

CONCLUSIONS

Subject: Conclusions of the 38th meeting of the EEA Council
Brussels, 26 November 2012

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 20th 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 37th 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 39th meeting of the EEA Joint Parliamentary Committee on 27 November 2012.
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