

**DELEGATION FOR NORTHERN COOPERATION AND FOR RELATIONS WITH
SWITZERLAND AND NORWAY AND TO THE EU-ICELAND JOINT
PARLIAMENTARY COMMITTEE AND THE EUROPEAN ECONOMIC AREA
(EEA) JOINT PARLIAMENTARY COMMITTEE**

MISSION REPORT

Vaduz, Liechtenstein, 30-31 October 2019

53rd EEA Joint Parliamentary Committee meeting

Participating MEPs

Mr Andreas SCHWAB (Chair of D-EEA)	EPP, DE
Mr Christophe GRUDLER	Renew Europe, FR
Mr Łukasz KOHUT	S&D, PL
Ms Aileen MCLEOD	The Greens/EFA, UK

Introduction

Four D-EEA Members, led by D-EEA Chair Andreas SCHWAB, participated at the 53rd EEA Joint Parliamentary Committee (EEA JPC) meeting in Vaduz.

The EEA agreement (Article 95 and Protocol 36) established the EEA Joint Parliamentary Committee (JPC), which is composed of an equal number of members of the national parliaments of the EEA EFTA states (Iceland, Liechtenstein and Norway) and of Members of the European Parliament (12 of each). Swiss parliamentarians participate in the JPC meetings as observers. The JPC meets twice a year, alternating between the seat of the European Parliament and the parliament of an EEA EFTA state.

Summary

The 53rd EEA JPC meeting was the first one in the ninth EP parliamentary term. It served as an opportunity for the members of the newly composed EP delegation to receive in-depth information about the functioning of the EEA Agreement, the state of play of its implementation and the challenges laying ahead. Parliamentarians also discussed the future of the single market and the possible implications on the EEA of the UK withdrawal from the European Union. EEA EFTA parliamentarians were briefed by the EP delegation about the current composition of the European Parliament and its priorities for the ninth parliamentary term. At the margins of the JPC meeting, the parliamentarians attended very informative study visits (HILTI AG and pepperMINT experimental laboratory).

Principal points and conclusions

Developments in the EEA Agreement:

Mr Ambassador Gunnar Pálsson, EFTA Chair of the EEA Joint Committee and representing the EFTA Chair of the EEA Council, recalled the importance of the EEA Agreement, which has guaranteed for the past 25 years equal treatment, legal certainty and predictable conditions for citizens and businesses in the EU and three EFTA States Iceland, Liechtenstein and Norway. Building blocks of collaboration in the EEA are: the indivisible four freedoms – free movement of goods, capital, people and services - that have contributed to successful economic exchanges for businesses as well as to prosperity of workers and protection of consumers; and the two-pillar structure of the EEA Agreement, that has secured the same enforcement and legal certainty on both sides. The EEA partners' cooperation continues to be smooth and the main concern is still the delays in the inclusion of the EU legislation into the EEA Agreement (so-called backlog). However, this backlog has been reduced by 30% in 2019, which is an unprecedented success. The backlog is now down to 422 legal acts that either need to be incorporated to the EEA agreement or transposed to the national legislation by Iceland, Norway or Liechtenstein. The benefits of the EEA Agreement should not be taken for granted and therefore the EEA outreach has been a priority of the Icelandic Presidency. The Joint Parliamentary Committee is an important partner in the oversight of the implementation of the EEA Agreement, providing for its democratic scrutiny.

Ms Melissa Säilä, Chair of the EFTA Working Party, representing the EU Chair of the EEA Council, presented to the members the expected outcome of the upcoming EEA Council meeting, scheduled for 19 November 2019. EU Single market is not to be underutilised and the aim for the future is to develop a single market fit for the purpose. The ministers shall discuss the important contribution of the EEA/EFTA states into the EU legislative process (through working groups, experts, written comments) as well as cooperation in fight against climate change, further liberalisation of agricultural trade, Arctic cooperation, future EEA and Norway grants and the additional fisheries quotas for Norway and Iceland.

Mr Ambassador Michael Matthiessen, Head of the EUD to Switzerland and Liechtenstein, representing the EU Chair of the EEA Joint Committee, highlighted the dynamic nature of the EEA Agreement (in 25 years, more than 12000 EU legal acts were incorporated therein). He also stressed that the current reduction of the backlog, especially in the field of financial services, has been a major achievement. Several key issues remain outstanding with limited prospect of being settled in the near future, including, the Directive on energy performance of buildings and other energy-related legislation, the Marine Framework Strategy Directive, the Offshore Safety Oil and Gas Directive, the Postal Directive, as well as the legislation in the area of genetically modified food and feed. Two further important files are at now in the process of incorporation into the EEA Agreement: the fifth anti-money laundering Directive (AMLD V) and the "new BEREC (Body of European Regulators for Electronic Communications)" Regulation.

BREXIT:

Ms Aileen McLEOD (Greens/EFA, UK) informed the Members about the Scottish perspective on Brexit. She emphasized that Scotland remains open to business and EU nationals are welcome to stay.

EU Ambassador Michael Matthiessen stressed that EU does not want the EEA EFTA States to pay any price for the UK leaving the EU and has been closely working with them to prepare for all possible scenarios, especially for the case of no-deal.

Ms Esther Schindler, Liechtenstein Brexit Coordinator explained that the EEA EFTA States have spent considerable time and resources on Brexit contingency measures to avoid any disturbances. EEA/EFTA-UK separation Agreement mirrors the Withdrawal Agreement but can only enter into force in case of a 'deal' scenario. Discussions on a future relationship have not yet started. Among possible options for a future agreement with the UK (bilateral, EEA/EFTA together, EFTA together), Liechtenstein prefers a common solution while respecting its customs union with Switzerland.

Future of the Single market:

On 18 September 2019, the EEA EFTA States (EES) published their new priorities for the Single Market after the 2019 European elections. In the coming years, the European institutions will shape new policies for the Single Market and the EES want to express their views on the importance of the Single Market and priority policy areas. In general, the EES argue that the Single Market is still incomplete and needs numerous improvements. Overall priority for the EES is a more holistic approach towards the Single Market, but also improvement in informing citizens about its benefits. Furthermore, the Pillar of Social Rights in the Single Market remains a priority for the Single Market. Regarding digitalisation, the EES believe that a specific Digital Single Market does not exist, but rather a digital dimension, which should be reflected in future strategies for the Single Market. Lastly, goods and services markets extend beyond the single market and trade should be facilitated with not only the Single Market but the whole world.

EU Ambassador Matthiessen, speaking on behalf of the European Commission, highlighted the achievements of the Juncker Commission, namely regarding the single market for goods (new legislation on safety standards), digital single market (proposal for a single digital gateway), and free movement of persons (setting-up of the European Labour Agency). He also outlined the priorities of the President-elect Ms von der Leyen: economy that works for people, new Digital services act, reduction of ETS, coherence of IPR enforcement, green financing etc..

The EEA/EFTA Parliamentarians would like to be more involved in the legislative work of the EP regarding the single market and have approached the Chairs of the relevant EP committees in this regard.

EU-Switzerland relations:

The Swiss delegation (observers at the EEA JPC) gave an overview of the main issues in the Swiss-EU relations, concentrating on the Institutional Framework Agreement. The negotiations have by now been finalised and the EU side considers them concluded. However, many differences remain along the Swiss 'red lines', most importantly concerning the flanking measures related to the free movement of people between the EU and Switzerland. The Swiss expect a signal from the EU (i.e. granting of the stock-exchange equivalence) and clarifications regarding the flanking measures.

Conclusions

Members of the EEA JPC reconfirmed the many benefits of the EEA Agreement. They pledged to work together closely in the coming years to provide for genuine democratic scrutiny of its implementation and also to work with their respective constituencies in order to raise awareness about the Agreement and its contribution to the homogeneity of the single market.

Possible follow-up

Continue engaging with the relevant EP committees in order to facilitate contacts with the EEA EFTA States parliaments. Continue closely following the implementation of the EEA Agreement, ahead of the 54th EEA JPC meeting, which should take place in the first half of 2020 in Iceland.

Attachments

Programme

List of participants