that we agree to deal with items 1, 2, 3, 4 and 5 of our Agenda without discussion and move to the next items.

1. ADOPTION OF THE AGENDA

The EEA Council adopted the Agenda, as set out in EEE 1601/22.

2. APPROVAL OF THE MINUTES

The EEA Council approved the minutes of the 53th meeting of the EEA Council, which took place in Brussels on 24 November 2021, as set out in EEE 1602/22.

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 EEE 1603/22.

4. RESOLUTIONS OF THE EEA CONSULTATIVE COMMITTEE

The EEA Council took note of the Resolutions of the EEA Consultative Committee adopted at its meeting in Brussels on 14 December 2021 on *The Global Agreement on Minimum Effective Taxation and its Implementation in the EEA* and on *The Action Plan to implement the European Pillar of Social Rights*.

5. RESOLUTIONS OF THE EEA CONSULTATIVE COMMITTEE

The EEA Council took note of the Resolutions of the EEA Consultative Committee adopted at its meeting in Bergen on 11 May 2022 on *Challenges and Opportunities of Increased Use of Artificial Intelligence in Working Life* and on *the Social Dimension of the Fit-for-55*

Package

6. ASSESSMENT OF THE OVERALL FUNCTIONING OF THE EEA AGREEMENT
Intervention of Minister Mikuláš BEK on behalf of the European Union

Let us move on to item 6 on the agenda, concerning the assessment of the overall functioning of the European Economic Area Agreement.

Allow me to start by underlining, once again, the importance of the regular meetings of the EEA Council, which give us the opportunity to jointly assess the application of our most important instrument of cooperation - the European Economic Area Agreement - and to hold a useful exchange of views on its various aspects.

Firstly, I would like to recall the transfer of the handling of the EEA files from the European External Action Service to the Secretariat-General of the European Commission that have taken place on the EU side since January 2022. We thank those involved for the good work and look forward to continuing the successful cooperation amongst all.

In June 2022, the EU Council will adopt conclusions on EU relations with non-EU Western European countries. They reflect the EU's general understanding that the EEA Agreement has continued to function in a satisfactory manner over the past four years, maintaining its key role in advancing economic relations and Single Market integration between the EU and the EEA EFTA States.

I note, on behalf of the Presidency, that we unfortunately did not manage to reach agreement on any EEA conclusions this year. While this is something the Presidency very much regrets, I would like to underline that our relations and our cooperation under the EEA Agreement nevertheless remain as excellent, productive and successful as ever.

Vice President Šefčovič will provide a detailed report on the day-to-day developments with regard to the EEA Agreement and on the concrete progress achieved since November.

Before giving him the floor, we would like to highlight some important developments that have taken place since last EEA Council held in November 2021.

We would like to welcome the incorporation of certain important pieces of legislation into the EEA Agreement, such as the decisions concerning the Tobacco Products Directive and related acts, and the decision incorporating the directive on Energy Performance of Buildings.

We hope for increased efforts to tackle important pending legislation, such as the Ship Inspection Package, the Audiovisual Media Services Directive, legislation in the area of aviation safety, as well as in the area of energy.

Furthermore, we would like to welcome the continued joint determination to incorporate the relevant EU acquis into the EEA Agreement. That said, efforts to reduce the existing backlog must be pursued, in order to ensure the timely incorporation and swift transposition of the acquis.

Further to the COVID19 pandemic and its impact that led to critical disruptions for our societies and economies, we now have new challenges with regard to energy and raw materials supply. These are of utmost importance for the envisaged green and digital transitions. Against this backdrop, we would like to reiterate the importance of close cooperation between the EU and EEA EFTA states on these and other relevant policy areas.

Turning now to bilateral issues, let me reiterate the particular importance the EU and its Member States attach to the progressive liberalization of trade in processed agricultural products with Iceland and Norway, as foreseen in the EEA Agreement.

I will now give the floor to the Vice President of the Commission.

Intervention of Vice President Maroš ŠEFČOVIČ on behalf of the Commission

Dear Ministers, Representatives of EEA EFTA institutions, Ambassadors, ladies and gentlemen,

On behalf of the Commission, I am very pleased to share with you our assessment of the functioning of the EEA Agreement.

As you know, at the beginning of this year, I was entrusted with the political responsibility for relations with Iceland, Liechtenstein and Norway and the responsibility for the management of the functioning of the EEA Agreement on the EU side was transferred from the European External Action Service to the Commission – and specifically to the Secretariat-General.

This was accompanied by the creation of a new unit for relations with the EEA, Switzerland and the three small-sized States with whom we are currently negotiating an association agreement inspired by the EEA Agreement (Andorra, Monaco and San Marino).

I would like to thank wholeheartedly my colleague High Representative and Vice-President Josep Borrell, as well as the colleagues from the European External Action Service for their work in

recent years to ensure the smooth functioning of the EEA Agreement, in cooperation with the EFTA secretariat.

I also thank EEAS colleagues for their valuable assistance and advice in ensuring the seamless transition of the EEA file between the EEAS and the Commission. We continue to work together very closely, ensuring coordination across our respective responsibilities on issues that are of common interest and relevance.

On the broader scale, there is of course a continued need for very close cooperation between the European Union and our closest and most integrated partners, who are the three EEA EFTA States.

The past two years, in particular, have demonstrated the necessity of coordinated approaches in areas of common interest and concern.

The significant added value of the European Economic Area agreement is clear in providing a stable and reliable framework for working together and for ensuring that the European Union's regulatory approach to the Single Market is understood and shared with our partners in the EEA EFTA States. The benefits of our long-term partnership have become even clearer as we have faced major challenges both internally and externally.

We have faced particular challenges throughout the COVID-19 pandemic, which have required the European Union and its institutions to respond quickly and imaginatively to meet the needs and expectations of citizens, businesses, Member States and other stakeholders.

I am very grateful that the EEA EFTA States have worked closely with us to provide solutions in areas such as vaccine procurement and the operation of the digital COVID certificate.

Furthermore, I would like to recall that ongoing events on the EEA/EU borders – namely, the Russian war against Ukraine – underline the importance of continued cooperation through the daily work of implementing the EEA Agreement and consolidating our alignment. In this context, I want to express my gratitude for the EEA EFTA States' alignment with EU sanctions and the united position in response to the Russian aggression.

In terms of incorporation of the *acquis* into the EEA Agreement, I would like to refer to the progress report of the EEA Joint Committee that was provided for this meeting.

It is important to highlight the progress made in recent months, with 225 Joint Committee Decisions incorporating 401 legal acts since the last meeting of the EEA Council on 24 November 2021.

This represents a significant increase compared to the early part of 2021 and underlines the continued need to keep pace with the development of EU legislation and ensure its timely incorporation into the EEA Agreement.

In this period, we have seen the incorporation of several important pieces of legislation in areas such as veterinary medicinal products, capital requirements, CO2 emissions and the 2010 Energy Performance of Buildings Directive, among others.

We welcome these developments and look forward to continuing the work to ensure the incorporation of the other outstanding pieces of legislation and to clear the backlog as much as possible. In addition, we would like to see entry into force as soon as possible after the adoption of Joint Committee Decisions so that a level playing field is ensured across the entire EEA.

Finally, as you know, one of the principles of the EEA Agreement is to promote the continuous and balanced strengthening of trade and economic relations between the Contracting Parties. In this context, they agree on the need to reduce the economic and social disparities between their regions, and the EEA EFTA States agree to establish a financial mechanism to meet these objectives.

I am pleased to announce that, following the decision taken by the Council to authorise the opening of negotiations on a new EEA financial mechanism, the Commission will organise a first meeting with the three EEA EFTA states on 16 June in Brussels.

Our objective is to make swift progress in order to ensure that the instruments enter into force as soon as possible, taking into account the timeline of the current seven-year-period for the EU's cohesion policy instruments.

In this endeavour, as in all other aspects of the implementation of the EEA Agreement, we look forward to excellent cooperation with our EEA EFTA partners.

Thank you.

Intervention of Minister Ms Dominique HASLER on behalf of the EEA EFTA side

Ministers, Colleagues,

We are all shocked that war has returned to Europe and by the atrocities committed in Ukraine. In these tragic and uncertain times, the EEA EFTA States are the closest of partners of the EU and stand in solidarity with Ukraine and its neighbouring states. We are aligned with EU sanctions against Russia and stand united in the reception of displaced people and the supply of substantial humanitarian, medical and other forms of assistance and aid. Like the EU, we quickly made accessible available cohesion money for the Beneficiary States most affected by the war in Ukraine under the EEA Grants to support their response to the crisis.

This solidarity is based on our shared values and commitment to a Europe built on peace, democracy, the rule of law and human rights. This is also the essence of the EEA Agreement, which has served as a solid basis for our cooperation for more than a quarter of a century.

We note a significant impact of the war on the Internal Market, with further supply chain disruptions and rising prices, notably for food and energy. This comes on top of two difficult COVID years and means that we need to continue to invest in our resilience and safeguard our common Internal Market.

The EEA EFTA States are ready to act quickly and take all necessary action to respond to these exceptional circumstances. Vice versa it will be important that the EEA EFTA States continue to be invited to participate in all relevant measures and arenas to ensure our close cooperation also in this context.

Beyond these immediate challenges, we need to join forces to accelerate the green transition. One important priority is to reduce strategic dependencies on raw materials and energy, something we will discuss in our orientation debate today. We are furthermore determined to work with the EU to speed up the digitalisation of industry and public services, in line with the objectives of Europe's Digital Decade. As the closest partners of the EU in these endeavours, the EEA EFTA States look forward to contributing to these important agendas, which will also serve to enhance the EU's open strategic autonomy.

Having formalised our participation in the new generation of EU Programmes (2021-2027) last year, we now rely on your continued efforts to make sure that EEA EFTA stakeholders are fully involved in all activities, in line with the EEA Agreement.

In these troubled times, it is particularly important to provide legal certainty and predictable conditions for our citizens and businesses. And for this, we need to continue to incorporate swiftly the rapidly evolving EU acquis into the EEA Agreement. The number of legal acts awaiting incorporation remains substantial, but I am pleased to note the positive developments since our last meeting. I would like to commend the hard work on both sides to make this happen and trust that this good trend will continue.

For the good functioning of the EEA Agreement, it is also essential to ensure a strong commitment and sense of ownership among all 30 Member States of the EEA. To this end, we intend to make the most of our new EFTA House. We have started inviting key Commission Services for study visits on the main principles of the Agreement. We will also celebrate the official inauguration of the EFTA House later today. I look forward to welcoming you at the ceremony.

Allow me also a brief mention of the next period of EEA Grants. As you know, the EU and the EEA EFTA States noted a continued need to address economic and social disparities in the EEA and welcome the upcoming launch of the negotiations.

Ministers, Colleagues,

These are extraordinary times, but so is our partnership. We would like to thank the French presidency, for the very good cooperation and for the efforts to facilitate our participation in informal EU Council meetings and political dialogues, including those linked to the war in Ukraine. We now look forward to working with the incoming Czech Presidency in the second half of this year.

As the responsibility for EEA affairs on the EU side was transferred from the EEAS to the European Commission at the start of this year (1 January), I would like to take this opportunity to thank the EEAS for the outstanding cooperation during the last decade. I am also pleased to note that the cooperation with our new counterpart is off to an excellent start.

Against this background, I am pleased to announce that the next EEA Council will take place in the EFTA House (on 23 November). We look very much forward to welcoming you there.

Let me conclude with a final word on the unfortunate situation that despite great dedication on both sides, we will not be able to adopt formal EEA Council conclusions today. I want to thank the French Presidency in particular for their tremendous efforts and express our regret that it was not possible to find a mutually satisfactory solution. We would like to underline that this in no way reflects our commitment to the good functioning of the EEA Agreement and our close and important partnership as outlined in a fuller statement that has been made available.

Thank you.

Intervention of Minister Ms Dominique HASLER on behalf of Liechtenstein

Dear Vice-President, dear Ministers, dear colleagues.

Allow me now to add a few remarks on this agenda item wearing my national hat.

Liechtenstein's Chairmanship of the Standing Committee of the EFTA States during the first half of 2022 has coincided with dramatic geopolitical events. It also coincided with institutional changes of our EEA cooperation on the EU side: This is the first EEA Council after the transfer of the EEA responsibility from the EEAS to the European Commission. We are grateful for the smooth transition and that the EEA file enjoys the continued high commitment of the EU in these challenging times.

Recent events have increased the urgency of various important EEA-relevant agendas, for instance the European Green Deal, which we continue to support. Particularly in the field of energy policy, we must jointly strive to ensure that guaranteeing Europe's energy security is compatible with our climate goals in the short and long term. The war must not compromise our commitment to agendas that concern nothing less than the safe and sustainable life of future generations.

Our Chairmanship has of course also focused on more technical aspects of our cooperation such as ensuring the timely incorporation of new EEA-relevant EU acts. I would like to take this opportunity to thank everyone involved, including the Secretariat General of the Commission and the EFTA Secretariat, for their great level of flexibility and their dedication to jointly further this goal, including on issues such as the publication of JCDs. We look forward to keeping up this good momentum together for the work to come.

I would also like to briefly touch upon the upcoming negotiations of a future Financial Mechanism. We welcome that a first dialogue between the EU and EEA/EFTA side will take place very soon. Against this background, we are expecting the EU position with great interest. For the renewal of this important contribution, continuation is the key word. We hope that we will have constructive negotiations based on balanced and adequate positions on both sides.

Lastly, I would also like to express my personal regret that it again was not possible to adopt conclusions, due to an outstanding consensus on one single paragraph – not to say one single word. We strongly hope that we can move past this and have conclusions at our next meeting, thereby also publicly reflecting the excellent and mutually beneficial relations between the EU and the EEA/EFTA-States.

Intervention of Minister Thórdís Kolbrún Reykfjörð GYLFADÓTTIR on behalf of Iceland

Mr. Chairman,

Dear colleagues,

Let me in the beginning state how glad I am to be here today at my first EEA Council meeting. Also like to thank Commissioner Sefcovic for a very fruitful discussions over lunch earlier today.

The Government greatly appreciate our relationship with the EU and its Member States, including our longstanding and strong trade relationship.

The EEA Agreement, along with our association with Schengen, are our two pillars of close cooperation with our closest partners and allies in Europe.

I will focus on four issues in my intervention; Ukraine, functioning of the EEA Agreement, Trade environment for fisheries and agricultural products and finally on Fit for 55 and air transport.

We discussed this issue in more detail in the political dialogue earlier today but let me reiterate our unwavering support for Ukraine and to the measures undertaken by the EU and other allies.

There are and will be numerous challenges on the way to peace in Ukraine and those are not limited to Ukraine territory.

Some of these challenges may relate to issues closely related to the EEA Agreement, like in the area of food security and energy security, to take just two examples.

We highly appreciate your transparency and inclusiveness when it comes to your work in different areas of this crisis by involving us directly in your work.

As we discussed at the last meeting of this Council, from our side we have drawn lessons from the Covid-crisis. One is that we always have to be on guard when it comes to introduction of restrictions in the Internal Market – and please never forget we are part of that market.

But from our side there are more lessons we have learned from our close cooperation during the Covid-crisis. One is how closely we worked together on many fronts through the crisis. It was both under the EEA Agreement and our Schengen Association agreement but also bilaterally.

We have noted how you have now integrated some of these crisis response in the health area in what you name HERA. We have already approach you with proposals to enter into dialog and eventual negotiations on how we can become part of HERA and your health crisis preparedness and response mechanism in general. We look forward to our continued exchange of views on that over the coming weeks and months.

Like I stated in the beginning, well-functioning EEA Agreement is a key pillar of our policy on Europe.

That is why we take seriously the situation we have on the backlog of acts waiting incorporation into the agreement. This also goes true for issues that relate to entering into force of decisions that are subject to constitutional requirements. On that issue, we have to be mindful that certain things rest on our democratic process, however we will look into our procedures and explore ways to cut down on the outstanding notifications from our side.

When it comes to the EEA Financial Mechanism, we have a long and positive history to tell on the impact for the Beneficiary States. At the same time let me stress the firm view of the EEA EFTA States that continuation of the Mechanism is an independent decision of the States for each period with no obligation contained in the EEA Agreement on this.

Having said that, we have now agreed there is still a need to alleviate social and economic disparities in the EEA and we are ready to start the discussion on a new period for our Financial Mechanism and note a data has now been set.

A key aim of reducing these disparities, as laid out in Article 115 of the EEA Agreement, is to promote a continuous and balanced strengthening of trade and economic relations between the EEA partners.

In that context let me stress the fundamental importance of addressing trade conditions for fish and agricultural products between Iceland and the EU – as we have done in recent meetings. This continues to be a matter of interest and concern for my government. At the same time let me stress that we have had positive conversations with colleagues on the side of the Commission recently.

Despite active participation in the internal market for over 25 years, our fish and fisheries products are still subject to a broad range of tariffs. In conformity with established practice, the negotiations on the Financial Mechanism, will be conducted in parallel with negotiations on market access for fish and other marine products. This has to be a two-way street.

Moreover, significant external events and internal developments have radically changed the starting point for the Agricultural Agreement which entered into force between Iceland and the EU in 2018. Here, there is a need for rebalancing of some of the tariff quotas provided for under this agreement. As it was mentioned by Minister Bek, when we negotiated the 2018 agreement we also negotiated preferences for Processed Agricultural Products and protection of Geographical Indications.

I therefore trust, as stated in my meetings with the Commissioners recently, that the EU side will duly address these issues with a fresh approach. We will continue to insist on improved market access for fish and rebalancing of trade in agriculture.

Mr Chairman,

Let me now turn to a policy area where we indeed go hand in hand. Fighting climate change.

As all you are aware of Iceland and Norway have basically become part of the EU toolbox in implementing our international commitments in this area. And we are very proud of it as I believe that that is the most effective toolbox globally. We stay committed to our own climate objective of carbon neutrality by 2040 and strongly committed to our cooperation on joint fulfilment with the EU.

Coming to the most recent initiatives of the EU in this field, Fit for 55, we completely share the objectives of the EU as reflected in our Council Conclusions just adopted.

However, Iceland has major concerns regarding three proposals now discussed in EU institutions, Refuel Regulation, Energy Taxation Directive and ETS on aviation. The main concern with all these proposals is that their impact on competitiveness of our international airport and on our international airlines could be devastating. This is due to the geographic location of Iceland and the business model of Icelandic airlines.

In more detail if adopted unchanged the impact will be distorted level playing field resulting in weaker airlines, less connectivity and serious adverse effect on the contribution of aviation, to the GDP, currently about 14%. All calculations we have made come to the clear conclusion that those

that will benefit are airlines and airports in third countries close to the EU, like in the UK. This we have demonstrated in figures presented with EU counterparts.

We are also asking that the effect of the proposals on remote state islands to be mitigated. There are 1500 km from Iceland to the nearest European airport, typically 2000 km- 3000 km and longer on some routes. The regulatory cost is disproportionate on the habitants of Iceland basically compared to any other EEA state.

We are already in close contacts with EP and Council Members to explain and inform on the details of this and how this impact might be mitigated for countries that totally rely on air transport like we do.

These are issues we need to find solutions to, given the specific impact for Iceland.

To conclude on more positive note, Mr Chairman, just to repeat our full support with the general objectives of EU's climate policy and reiterate our commitments to the application of different measure to reach our joint objectives.

As final note, I look forward to carrying the baton of chairing the EEA Council for the second half of the year. In that regard, it will be a particular pleasure to be able to receive you at the EFTA House for our next meeting.

Mr. Chairman,

This concludes my intervention on this agenda item.

Intervention of Minister Anniken HUITFELDT on behalf of Norway

Mr. Chairman,

At our meeting last November, we all spoke about our common fight against the pandemic. While that fight is not forgotten, this time we see a fight for the very survival of a neighbour right outside our doorstep.

Our continent is changing before our eyes. Norway and the other EEA EFTA states stand together with the European Union in making every effort we can to help Ukraine defend itself.

We stand together with the EU and other countries to ensure that the sanctions are strong and effective. We welcome Ukrainian refugees. We provide humanitarian assistance. We contribute through the EU's Civil Protection Mechanism. And we provide military equipment.

Let me also underline that Norway will contribute substantially to the reconstruction efforts.

European unity in the face of Russia's war of aggression is vital. Norway's relationship with the EU remains rock solid. We are a close partner to the EU through the EEA Agreement. The integrity of the Single Market is a priority for us. Not least in this time of conflict. We must safeguard the Single Market. And the values upon which it is built.

In addition, EU cooperation on security and defence has gradually been strengthened in recent years. Norway has taken steps to be able to participate in the EU's new initiatives in this area. One such initiative is the European Defence Fund, in which we take part through the EEA Agreement.

Mr. Chairman,

Let me say a few words on the EEA and Norway Grants. These grants contribute to reducing social and economic disparities in Europe. But they also play their role in promoting our common values and protecting space for civil society. The Single Market can only function on the basis of Rule of Law and independent courts.

The war in Ukraine is a reminder to all of us that we cannot take democracy or peace for granted. We believe a stronger commitment to our common values is needed.

We will soon start negotiations on a new period of the EEA Financial Mechanisms. The main goals for a new period should be clear: reduce economic and social disparities and strengthen bilateral

relations. It is also important that the solid implementation and management structures are maintained.

Good governance must be given high priority. Promoting and protecting rule of law and democracy will be important to Norway also in a new period.

Parallel negotiations will take place on market access for fish and seafood. The EU is dependent on imports of safe, healthy, traceable and sustainably produced seafood from Norway. Both to supply the EU's processing industry and to satisfy the consumer's demand for seafood.

This dependency is currently not properly reflected. Today's tariff regime imposes a burden on importers and exporters. We expect the negotiations will lead to improvements in the trade regime for seafood.

Mr. Chairman,

For 28 years, the EEA Agreement has been the main platform for Norway's relations with the EU. Our commitment to the agreement is strong and solid.

Ten years ago, we made a review of Norway's relations with the EU. It gave us a good understanding about the EEA and what it means to Norway. It also showed that the EEA cooperation benefits both the EU and the EEA EFTA states.

Since then, the EU and the EEA have developed. The world around us has changed. We have faced new challenges together. The government will therefore conduct a new review. It will focus on the development of the EEA over the last decade.

As in 2012, the review will be conducted by an independent group of experts. This group has now been established. It will submit its report to the government by the end of 2023.

Thank you.

Intervention of Minister Mikuláš BEK on behalf of the European Union

Thank you. If there are no further comments I hereby conclude the discussion on the functioning of the EEA Agreement.

7. ORIENTATION DEBATE ON REDUCING STRATEGIC DEPENDENCIES IN THE FIELDS OF RAW MATERIALS AND ENERGY

Intervention of Minister Mikuláš BEK on behalf of the European Union

Let us now turn to the next item on the agenda, our orientation debate on reducing strategic dependencies in the fields of raw materials and energy.

Recent geopolitical developments are of concern to us all. As you all know, the invasion of Ukraine has an important energy component.

In addition to the pre-existing issue of high energy prices, there are now concerns in Europe about the security of our energy supplies, the issue of Russia's dependence, and the possible solutions to be found, including in cooperation with our international partners, including within the EEA.

Sanctions and countermeasures are strongly felt in the form of disruptions to trade and financial markets. They have a serious impact on industrial supply and value chains, and above all, they are the trigger for higher inflation and reduced economic growth.

The tragic events in Ukraine make it even more important and urgent for the EU to focus on the resilience of its economy and its dependence on third countries. The situation created by this crisis highlights the need to work on Europe's strategic dependencies, and to accelerate the green and digital transitions.

The invasion of Ukraine makes the need for a rapid clean energy transition stronger and more evident than ever. The EU imports 90 % of its gas consumption, of which about 45 % from Russia, at varying levels across Member States. Russia also accounts for around 25 % of oil imports and 45 % of coal imports.

The EU leaders, at their informal meeting in Versailles in March, agreed to make Europe's economic base more resilient, competitive and fit for the green and digital transitions, while leaving no one behind. In order to reduce the EU's strategic dependencies, they committed to securing the EU's supply of critical raw materials through strategic partnerships with third countries, exploring strategic stockpiling and promoting circular economy, recycling and resource efficiency.

Following the EU leaders' Versailles Declaration, the European Council in March reiterated the need to gradually move away from Russian gas, oil and coal import dependency as soon as possible.

Several initiatives at EU level intend to strengthen our security of supply, such as the RePowerEU package, the new Gas Storage Regulation and the establishment of a European platform for joint gas purchases.

It is therefore essential to discuss today the implications of the crisis in Ukraine. First and foremost in terms of security of supply and possible avenues for international cooperation.

In this respect, it should be recalled that diversification of sources of energy supply by pipeline, including from Norway, would make it possible to obtain important sources of gas import diversification.

Secondly, the EU places a strong emphasis on decarbonisation as a long-term solution to our energy dependency. Several solutions are currently being considered in the EU. These include increased production and import volumes of biomethane and hydrogen; stepping up our energy efficiency actions and rapidly increasing renewable energy.

Thirdly, the EU has long been working with you, the member countries of the EEA, to adopt a harmonized legislative framework for our energy and climate policies. We must consider to what extent the current situation require us to further accelerate this alignment.

This Council is an excellent opportunity for us to take stock of the state of cooperation on these various aspects.

With that, I would like to pass the floor to the European Commission, which may wish to add some further considerations on the subject.

Intervention of Vice President Maroš ŠEFČOVIČ on behalf of the Commission

Raw materials are an important enabler of the twin green and digital transitions. They will be essential for preserving the global competitiveness of the EU's most strategic economic sectors through the development of clean and low-carbon technologies such as batteries, photovoltaics and windmills.

The demand for several raw materials will increase exponentially in the coming years, and we will face a global competition for resources.

To meet our needs in renewable energy and e-mobility alone, the EU would need up to 18 times more lithium and 5 times more cobalt in 2030 – and almost 60 times more lithium and 15 times more cobalt in 2050 – compared to the current supply. The EU currently supplies only 1% of its own needs for key battery raw materials (lithium, cobalt, nickel). At the same time we source 98% of rare earths, needed for e-motors, from China.

We are already experiencing disruptions with recent shortages of supplies of various raw materials and energy, resulting in high prices for EU industry and consumers.

The Russian invasion of Ukraine is the latest example of the EU's strategic dependencies on raw materials, particularly critical ones. Russia and Ukraine both export key metals to the EU, from titanium to palladium, respectively used to produce aircrafts and electronics appliances. The new situation therefore affects the supply chains of European companies, either through shortages or price hikes, and force them to find alternative supply sources on the global market.

We must therefore accelerate development of a more resilient raw materials supply. We should invest not only in primary raw materials extraction but also in the development of refining facilities, as well as recycling, critical for a secure supply of secondary raw materials.

We will intensify work on the supply of critical raw materials and prepare a legislative proposal. We will step up ongoing EU policies and actions (e.g. implementation and negotiation of Free Trade Agreements, cooperation with like-minded partners, etc.) to reinforce the EU's monitoring capacity and help secure the supply of diverse critical raw materials. This initiative will aim at strengthening the European value chain through the identification of mineral resources and of critical raw materials projects in the European strategic interest, while ensuring a high level of

environmental protection, including projects that promote a circular economy and resource efficiency.

We need enhanced cooperation in the European Economic Area on responsible raw materials to secure clean industrial value chains, respecting ambitious environmental and climate standards. This requires also the development of the required infrastructure and support capacity building along the raw materials value chains.

But we cannot do this alone: to meet the challenges of the green transition, we need companies to hold their activities to the highest social and environmental standards available and to design products that are less resource intensive. As supply chain disruptions become more frequent, new actions are needed to reduce the danger arising from over-concentration of our supply from China. It is a matter of responsibilities: companies must now invest in resilient European supply chains, through offtake agreements, and develop contingency planning to protect themselves from disruptions.

Therefore, we need to focus also on the sustainability dimension. It is the driver of EU's green and digital transition and 2050 climate neutrality objectives. We need products that will replace reliance on fossil fuels with renewable energy and maximise the exploitation of circular economy. But at the same time we have to make sure that these products and their components are produced sustainably as well. It is a matter of achieving our competitiveness and achieving environmental goals.

Industries will not be competitive unless we address the issue of sustainability quickly and effectively.

We need to rethink the way we consume resources, become more circular and ensure that new mining and refining activity is done as sustainably as possible.

Together with the Member States and stakeholders, we have developed and published in September 2021 a set of voluntary, non-mandatory EU principles for sustainable raw materials.

These will help us in aligning the understanding of sustainable raw materials extraction (from exploration to post-closure) and processing operations in the EU.

These will also lead to a common European understanding on sustainability principles that can contribute to coherence amongst emerging certification and labelling schemes, and ensure that existing practices, codes and standards are recognised.

Together with the Battery regulation proposal, they provide a complimentary framework that strengthens the sustainable and responsible domestic sourcing and processing of raw materials.

We invite our partners to promote these principles among their stakeholders. This way we can ensure access to the raw materials we need and at the same time ensure that they are sources sustainably and responsibly.

Reducing strategic dependencies in the field of energy

Energy finds itself at the centre of the EU's political agenda. Three major challenges - security of supply, high prices, climate change - all point in the same direction. Our job is to tackle them by (i) diversifying energy sources; (ii) increasing our resilience; and (iii) accelerating the clean energy transition.

Since the surge in energy prices in autumn 2021, the Commission has been working intensively to help limit its impact, particularly on the most vulnerable households and businesses and to make the EU energy system more resilient to future shocks. The Commission Communication and toolbox of 13 October 2021 sets out specific measures that Member States can take.

The energy situation in Europe is exacerbated with Russia's war in Ukraine since February 2022.

All Member States have preparedness measures in place and are working on strengthening them even further. It is important for their gas supply contingency plans to fully reflect recent developments and security of supply risks.

Ultimately, our preparedness relies on our ability to substantially and effectively diversify supplies from our current main supplier and to fill in our gas storage capacities before next winter. There is gas in storage across our continent (33.3% on 2 May and rising).

The share of gas imports from Russia is significant. In 2021, the share of pipeline gas imports amounted to around 40% of the total extra-EU gas imports. However, exports from Russia to the EU have decreased compared with previous years, in particular in recent months.

LNG has a major role to play to replace the missing gas. In January and February 2022, there was a record supply of LNG gas to the EU. Provisional figures for March show that the EU imported more than 10 bcm of LNG - for the first time ever - and rose still further to over 12 bcm in April (12.58 bcm).

The Commission set up an EU Energy Platform to coordinate security of gas supplies across the EU.

We are also building new LNG terminals and interconnectors. For example, a new Poland-Lithuania Gas Interconnection was launched on 5 May 2022. It is the first gas interconnector between the Eastern Baltic Sea region and Continental Europe. In the same week, work began on a new floating LNG terminal in Alexandroupolis, Greece.

EU coordination continues, including bilateral solidarity agreements between Member States.

REPowerEU Communication, 8 March 2022

On 8 March 2022, the Commission published its Communication “REPowerEU: Joint European action for more affordable, secure and sustainable energy”.

REPowerEU, is the EU’s response to the need for independence from Russian fossil fuels well before the end of the decade, and to replace them with affordable, reliable, and clean energy.

The Communication focuses on:

replenishing EU gas stocks for next winter;

making Europe independent from Russian fossil fuels and diversifying our gas supplies away from Russia well before the end of the decade; and

transitioning to renewable gases and hydrogen and accelerating the European Green Deal. As well as scaling up renewables, it will also boost energy efficiency, increase electrification and address infrastructure bottlenecks.

Proposal to amend the Gas Storage Regulation and Communication on security of supply and affordable energy prices, 23 March 2022

With the continuing rise in energy prices, compounded by the war in Ukraine, the Commission set out further measures in a Communication on security of supply and affordable energy prices and proposal on gas storage. Adopted on 23 March 2022, it:

sets out options for short-term exceptional measures to address high prices in the electricity and gas markets;

shows readiness to create a Task Force on common gas purchases at EU level to increase EU's leverage on the global energy markets ahead of next winter; and

proposes legislation to improve security of gas supply, establishing minimum gas storage levels (80% by 1 November this year, rising to 90% the following years).

Having sufficient gas in storage facilities across the EU is a joint responsibility to the benefit of everyone. Member States without storage facilities can jointly develop a burden-sharing mechanism with one or more Member States that do have storage facilities.

The current Gas Security of Supply Regulation already includes a solidarity mechanism between Member States, who are obliged to help each other in case of gas disruptions.

Given the strategic importance of gas storage, we also propose an obligation to certify all underground gas storage operators to avoid potential energy security risks linked to the ownership of the storage facility. Owners of non-certified storage system operators would have to give up their ownership.

The legislative proposal on gas storage will define storage facilities as critical infrastructure and guarantee that all Member States, even those without underground facilities, can benefit from, and contribute to, ensuring security of supply.

The measures would pave the way for future energy partnerships with key suppliers of renewable gas and hydrogen.

The Communication was discussed by EU leaders at the European Council of 24-25 March 2022.

The Communication is a rapid follow-up to the REPowerEU Communication and the Versailles Declaration.

REPowerEU Plan (18 May)

The Commission set out its REPowerEU plan on 18 May. The plan includes the following elements: (1) guidance for Member States on how to add a REPowerEU chapter to their recovery and resilience plans; (2) a recommendation to speed up permitting processes for renewable energies; (3) a legislative proposal to revise and increase the ambition of the Renewable Energy Directive; (4) a legislative proposal to revise and increase the ambition of the Energy Efficiency Directive; and (5) action plans for solar and hydrogen energies.

The REPowerEU plan is about rapidly reducing our dependence on Russian fossil fuels by fast-forwarding the green transition and joining forces to achieve a more resilient energy system and a true Energy Union.

The Commission proposes to increase the headline 2030 target for renewables from 40% to 45% under the Fit for 55 package of European Green Deal legislation.

We propose to enhance long-term energy efficiency measures, including an increase from 9% to 13% of the binding Energy Efficiency Target under the 'Fit for 55' package.

EU Energy Supply Platform

The EU Energy Supply Platform was set up to coordinate security of gas supply, at affordable prices, across the EU and to phase out dependency on Russian gas. It responds to the mandate of the European Council to work with Member States to improve security of supply, interconnectivity of networks and organise voluntary joint purchases, notably of gas, LNG and hydrogen. This work involves outreach to international suppliers and filling of gas storage facilities.

The urgency now is to ensure that we fill the gas storages ahead of next winter but we also need to work together to diversify Russian energy supplies by addressing infrastructure, demand and supply issues together.

More specifically, the main role of the platform will be:

Pooling demand and structure at EU level to attract reliable and affordable supplies from global markets. This should allow us to avoid intra-EU competition for gas supply.

Ensuring efficient, transparent and long-term use of imports, storage and gas infrastructure;

Coordinating and reinforcing the EU's international cooperation with energy partners and markets.

The Platform builds on existing structures of coordination with the Member States, mainly in a regional setting. Within the regional groups we are encouraging new solidarity agreements among Member States. The Platform will also set up a dedicated work stream with Member States on joint purchasing of hydrogen.

Intervention of Managing Director Angelina EICHHORST on behalf of the EEAS

The EU is built on a notion of free trade and interconnectedness leading to peace on our continent. We will not give up on this easily.

Yet, the last two years, first the COVID pandemic, and now Russia's bloody war against Ukraine have demonstrated that there are real consequences – measurable in economic output, and sometimes even lives – to supply chain dependencies, whether it is for health products, industrial products or at the very basis, raw materials and energy.

Our work on Strategic Autonomy is a direct result of this realisation. Our foreign policy room for manoeuvre – a special interest of the EEAS – is severely impacted when our Member States do not feel that they have a space to act, whether that is a political statement, a sanctions proposal or any other foreign policy measure.

Energy – particularly fossil fuels – is both the classic example and the most imminent issue. The EU's dependence on imports has been our geopolitical weakness for decades. And while this has been long recognised, and there have been many useful and impactful efforts to strengthen the EU's energy security, the war – and as a result the political decision of the European Council to rid ourselves of Russian fossil fuels – have fully exposed the predicament of this situation. We have always prepared for difficulties, including with Russia, but a complete end to energy trade with Russia was not modelled.

The EU will manage! The REPowerEU package laid out last week has presented comprehensively the efforts needed (1) reduce demand for fossil fuels and (2) increase alternatives – (a) alternative fossil fuels, or (b) alternative energy carriers (renewables, hydrogen).

It is important to recall in this context that this is not a change in policy, a change of our Green Deal ambitions, but rather an acceleration. Yes, the EU needs alternative fossil fuels in the short and medium term, but we are not calling for a renaissance of exploration and production, which will have an effect only in a few years and lead to stranded assets.

The true future of our energy cooperation with our partners lies in low or no-carbon technologies, hydrogen, smart appliances, energy efficiency, carbon-capture and all forward-looking technological cooperation.

On raw materials, the EU's dependency situation is also not rosy - (as outlined by VP Sefcovic) – but a silver lining is that the potential for solutions and cooperation in our immediate neighbourhood or further afield is much greater.

Raw materials can also not be treated exactly as fossil fuels, to be produced, transported and then used once. Whole industrial value-chains and ecosystems can be built around the concept of recycling and circular economy.

Sadly, we are now facing a situation where 30 years of ever freer trade and global exchanges have made way to increasing global conflict. A situation where close partnerships, alliances and friendships really count.

We are one close European family with you our EEA partners, and our interests are closely aligned. We are very thankful for all the efforts undertaken by Norway to raise gas deliveries to the EU in the current circumstances, often marked with market panic. We needed out-of-the-ordinary ideas, and Norway has responded. And what is good is that this energy relationship does not only build on the past; electricity lines, hydrogen pipelines raw material exchanges are already well advanced in planning – it appears that we are set for the next 40 years.

With Iceland and Liechtenstein there is terrific potential for closer cooperation on ideas and technologies. We need the best brains to solve our energy transition challenges swiftly. Icelandic experience for instance on carbon capture or geothermal energy is unique and uniquely useful.

Let's work together into the coming decades to build a modern sustainable energy and industrial system that can withstand the shocks and challenges of the difficult decades ahead.

Intervention of Minister Dominique HASLER on behalf of Liechtenstein

Dear colleagues,

I would first like to thank the EU Chair of the EEA Council and the Vice-President for their interesting remarks on the theme of today's orientation debate. We highly appreciate this close exchange with the EU on matters that pertain to its economic and geopolitical re-orientation with a strong bearing on the Internal Market. This is also an important opportunity for us to underline that the EEA/EFTA States are the EU's closest partners on its path to greater autonomy and a more resilient and globally competitive economy.

Liechtenstein welcomes the EU's efforts to reduce dependencies on important raw materials and energy. The war in Ukraine and the complex relations with several third countries on whose imports the EU highly depends underline the urgency of this ambition.

Increased diversification and regionalization will promote sustainability as well as the innovative strength of European companies. This will further contribute to Europe's competitiveness. However, care must be taken to ensure that the measures proposed for European production and substitution of raw materials or semiconductors do not lead to protectionism. We strongly concur with the EU approach that the functioning of the Internal Market and global free markets should not be called into question.

As flanking measures, the development and expansion of know-how is important, especially in times of a massive shortage of skilled workers. Existing companies must also invest in research and development with a view to greater independence and sustainability of the European market. With their strong re-search and development branches, many Liechtenstein companies are well prepared to contribute.

All of this is, of course, more easily said than done. Reducing strategic dependencies in the fields of raw materials and energy is a challenging undertaking, particularly in the fragile geopolitical environment Europe finds itself in.

A particular challenge comes with the green and digital transition, which will increase the demand for raw materials. We need to avoid the risk of creating new dependencies on unsustainable suppliers or that a reorganisation of supply, production and consumption may itself contradict the goals of a green eco-system. This will require circularity and sustainable European production, a diversification of supplies based on reliable partners, increased recycling of raw materials and making investments in these sectors attractive. This complex task also poses challenges to the Liechtenstein economy with its large industrial sector and requires a great deal of creativity. I am, however, convinced that this can be done: An increasing number of Liechtenstein companies invests in recycling management and creates incentives for their consumers to contribute to the circular economy.

Even though such structural change usually requires lengthy consideration and preparation, the Russian war against Ukraine is forcing Europe to move fast.

For Liechtenstein too, the current focus is on reducing dependence in the energy sector, especially regarding oil and gas, and switching to a fossil-free energy supply. In the area of electricity, the capacities of photovoltaics and other possible renewable energy sources will be expanded to the maximum. To this end, the Liechtenstein Government has just proposed a new bill that foresees an obligation for the use of solar panels and a ban on the installation of fossil heating systems.

The cross-border integration of energy systems is also becoming increasingly important on a local and international level. Liechtenstein's Energy Strategy 2030 aims for an optimal integration of energy markets, which perform better economically than solo efforts.

All of this will require a lot of rethinking and change in our societies and economies. But there is no alternative if we want to ensure a Europe that guarantees stability, security and a healthy living environment for future generations. We are looking forward to taking this path together with our European partners and confident that it will strengthen the resilience of our common Internal Market.

Intervention of Minister Thórdís Kolbrún Reykfjörð GYLFADÓTTIR on behalf of Iceland

Dear Colleagues,

The brutal and unprovoked invasion of Ukraine and the ongoing war has strongly reminded us of how important stable and democratic markets actually are and how beneficial the EEA single market is for us all. This is a war that is aimed against our core values and way of life.

We all feel the heat of the crises through souring prices and growing inflation. This impact can prove tough for our citizens, not least those with lesser means. This is a challenge that we have to take on, while also reminding ourselves that we cannot put a price on freedom, democracy and universal human rights.

In my view we need to address raw materials and energy in slightly different ways. Raw materials are a diverse category of goods, including basic feed and food stuffs and fertilisers as well as minerals and metals. Specialisation is usually desirable from an economic point of view. But we face challenges when such materials can only be sourced from a small group of countries, particularly those who are not reliable or democratic. There is certainly a need to diversify supply where possible. But it is often easier said than done. In some cases, production companies also own mines and processing facilities in one country for production in another, which also complicates the picture.

This part of our topic is a bit more elusive and harder to grasp. We need to study our supply lines better and understand our dependencies, so we are in a better position to act on it and support our economic operators. We also have to be clear-eyed that there is usually not a quick fix. At the same time, it is important to safeguard the global trading system and reinforce international disciplines – for example in the WTO and enhance international cooperation between likeminded countries. Reducing strategic dependency should be about increasing our options - not limit them with short-sighted protectionism.

When it comes to foodstuffs, we have seen how relatively small changes in supply and demand can have considerable impact on global prices. When we have a war in Ukraine, one of the biggest global grain producers, we are hit at a new scale. In this regard, Iceland very much welcomes efforts by the European Union to facilitate continued exports from Ukraine. We in Iceland, have been positively encouraged by Ukraine's ability to maintain production under current circumstances.

We have also seen that certain product, like fertilizers have been coming from Russia. While I am sure there have been sound commercial reasons for our companies to source from there in the past, we have also been alarmed by our reliance in these imports. Also, from the fact that it is produced using natural gas.

Here the energy transition, which I will come to later, will help. We are seeing new ways being developed, for example in Iceland, where we can produce fertilizers from green and sustainable energy instead and much closer to the place of use.

Indeed, new solutions will help us to reduce strategic dependency. We have to have faith in our companies and our research and development sectors bringing the solutions, while we provide them with platforms to cooperate and enable funds for their developments. We have for example our joint funding programmes which is an important aspect of our cooperation within the EEA Agreement.

On energy dependency, we fully understand the scale of the challenge for many European countries who have been particularly relied on gas and other energy imports from Russia. Here, Iceland is of course in a significantly different situation. There we have first and foremost to be grateful for our renewable energy resources, including geothermal energy. We are of course, like others, determined to reduce our reliance on fossil fuels in general. It is safe to say that if we manage to accelerate the energy transition to meet our climate targets, this will also contribute to lesser strategic dependency on energy inputs. But we need metals and materials for our batteries, windmills, and solar panels so there is also a clear link to raw materials here.

And while I recognise that harvesting geothermal energy will never meet Europe's need for energy and electricity – there are regional opportunities in utilising geothermal in Europe. Iceland has and can contribute further in that field. In recent years Icelandic companies and institutions have initiated projects in Bulgaria, Croatia, Hungary, Poland, Portugal (The Azores) and Romania, sometimes with the support of EEA Grants.

It is vital that our common rules do not hamper the use of geothermal energy or discourage it, unintentionally, although it might not be focus of the rules as such. We stand ready to provide inputs on this in further legislative work in the area.

Dear colleagues,

We must remember that while States have an important role to play on security and direction on where we want to take our societies, we must have faith in the market and support it where necessary. We must avoid, that friendly neighbours are competing and scrambling for essential supplies. We must team up on the energy transition, and these are times where we need more international cooperation, not less. In this area we are certainly willing to work with our friends and allies within the EU and EEA.

Intervention of Minister Anniken HUITFELDT on behalf of Norway

Norway's relationship with the EU remains rock solid. We remain a close partner to the EU through the EEA Agreement. The integrity of the Single Market is a priority for us.

At the same time, the world is rapidly changing.

The Russian aggression in Ukraine has added a security policy dimension on top of our transition to a sustainable economy.

It has highlighted Europe's dependence on Russian energy imports.

And the dependence on imports of a host of raw materials from other non-European sources.

The need to achieve greater independence in energy and critical raw materials has moved to the top of Europe's agenda.

Norway will of course continue to be a reliable provider of natural gas. We can supply gas to the EU on the current high level for a long time.

Maintaining a stable and high oil and gas production on the Norwegian shelf will be the most important Norwegian contribution to European energy security.

In view of the new perspectives on strategic independence, however, there are opportunities for strengthening our co-operation.

In February, Prime Minister Støre met with President von der Leyen in Brussels. And agreed on exploring the possibilities for a Green Alliance with the EU on energy, climate and industry.

Our ambition is to establish a regular dialogue on green industrial policy and raw materials, as part of the Green Alliance.

This would be a supplement to the close integration we already have through the EEA agreement, in our energy and climate dialogues.

Let me mention a couple of areas for enhanced co-operation between the EU and Norway:

Within renewable energy, offshore wind is an area with large potential. Norway has ambitions of awarding areas which will allow 30 Gigawatt offshore wind by 2040.

Some of Norway's most important stakeholders are involved in large projects in the EU.

Our overall goal is to mobilise and create cross-country synergies between stakeholders.

Carbon capture and storage – CCS – is another priority for my government.

Our aim is to develop a robust value chain for CCS, including an open-access storage facility in the North Sea.

Co-operation with stakeholders in the EU will be crucial to develop cross border infrastructure and a market for CCS.

Batteries will play an important role in the green industrial transition. We want to stimulate the battery value chain to become a leading industry in Norway.

90 per cent of new cars sold in Norway are electric. We are a global leader on green shipping with battery driven ferries. And we have relevant raw materials for the production of batteries.

We will soon present an ambitious National Battery Strategy. Together with a strategy on minerals necessary for the green transition.

And speaking of minerals: one area we explore in our dialogue with the EU, is access to critical materials. Which is essential for achieving Europe's green and digital transition.

Norway is Europe's largest producer of aluminium, silicone and manganese, key components in battery production.

We produce graphite, cobalt and nickel. Also, key materials for battery production.

In short, Norway has both the knowhow and the resources we need to improve European resilience.

During the pandemic we have also contributed to European solidarity. And we stand ready to further improve our cooperation in crisis preparedness and crisis management.

Measures to prepare for and manage crisis should facilitate participation both from EU Member States and EEA EFTA states.

To conclude, my overall message is this: Both the EU Member States and the EEA EFTA States, must be able to contribute fully in our efforts to improve our common European resilience.

Intervention of Minister Mikuláš BEK on behalf of the European Union

Thank you, all of you, for your interesting contributions!

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

8. OTHER BUSINESS

Intervention of Minister Mikuláš BEK on behalf of the European Union

Finally, that brings us to Item 8 on our agenda: 'Other business'. Would anyone wish to raise an issue under this item?

Intervention of Minister Dominique HASLER on behalf of the EEA EFTA side

No, thank you, we do not have any topics to raise under 'Other business'.

Closing remarks of Minister Mikuláš BEK on behalf of the European Union

Thank you. We have come to the end of this session of the EEA Council.

I would like to thank you all for the interesting discussions and close this part of the meeting.

I would also like to thank everyone from the EEA EFTA States, as well as the EFTA Secretariat, the EFTA Surveillance Authority, the EU Member States and the EU institutions for contributing to and participating in this constructive and useful meeting.

Closing remarks of Minister Dominique HASLER on behalf of the EEA EFTA side

Thank you, Chair. We would like to express our appreciation for the good dialogue we have had in this meeting, as on previous occasions.

Our thanks go in particular to the French Presidency, the Council Secretariat, the Commission and the European External Action Service for their positive and constructive cooperation over the last months. Thank you also to you, Minister Bek, for representing the Council of the EU in this meeting. We look forward to working with the Czech Presidency in the second half of this year – and to welcome you to the next EEA Council in EFTA House on 23 November.

Closing remarks of Minister Mikuláš BEK on behalf of the European Union

The meeting is closed.

54th meeting of the**EEA COUNCIL****(Brussels, 23 May 2022)****INDICATIVE LIST OF PARTICIPANTS AT THE PLENARY SESSION****Liechtenstein Delegation (EEA EFTA Chair)**

H.E. Ms Dominique HASLER	Minister of Foreign Affairs, Education and Sport
H.E. Mr Pascal SCHAFHAUSER	Ambassador, Mission of the Principality of Liechtenstein to the EU
Ms Andrea ENTNER-KOCH	Director of the EEA Coordination Unit
Ms Nicole MAAG	Political Advisor, Ministry of Foreign Affairs, Education and Sport
Ms Nuscha WIECZOREK	Deputy Ambassador, Mission of the Principality of Liechtenstein to the EU
Ms Daniela SELE	Second Secretary, Mission of the Principality of Liechtenstein to the EU

Icelandic Delegation

H.E. Ms Thórdís Kolbrún Reykfjörð GYLFADÓTTIR	Minister for Foreign Affairs
H.E. Mr Kristján Andri STEFÁNSSON	Ambassador, Mission of Iceland to the EU
Mr Martin EYJÓLFSSON	Permanent Secretary, Ministry for Foreign Affairs
Mr Ingólfur FRÍÐRIKSSON	Deputy Director General, European Affairs, Ministry for Foreign Affairs
Ms Katrín SVERRISDÓTTIR	Director of EEA Cooperation, Mission of Iceland to the EU
Mr Jónas HARALDSSON	Counsellor, Mission of Iceland to the EU

Norwegian Delegation

H.E. Ms Anniken HUITFELDT	Minister of Foreign Affairs, Ministry of Foreign Affairs
H.E. Mr Rolf Einar FIFE	Ambassador, Mission of Norway to the EU
Ms Laila STENSENG	Director-General, Department for European Affairs and International Trade, Ministry of Foreign Affairs

Ms Eirin Kristin KJÆR	Political adviser, Ministry of Foreign Affairs
Mr Per STRAND SJAASTAD	Deputy Head of Mission, Mission of Norway to the EU
Mr Jørn GLOSLIE	Director, Department for European Affairs and International Trade, Ministry of Foreign Affairs

EU Council Presidency

H.E. Mr. Mikuláš BEK	Minister for European Affairs
H.E. Ms. Edita HRDÁ	Ambassador, Permanent Representative of the Czech Republic to the European Union
Mr. Petr HAVLÍK	Minister-Counsellor, Trade Policy - EFTA WP, Permanent Representation of the Czech Republic to the EU
Ms. Mariana DUQUE	Counsellor/EFTA attaché, Chair of the EFTA WP, Permanent Representation of France to the EU

EU Council Secretariat

Ms Helene HOLM-PEDERSEN	Director, DG RELEX, Enlargement and Europe
Mr Anders KJELLGREN	Head of Unit equivalent, RELEX 4, Enlargement and Europe

European External Action Service

Ms Angelina EICHHORST	EEAS Managing Director for Europe
Mr Tarvo KUNGLA	EEAS Deputy Head of Western Europe, Arctic and Regional Division

European Commission

Mr Maroš ŠEFČOVIČ	Vice-President, Interinstitutional Relations and Foresight
Ms Camille HUBAC	Member of Cabinet
Mr Nicolas VON LINGEN	Acting Head of Unit for EEA, Switzerland and Microstates

EFTA Secretariat

Mr Henri GÉTAZ	Secretary-General
Ms Hege Marie HOFF	Deputy Secretary-General
Mr Andri LÚTHERSSON	Deputy Secretary-General
Ms Marit C. SCHAGE ANDRIA	Director, Internal Market Division
Mr Finnur Thor BIRGISSON	Head of EEA Legal Coordination, EEA Coordination Division
Ms Heidi JAKOBSEN	Head of EEA Policy Coordination, EEA Coordination Division

EFTA Surveillance Authority

Mr Arne RØKSUND	President
Mr Árni Páll ÁRNASON	College Member
Mr Stefan BARRIGA	College Member

**EUROPEAN ECONOMIC AREA
Council of the EEA**

**Brussels, 16 May 2022
(OR. en)**

EEE 1603/22

REPORT

Subject: Progress report of the EEA Joint Committee

Decision making

1. The EEA Joint Committee has adopted 225 Joint Committee Decisions (JCDs) incorporating 401 legal acts since the 53rd meeting of the EEA Council on 24 November 2021. In the period from 1 January to 29 April 2022, the EEA Joint Committee has adopted 164 JCDs incorporating 294 legal acts. This number includes five decisions incorporating 13 acts which were adopted by written procedure on 23 February 2022. In comparison, during the period from 1 January to 23 April 2021, 157 JCDs incorporating 271 legal acts were adopted.
2. As of 13 April 2022, there were 614 legal acts outstanding where the compliance date in the EU had passed, compared to 594 acts on 6 October 2021. Since October 2021, therefore, the overall number of legal acts outstanding increased slightly. Of the 614 legal acts outstanding on 13 April 2022, 237 acts are still in the early stages of the incorporation process, where the compliance date in the EU has passed less than six months ago.
3. As of 13 April 2022, the number of JCDs awaiting the fulfilment of constitutional requirements where the six-month period had expired was 31, compared to 23 on 6 October 2021.

4. Important decisions incorporated since the 53rd meeting of the EEA Council on 24 November 2021, include:

Decision No 320/2021 on financial modalities for implementation of Article 82 EEA,

Decision No 371/2021 on veterinary medicinal products,

Decision No 383/2021 concerning Directive (EU) 2019/878 (the fifth Capital Requirements Directive, CRD V) as regards exempted entities, financial holding companies, remuneration, supervisory measures and powers and capital conservation measures,

Decision No 384/2021 incorporating the Prospectus Regulation,

Decisions No 385/2021 and 386/2021 concerning Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending acts,

Decisions No 396 and 398/2021 on CO2 emissions,

Decisions No 06/2022 to 09/2022 concerning the Tobacco Products Directive and related acts,

Decisions No 31/2022 to 40/2022 concerning organic products,

Decision No 49/2022 on the approval and market surveillance of motor vehicles,

Decision No 50/2022 on type-approval requirements for motor vehicles,

Decision No 63/2022 on rules and procedures in safety assessment of clinical trials,

Decision No 76/2022 concerning covered bonds,

Decision No 135/2022 incorporating the 2010 Directive on Energy Performance of Buildings (EPBD),

Decision No 163/2022 amending Protocol 4 on Rules of origin.

Decision shaping

5. The EEA EFTA States are participating in 12 EU programmes and 25 agencies, of which 19 are decentralised agencies and 6 are executive agencies.
6. Since the last EEA Council, the EEA Joint Committee has taken note of EEA EFTA Comments on the following subjects:

EEA EFTA Comment on the proposal for a Digital Markets Act

EEA EFTA Comment on the proposal for a Regulation on deployment of alternative fuels infrastructure,

EEA EFTA Comment on the proposal for CO₂ emission reduction targets for new cars and vans,

EEA EFTA Comment on the legislative proposals on anti-money laundering and countering the financing of terrorism,

EEA EFTA Comment on the Commission proposal for a Regulation on general product safety.

Briefings in the Joint Committee

7. In the period from 24 November 2021 to 30 May 2022 the EEA Joint Committee has received briefings on:

EEA EFTA Comment on the proposal for a Digital Markets Act

EEA EFTA Comment on the proposal for a Regulation on deployment of alternative fuels infrastructure,

EEA EFTA Comment on the proposal for CO₂ emission reduction targets for new cars and vans,

EEA EFTA Comment on the legislative proposals on anti-money laundering and countering the financing of terrorism,

The European Commission Work Programme for 2022,

Transfer of the EEA files from the European External Action Service to the Secretariat General of the European Commission,

EEA EFTA Comment on the Commission proposal for a Regulation on general product safety.

Status of issues outstanding

8. The discussions on the following issues have not yet been concluded:

Directive 2012/27/EU on energy efficiency,

Regulation (EU) 2018/1139 on common rules in the fields of civil aviation and establishing a European Union Aviation Safety Agency (EASA),

Regulation (EC) No 391/2009 on common rules and standards for ship inspection survey organizations and related acts (the Ship Inspection Package),

Directive 2018/1808/EU concerning the provision of audiovisual media services (Audiovisual Media Services Directive),

Commission Delegated Regulation (EU) 2019/2122 as regards certain categories of animals and goods exempted from official controls at border control posts, specific controls on passengers' personal luggage and on small consignments of goods sent to natural persons which are not intended to be placed on the market.

9. The Joint Committee has reiterated its determination to work towards the rapid conclusion of these issues.

Financial Mechanisms

- 10 The Agreement on the EEA Financial Mechanism and the Agreement on the Norwegian Financial Mechanism for the period 2014-2021 amounts to total contributions of 1548.1 and 1253.7 million euro, respectively. As of December 2021, Memoranda of Understanding have been signed with Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, and Slovenia.
