



European Free Trade Association Annual Report 2022



62nd Annual Report of the European Free Trade Association
2022

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For more information on EFTA's activities and institutional framework,
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Subscription:
The 2022 Annual Report is available on [the EFTA website](#) in:

- > html format
- > pdf format (suitable for print and to c/p)

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Henri Gétaz
Secretary-General

“ We at the EFTA Secretariat continue to navigate these challenges with our Member States and global counterparts, convinced that EFTA’s mission to strengthen economic cooperation is vital to fostering sustainable prosperity and peace. ”

Foreword

At the start of 2022, societies around the world still grappled with managing the cataclysmic impact of the Covid-19 pandemic on people’s lives and the global economy. A new crisis hit when Russia illegally invaded Ukraine on 24 February, causing a humanitarian catastrophe as the death toll mounted and millions fled the country. The war’s consequences have been felt around the world with its significant ramifications for supply chains, commodity prices and inflation. The EFTA States strongly condemn Russia’s military aggression and continue to provide, on a bilateral basis, various measures of support to Ukraine and its people. The EFTA-Ukraine Free Trade Agreement, signed in 2010, has proven advantageous to the economies of all parties during these difficult times. Even so, the EFTA States found it timely to engage with Ukraine in a process of modernisation of the agreement.

While policy makers continue to work to contain the conflict and adjust to the new geopolitical realities, they must also respond to the pressing challenges of the digital revolution, climate change, growing trade nationalism, fragmentation at the global level, and social protection in an open market environment. We at the EFTA Secretariat continue to navigate these challenges with our Member States and global counterparts, convinced that EFTA’s mission to strengthen economic cooperation is vital to fostering sustainable prosperity and peace.

In 2022, EFTA continued to expand, update and develop its worldwide network of free trade agreements (FTAs). Among the most significant milestones were the launch of negotiations with Kosovo and re-launch with Thailand during the EFTA Ministerial meeting in Iceland in June. We also launched the first EFTA FTA Monitor, a comprehensive analysis of the effective use of our free trade agreements for the period 2018–2020.

EFTA had the honour of hosting the EEA Council for the first time at EFTA’s premises in November 2022, where the functioning of the EEA Agreement, energy security and energy transition topped the agenda. In 2022, the EEA EFTA States continued to participate in shaping EU legislation, in part by submitting six EEA EFTA comments to the EU on important policy issues.

Despite being challenging in many ways, 2022 was also a year of easing restrictions and a return to a “new” normal. We inaugurated the EFTA House, our new home in Brussels, with 130 high-level guests in May, hosted a conference on the future of financial services in the European Economic Area in November and conducted ten rounds of negotiations with global partners throughout the year.

My recognition goes to the staff of the EFTA Secretariat for their fantastic work, which has enabled EFTA to successfully navigate through the difficult year of 2022.

After years of challenging crises, 2023 will without a doubt test us in new ways. EFTA has shown it has the resilience, flexibility and expertise needed to adapt its work in times of crisis. I am therefore confident that we will successfully tackle upcoming challenges using agile approaches and daring to be creative when exploring novel solutions for EFTA to stay relevant as a trade tool for our Member States.

Henri Gétaz

About EFTA

The European Free Trade Association (EFTA) is the intergovernmental organisation of Iceland, Liechtenstein, Norway and Switzerland, set up for the promotion of free trade and economic cooperation between its members, within Europe and globally.

The Association is responsible for the management of:

- > The EFTA Convention, which regulates economic relations between the four EFTA States
- > The Agreement on the European Economic Area (EEA Agreement), which brings together the Member States of the European Union (EU) and three of the EFTA States – Iceland, Liechtenstein and Norway – in a single market, also referred to as the “Internal Market”
- > EFTA’s worldwide network of free trade and partnership agreements



Population: 376 248*

Capital: Reykjavík

Language: Icelandic

Iceland

Currency: Icelandic króna (ISK)

Liechtenstein



Population: 39 308*

Capital: Vaduz

Language: German

Currency: Swiss franc (CHF)

Norway



Population: 5 425 270*

Capital: Oslo

Language: Norwegian, Sami

Currency: Norwegian krone (NOK)



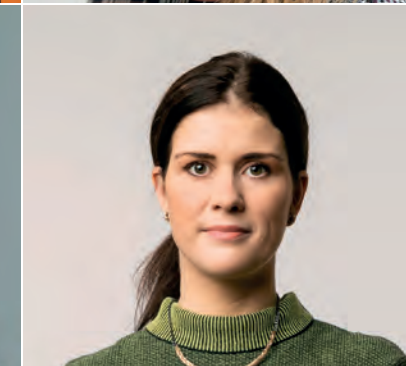
Switzerland

Population: 8 736 510*

Capital: Bern

Language: German, French, Italian, Romansh

Currency: Swiss franc (CHF)



From top left: Marie-Gabrielle Ineichen-Fleisch, State Secretary for Economic Affairs from Switzerland; Janicke Andreassen, State Secretary for Trade and Industry from Norway; Dominique Hasler, Minister of Foreign Affairs of Liechtenstein; Þórdís Kolbrún Reykfjörð Gylfadóttir, Minister for Foreign Affairs of Iceland.

* Population size on 1 January 2022



From left: Marie-Gabrielle Ineichen-Fleisch, State Secretary for Economic Affairs from Switzerland; Janicke Andreassen, State Secretary for Trade and Industry from Norway; Dominique Hasler, Minister of Foreign Affairs of Liechtenstein; Þórdís Kolbrún Reykfjörð Gylfadóttir, Minister for Foreign Affairs of Iceland; Henri Gétaz, EFTA Secretary-General.

The EFTA Council

The EFTA Council is the highest governing body of EFTA. The Council usually meets eight times a year at ambassadorial level (heads of permanent missions to EFTA in Geneva) and at least once a year at ministerial level. The Council discusses substantive matters relating to the development of EFTA relations with third countries and the management of free trade agreements. Furthermore, the Council manages relations between the EFTA States under the EFTA Convention and adopts decisions to reflect legislative developments in the EEA Agreement and the Swiss–EU agreements.

The Council has a broad mandate to take measures to reach the overall objectives of the Association. Members adopt the yearly EFTA budget and administrative measures linked to the running of the Association and the EFTA Secretariat serving it. Each Member State is represented, and decisions are taken by consensus. The chairmanship rotates between the members, and discussions in the Council are guided by the respective priorities of the chair.

EFTA Council Chairmanships rotate yearly. In 2022, Iceland held the chairmanship during the first six months, followed by Liechtenstein (the **Icelandic** and **Liechtenstein** Chairs' priorities can be found on the EFTA website).

The EFTA Council met eight times at ambassadorial level. In March, the EFTA States issued a **declaration** condemning the Russian invasion of Ukraine.

EFTA Ministerial Meeting

The annual EFTA Ministerial meeting was held in Borgarnes, Iceland, on 20 June and was chaired by Iceland. The meeting was an occasion for Ministers to meet with their counterparts from Thailand and Kosovo, and to officially launch the negotiations towards a free trade agreement with both countries. EFTA Ministers also met with their Moldovan counterpart. Both parties committed to finalising their negotiations on a free trade agreement in 2022.

During the meeting, EFTA Ministers and the State Secretaries reiterated their strong condemnation of Russia's military aggression against Ukraine and expressed their willingness to consider a modernisation of the existing free trade agreement with Ukraine.

EFTA Ministers and the State Secretaries took stock of the status of ongoing negotiations with Chile, India, Malaysia, Mexico, and Vietnam. They confirmed their willingness to work at high pace to make progress in these processes and further develop their free trade network. Furthermore, Ministers expressed the aim to finalise the agreement with Mercosur and agreed to follow up on issues related to deforestation and climate change.

EFTA Ministers agreed to carry out an ex-ante sustainability impact assessment on the impact of an EFTA-Thailand FTA, to continue and deepen analysis of the utilisation of EFTA FTAs and implement measures to further enhance preference utilisation. Providing directions to EFTA's future work, EFTA Ministers agreed to explore the opportunity to negotiate dedicated trade agreements focused on certain topics, e.g. digital trade, and to explore trade dialogues with important partners on a case by case basis.



From left: Mr Kurt Jäger, Ambassador of Liechtenstein to EFTA; Dominique Hasler, Minister of Foreign Affairs of Liechtenstein; Henri Gétaz, EFTA Secretary-General; Þórdís Kolbrún Reykfjörð Gylfadóttir, Minister for Foreign Affairs of Iceland (Chair); Janicke Andreassen, State Secretary for Trade and Industry from Norway; Marie-Gabrielle Ineichen-Fleisch, State Secretary for Economic Affairs from Switzerland.

Communiqué

Conclusions on EFTA External and Internal Relations

Conclusions on Standing Committee Activities

Meeting between EFTA Ministers and the EFTA Advisory Bodies

On the day of the Ministerial meeting, EFTA Ministers met with the EFTA Parliamentary and the EFTA Consultative Committees. Delegates discussed EFTA's free trade relations including horizontal issues such as trade and sustainable development. Both sides stressed the importance of a regular dialogue between the EFTA States and the EFTA Advisory Bodies, to help ensure support for EFTA's trade agenda by domestic stakeholders.

Annual Meeting of EFTA and EU Finance Ministers

The annual meeting of EFTA and EU Finance Ministers took place on 8 November in Brussels. The topic of discussion was "*Geopolitics, Energy Prices and the Inflation*". Mr Zbyněk Stanjura, Minister of Finance for the Czech Republic chaired the meeting. Commissioner Paolo Gentiloni presented the Commission's views and noted the EU was happy to exchange perspectives with the EFTA States. He noted that Russia's invasion of Ukraine has fuelled an already high inflation and that the EU and EFTA States faced similar economic

challenges. Dr Daniel Risch, Prime Minister and Minister of Finance in Liechtenstein presented the EFTA Common Paper on the topic as this year's chair of the EFTA Economic Committee. In his address, Dr Risch commented on the Russian aggression against Ukraine, its effect, and the economic status in the EFTA States. Following Dr Risch's speech, interventions were made by Mr Guðmundur Árnason, Permanent Secretary of the Icelandic Ministry of Finance, Mr Trygve Slagsvold Vedum, Norwegian Minister of Finance and Ms Helene Budliger Artieda, State Secretary of the Swiss State Secretariat for Economic Affairs.



The annual meeting of EFTA and EU Finance Ministers



Free Trade Relations

Since the early 1990s, the European Free Trade Association has established an extensive network of contractual free trade relations all over the world. It is the goal of EFTA's third-country policy to safeguard the economic interests of its Member States, to support and reinforce the process of European and interregional integration, and to contribute to worldwide efforts to liberalise trade and investment.

EFTA's Worldwide Network (Status as of 31 December 2022)

Free Trade Agreements
(FTA) in force

[More info](#)

Ongoing FTA
negotiations

[More info](#)

FTA negotiations
suspended or on hold

[More info](#)

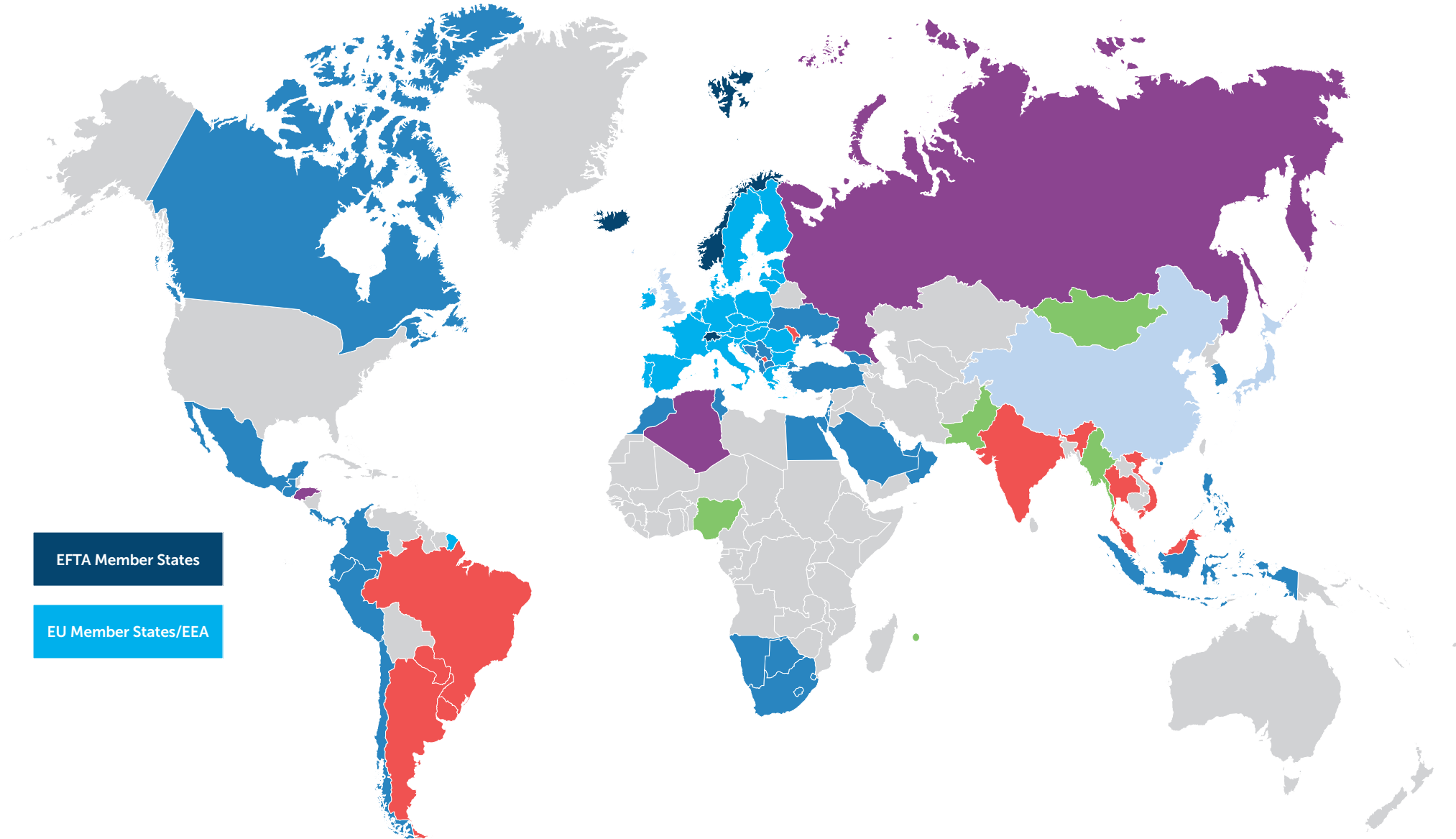
Joint Declarations on
Cooperation

[More info](#)

FTA relations of
individual EFTA States

[More info](#)

[Interactive Map](#)



EFTA Member States

EU Member States/EEA

2022 MEETINGS

130 meetings

68 meetings with partners

62 internal meetings

Negotiation rounds:

- 2 negotiation rounds with Thailand
- 2 negotiation rounds with Kosovo
- 2 negotiation rounds with Malaysia
- 3 negotiation rounds with Moldova
- 1 negotiation round with Chile

Joint Committee meetings

- 1 Sub- and Joint Committee Meetings with Indonesia
- 1 Sub- and Joint Committee Meetings with Georgia
- 1 Sub- and 2 Joint Committee Meetings with GCC
- 8 meetings between Heads of delegation (with Chile, India, Malaysia, Mercosur, Mexico, Thailand and Ukraine)

Ongoing negotiations

India

While no negotiation round has been held since September 2017, EFTA and India have maintained regular contacts for the past five years and held several meetings at chief negotiator level as well as meetings in expert groups. The last meeting at chief negotiator level took place in September 2022.

Kosovo

The EFTA States signed a Joint Declaration on Cooperation with Kosovo in 2018 and launched free trade negotiations at the EFTA Ministerial in Borgarnes, Iceland, in June 2022. Since then, two rounds of negotiations were held in Geneva and Pristina respectively.

Malaysia

Negotiations towards a free trade agreement between the EFTA States and Malaysia were launched in 2014. In 2022, the 12th and 13th rounds of negotiations were held in Geneva and Kuala Lumpur.

MERCOSUR

EFTA and Mercosur Heads of delegation met in 2022 to discuss the way forward in resolving issues related to the legal review prior to the signature of the EFTA-Mercosur free trade agreement concluded in principle in 2019.

Moldova

After the signature of a Joint Declaration on Cooperation in 2017, EFTA and Moldova launched their negotiations towards a free trade agreement. In 2022, EFTA and Moldova held three rounds of negotiations coming very close to the conclusion of their agreement.

Thailand

In June 2022, the EFTA States and Thailand met in Borgarnes, Iceland, to relaunch free trade negotiations on the occasion of the EFTA Ministerial. Since then, two rounds of negotiations were held in Bangkok and Geneva. Both sides set the ambitious aim to conclude negotiations within a two-year timeframe.

Vietnam

Spokespersons from EFTA and Vietnam met in May 2022 and agreed to continue the intersessional work at expert level. Progress was achieved in the areas of trade remedies, rules of origin and trade in services.

Management and modernisation of FTAs

Chile

Heads of delegation met through videoconference in February and May 2022 to take stock of the state of play of the modernisation process and prepare for a full round. In November 2022, delegations from the EFTA States and Chile met in Geneva for the fourth round of negotiations towards the modernisation and expansion of their free trade agreement. The EFTA States and Chile originally signed a free trade agreement in 2003. The ongoing modernisation process was initiated in 2019.



From left: Karin Büchel, Head of FTAs/EFTA Division at the Swiss State Secretariat for Economic Affairs; Sveinn K. Einarsson, Counsellor at the Permanent Mission of Iceland in Geneva; Sebastián Gómez, Director General of Bilateral Economic Affairs at the Undersecretariat for International Economic Affairs (Chile spokesperson); Erik Andreas Underland, Specialist Director at the Norwegian Ministry of Trade, Industry and Fisheries (EFTA spokesperson); Patrick Ritter, Minister-Counsellor at the Permanent Mission of Liechtenstein in Geneva.

Gulf Cooperation Council (GCC)

EFTA and the Gulf Cooperation Council (GCC) met twice for Joint Committee meetings in 2022. In addition to regular discussions on the functioning of the agreement the focus of the meetings centred on joint notification of the agreement to the WTO Committee on Regional Trade Agreements (CRTA), implementation issues and entry into force of the agreement. Following the latter meeting the agreement was notified to the WTO CRTA.

Georgia

The first Joint Committee meeting after the entry into force of the EFTA–Georgia free trade agreement took place in the first half of 2022. The Joint Committee discussed the operation of the Agreement, focusing on trade and sustainable development.



From left: Patrick Ritter, Minister-Counsellor of Liechtenstein; Harald Aspelund, Ambassador, Iceland; Genadi Arveladze, Deputy Minister of Economy and Sustainable Development of Georgia; Jan Farberg, Director General, Norway; Martin Baumgartner, Senior Adviser, Switzerland.

Indonesia

A year after the entry into force of their Comprehensive Economic Partnership Agreement (CEPA), EFTA and Indonesia met at the end of 2022 for the 1st Joint Committee meeting to discuss the operation of the Agreement and confirmed its good functioning. The Parties discussed among other topics preference utilisation and monitoring of the sustainable development commitments. The meeting was preceded with meetings of the Sub-Committee on Trade in Goods and Sub-Committee on Cooperation and Capacity Building that both reported to the Joint Committee.

Mexico

Heads of delegation and trade in goods experts from the EFTA States and Mexico met in the beginning of 2022 to discuss the state of play on the modernisation of the EFTA–Mexico free trade agreement (FTA).

Palestine

Experts from the EFTA States and Palestine met in 2022 to further discuss the modernisation and expansion of their agricultural agreements. The process will continue early 2023.

Southern African Customs Union (SACU)

SACU was not able to meet with EFTA in 2022 to continue the review process of the free trade agreement. Signals from the SACU Secretariat suggest that SACU is looking favourably at EFTA's proposal to meet, as EFTA has largely agreed to SACU's proposals for the next steps.

Türkiye

EFTA was not able to meet with Türkiye in 2022 for a first Sub- and Joint Committee meeting after the agreement entered into force on 1 October 2021. A meeting is planned for the first half of 2023.

Other contacts

Association of Southeast Asian Nations (ASEAN)

In late 2022, EFTA and ASEAN met in Jakarta for their first meeting towards the establishment of a Joint Declaration on Cooperation (JDC). Negotiations on a JDC were launched in April 2021 with good progress made through written exchanges previously.

United States

In late 2022, EFTA and the US held the eighth edition of their Trade Policy Dialogue in Washington DC. The delegations updated each other on their respective trade policy strategies and addressed relevant topics in EFTA–US trade relations.

Horizontal work

Sustainable Development

EFTA has made significant headway on trade and sustainable development (TSD) over the past year. An improved mechanism to systematically monitor the commitments made in FTAs was developed in collaboration with the EFTA advisory bodies and operationalised for Joint Committee meetings with Georgia and Indonesia in 2022. Furthermore, EFTA has launched a sustainability impact assessment to accompany the start of negotiations with Thailand.

FTA Monitor

Mid-2022, the first EFTA FTA Monitor, a public report which covers a comprehensive analysis of the effective use of its free trade agreements for the period 2018–2020 was published on the EFTA website. In the second half of the year, EFTA held a dedicated workshop in Brussels, gathering international experts on the topic, to discuss the latest findings and perspectives, with the aim to improve the effectiveness of trade agreements.

Small and Medium-sized Enterprises (SMEs) chapter for FTAs

Mid-2022, the EFTA States created a Working Group on Small and Medium-Sized Enterprises (SMEs). The Working Group is mandated to elaborate a model chapter on SMEs for EFTA. Current deliberations focus on the content of the prospective model chapter.

Pan-Euro-Mediterranean (PEM) Convention

Numerous contacts were held between EFTA and its partners in the PEM zone to include the transitional rules of origin as an alternative to the rules of the

PEM Convention. EFTA aims at implementing these transitional rules with Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, Tunisia, Turkey, and Ukraine. Changes to the free trade agreement with Georgia were adopted on 13 May 2022 and with Bosnia and Herzegovina on 7 July 2022. With these two partners the ratification processes are ongoing. With Albania, Montenegro, North Macedonia and Serbia the changes adopted in 2021 have entered into force in 2022, while with Kosovo and Moldova the rules will enter into force simultaneously with the free trade agreements currently being negotiated.

Learn more about EFTA's global trade relations





The EEA Agreement

The Agreement on the European Economic Area, which entered into force on 1 January 1994, brings together the EU Member States and the three EEA EFTA States – Iceland, Liechtenstein and Norway – in a Single Market, also referred to as the Internal Market.

The EEA Council

The EEA Council meets twice a year at ministerial level and provides political impetus for the development of the EEA Agreement. In 2022, it convened on 23 May under the chairmanship of the French Presidency of the EU Council and on 23 November under the chairmanship of Iceland. The EEA Council in May did not adopt conclusions due to internal disagreement on the EU side. During the meeting, both the EU and the EEA EFTA side noted that this was regrettable. The EEA Council in November was hosted by the EFTA States for the first time at the EFTA House. It also did not adopt conclusions due to disagreement. However, both the EU and the EEA EFTA side noted that, although unfortunate, this did not reflect the ongoing close cooperation under the EEA Agreement.

Main topics covered by the EEA Council in 2022 were:

- > The overall functioning of the EEA Agreement; and
- > The twin green and digital transitions; and
- > The incorporation of EU legal acts into the EEA Agreement.

In addition, the EEA Council held orientation debates on reducing strategic dependencies in the fields of raw materials and energy and energy transition and energy security. In informal political dialogues held on the margins of the EEA Council, ministers discussed Russia, the Arctic and Ukraine: challenges for the upcoming winter, Cybersecurity and Ukrainian need of support.

Learn more about the first EEA Council meeting held at the EFTA House



From left: Maroš Šefčovič, Vice-President of the European Commission; Anniken Huitfeldt, Minister of Foreign Affairs of Norway; Þórdís Kolbrún Reykfjörð Gylfadóttir, Minister for Foreign Affairs of Iceland; Dominique Hasler, Minister of Foreign Affairs of Liechtenstein; representing the Chairmanship of the Standing Committee of the EFTA States; Mikuláš Bek, Minister for European Affairs of the Czech Republic.



From left: Pascal Schafhauser, Ambassador of Liechtenstein to the EU; Anniken Huitfeldt, Minister of Foreign Affairs of Norway; Þórdís Kolbrún Reykfjörð Gylfadóttir, Minister for Foreign Affairs of Iceland; Jan Lipavský, Minister of Foreign Affairs of the Czech Republic; Maroš Šefčovič, Vice-President of the European Commission.



Þórdís Kolbrún Reykfjörð Gylfadóttir, Minister for Foreign Affairs of Iceland, on the EEA Council.



Anniken Huitfeldt, Minister of Foreign Affairs of Norway, on the close partnership between EU and the EEA EFTA countries.



Jan Lipavský, Minister of Foreign Affairs of the Czech Republic, on the value of the EU-EFTA relationship.

The EEA Joint Committee

The EEA Joint Committee is the main decision-making body of the EEA Agreement and consists of the ambassadors of the EEA EFTA States to the EU and representatives of the Secretariat-General of the European Commission. It is a forum in which views are exchanged and decisions are taken by consensus to incorporate EU legislation into the EEA Agreement.

The EEA Joint Committee met eight times in 2022. In 2022 the EEA Joint Committee adopted 354 JCDs, incorporating 628 legal acts into the EEA Agreement. The Joint Committee also decided to adopt several JCDs by written procedure. Discussions in the EEA Joint Committee in 2022 focused on how to reduce the number of legal acts awaiting incorporation into the EEA Agreement, the COVID-19 pandemic, and the European Green Deal.

A number of important decisions were adopted by the EEA Joint Committee in 2022 concerning a wide range of policy areas including financial services, animal health, transport, energy and environment and COVID-19.



From left: Henri Gétaz, EFTA Secretary-General; Rolf Einar Fife, Ambassador of Norway to the EU; Kaja Moe Winther, Counsellor at the Mission of Norway to the EU



Nicolas von Lingen, Head of Unit EEA; Switzerland; Andorra; Monaco and San Marino; European Commission; Secretariat-General



From left: Nuscha Wiczorek, Deputy Ambassador of Liechtenstein to the EU; Pascal Schafhauser, Ambassador of Liechtenstein to the EU



From left to right: Sesselja Sigurðardóttir, Deputy Head of Mission of Iceland to the EU; Katrín Sverrisdóttir, Director of EEA Cooperation; Ministry for Foreign Affairs; Kristján Andri Stefánsson, Ambassador of Iceland to the EU

The Standing Committee of the EFTA States

The Standing Committee of the EFTA States serves as a forum in which the EEA EFTA States consult one another and arrive at a common position before meeting with the EU in the EEA Joint Committee. It consists of the ambassadors to the EU of Iceland, Liechtenstein and Norway, and observers from Switzerland and the EFTA Surveillance Authority.

Priorities of the Standing Committee in 2022 and the two presidencies, Liechtenstein and Iceland, were:

- > To ensure the swift incorporation of EEA-relevant legal acts into the EEA Agreement;
- > To continue decision-shaping efforts of the EEA EFTA States by the issuing of EEA EFTA Comments and by engaging and promoting EEA EFTA views on relevant policy areas;
- > To continue to strengthen the knowledge of the EEA Agreement and the Financial Mechanisms and make full use of the available tools and EFTA House to disseminate information on the EEA.

Negotiations with the European Commission regarding a new period of the Financial Mechanism were launched on 16 June. Close cooperation with the EU in response to the COVID-19 pandemic continued.

The agendas and conclusions of the Standing Committee meetings are available on the [EFTA website](#). The work programmes of the Liechtenstein and Icelandic chairmanships of the Standing Committee in the first and the second half of 2022 can be found in the [appendices](#) to this report.

Legal and Institutional Matters

Subcommittee V on Legal and Institutional Matters assists the Standing Committee of the EFTA States in horizontal and substantive legal and institutional issues relating to the EEA Agreement. It is composed of legal experts from the EEA EFTA States.

Subcommittee V held four meetings in 2022. The Subcommittee monitored two-pillar issues and third-country provisions in the EEA Agreement, deliberated on cases of interest for the EEA EFTA States before the EFTA Court and the Court of Justice of the European Union and discussed various horizontal legal issues relating to the management of the EEA Agreement.

Relations with the United Kingdom

Iceland, Liechtenstein and Norway and the United Kingdom (UK) signed a Free Trade Agreement (FTA) on 8 July 2021 in London. The EEA EFTA – UK Free Trade Agreement is a comprehensive agreement covering a full range of trade in goods, services and investment, digital trade, capital movements, government procurement, intellectual property, competition, subsidies, small and medium-sized enterprises, good regulatory practices and regulatory cooperation and recognition of professional qualifications. It also addresses legal and horizontal issues, including dispute settlement. Furthermore, it contains substantial provisions in the area of trade and sustainable development, covering environmental protection, climate change, labour law and includes a separate chapter on gender equality and women’s empowerment in trade. The Agreement entered into force on 1 September 2022 for Liechtenstein, Norway and the United Kingdom. Iceland and the United Kingdom have provisionally applied the Agreement since 1 September 2022.

The Joint Committee established under the EEA EFTA – UK Separation Agreement of 2020 held its third meeting on 8 June 2022. At the meeting, the Parties provided updates on the measures taken by them to implement and apply the Separation Agreement. The EFTA Surveillance Authority (ESA) and the Independent Monitoring Authority (IMA) also presented information on their activities concerning the Agreement. Furthermore, the Joint Committee adopted a decision amending Part I of Annex I to the Separation Agreement to reflect updates that have been made to both the EEA Agreement and the EU–UK Withdrawal Agreement on social security.

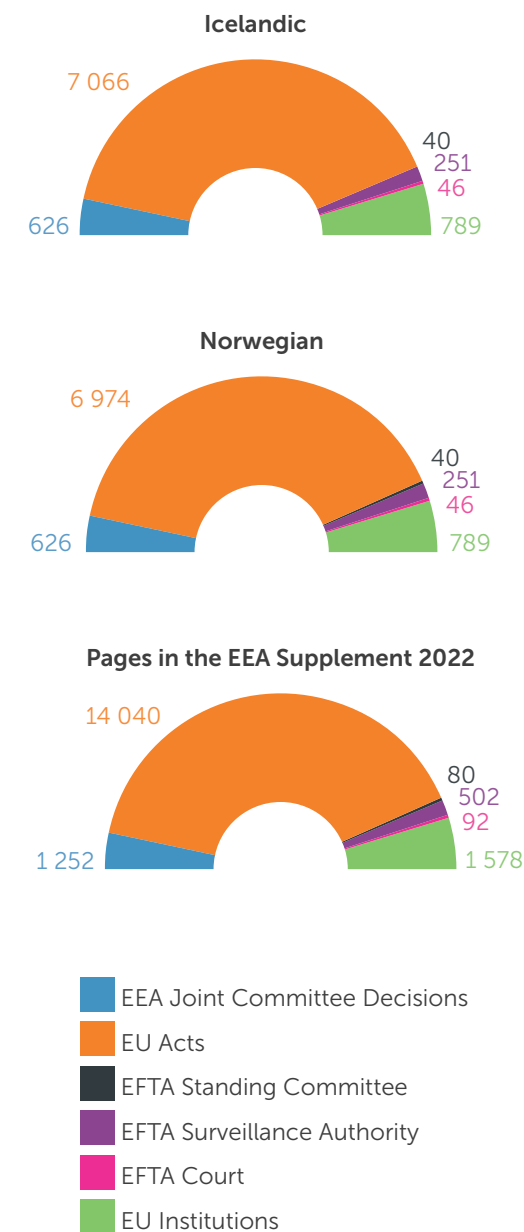
The EEA Supplement

The EEA Supplement to the Official Journal of the European Union contains translations into Icelandic and Norwegian of EEA-relevant texts. The EEA Supplement consists of material from:

- > The EEA Joint Committee
- > The Standing Committee of the EFTA States
- > The EFTA Surveillance Authority
- > The EFTA Court
- > The European Commission

The regular issue of the EEA Supplement is published on the EFTA website once a week, all year round. These weekly publications will always include merger notifications from the European Commission. Due to the short deadline for third parties to submit their possible observations on the proposed merger to the Commission, these texts, as well as some other Commission texts, need to be translated and published quickly.

Fig. 1 – Publication in the EEA Supplement 2022



In addition to the regular weekly issues, there are also separate issues containing translations of EEA Joint Committee Decisions (JCDs) and of EU legal acts which have been incorporated into the EEA Agreement.

Find all published issues here.

The EFTA Secretariat published 86 issues of the EEA Supplement in 2022. The publication of translated EU legal acts incorporated into the EEA Agreement remained at a relatively high level. Norway has succeeded in clearing all older acts, which means that the amount of materials published in both languages, is at a more similar level. This also means that the publication of Norwegian translated acts now focuses more on the recently incorporated acts. This year also saw an increase in the publication of decisions of the EEA Joint Committee.

In 2022 the EEA Supplement contained a large amount of texts from the EFTA Surveillance Authority and the European Commission.

Much of the material from the EEA Supplement is available on [EEA-Lex](#). There you can find information about proposed EU legal acts with possible EEA relevance, adopted EU acts under consideration for incorporation into the EEA Agreement, and acts that have already been incorporated into the Agreement.



EFTA's web-based legal database, EEA-Lex, is an important tool for monitoring the incorporation of EU acts into the EEA Agreement.

EEA information and law in your language

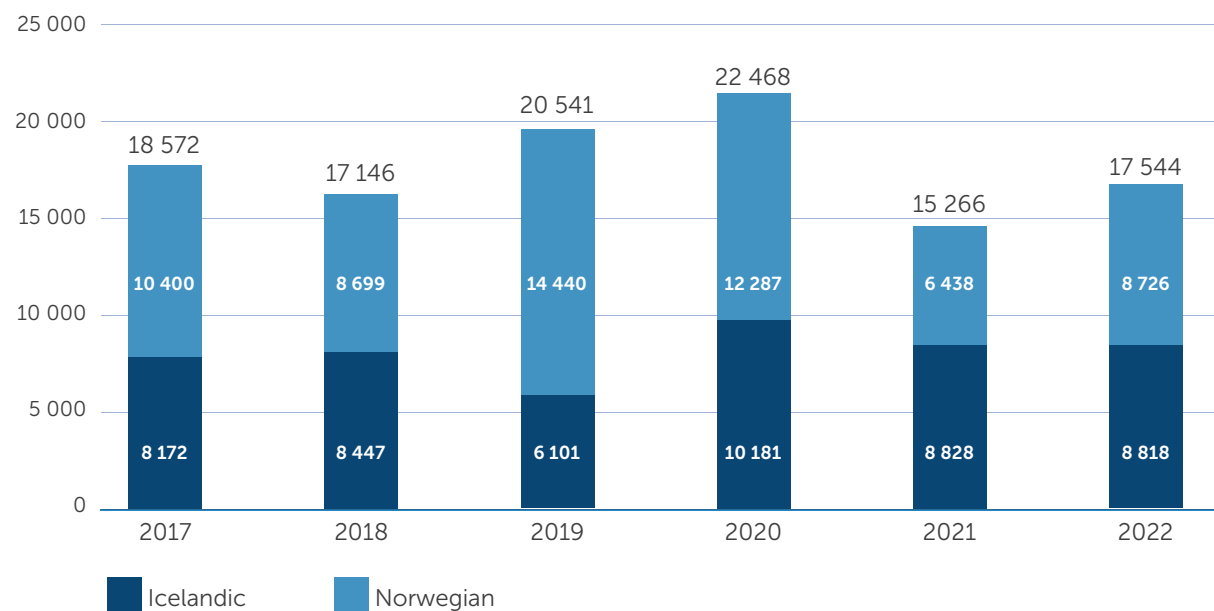
Did you know that the EEA Agreement is available in more than 20 languages? The Agreement and the legal acts in its annexes are equally authentic in Icelandic, Norwegian and all of the official EU languages upon their publication in the Official Journal of the European Union (OJ) (for the EU languages) and in the EEA Supplement (for Norwegian and Icelandic). The EU and EFTA have their own respective Translation and Publication units, and the EEA Supplement is published by the EFTA Secretariat's Translation and Publication unit in Brussels. The EEA Supplement contains the following types of documents: decisions of the EEA Joint Committee, legal acts incorporated into the EEA Agreement, decisions and notices from the EFTA Surveillance Authority, judgments and notices from the EFTA Court, decisions and recommendations of the Standing Committee of the EFTA States, and information notices from the European Commission concerning state aid, mergers, marketing authorisations and harmonised standards. With the exception of the week between Christmas and New Year, the EEA Supplement is published every week of the year.

EEA-Lex

The EFTA Secretariat is home to the online tool "EEA-Lex", where information can be accessed on proposed EU legal acts with possible EEA relevance, adopted EU acts under consideration for incorporation into the EEA Agreement, and acts that have already been incorporated into the Agreement.

The Translation and Publication unit at the EFTA Secretariat in Brussels has two in-house translators, one native speaker of Icelandic and one of Norwegian. While German is also an official language of an EEA EFTA State (Liechtenstein), the relevant texts are translated into German by the EU and published in the OJ by the Publications Office of the European Commission. Although many of the texts for the EEA Supplement are translated in Brussels, the EFTA Secretariat's work is assisted by the Translation Centres of the Ministries of Foreign Affairs in Iceland and Norway, which translate the legal acts that are incorporated into the EEA Agreement.

Fig. 2 – Total EEA Supplement pages published



The Incorporation of EU Acts into the EEA Agreement

Subcommittees I-IV assist the EFTA Standing Committee and the EEA Joint Committee in preparing for the incorporation of EEA-relevant EU acts into the EEA Agreement. In practice they function as one committee when they meet, eight times per year in two configurations: internal meetings with representatives from the EEA EFTA States’ foreign ministries, and joint meetings with representatives from the EEA EFTA States and the EU Commission’s Secretariat-General.

The Subcommittees are assisted by several EFTA working and expert groups which consist of experts in different fields from the national administrations of the EEA EFTA States. They are responsible for monitoring developments in the EU within their fields and for evaluating and processing EU legislation to be incorporated into the EEA Agreement. Most of the working and expert groups have regular meetings, both in person and online. In addition, in 2022, the Secretariat held two seminars with the chairs of the groups and the EEA coordinators from the EEA EFTA States. The aim is to give training, share relevant updates and to use the competence of the participants to further improve

the EEA incorporation process. These seminars were held in person at the EFTA House in May and November, attracting a large number of experts from all three EEA EFTA States.

The EEA files were transferred from the European External Action Service (EEAS) to the Secretariat-General of the Commission on 1 January 2022. Within the Secretariat-General, the Commission created a new Unit dealing with the EEA Agreement, Switzerland and the microstates. This Unit was lodged within a Directorate on Western European Partners together with two Units covering the EU–UK Agreements. It is the counterpart of the EFTA Secretariat in incorporating EEA-relevant EU acts into the EEA Agreement. The EFTA Secretariat made considerable efforts in 2022 to establish excellent cooperation with the new counterparts and to assist them in getting up to speed on the procedures for incorporating EU acts into the EEA Agreement. The Secretariat also invited some key Commission services to the EFTA House in 2022, providing them with general information on the EEA Agreement and the procedures for incorporating EU acts into the EEA Agreement.

Since 2014, continuous efforts have been put in place with the aim of increasing efficiency in the incorporation of EEA-relevant EU legal acts into

the EEA Agreement. An effort has been made to improve the basis for cooperation between the different parties in the EEA process by sharing and discussing the details of national, Secretariat and EU procedures for incorporation and how they interact. In 2022, Subcommittees I-IV have invited the EFTA Working Groups that have a large number of acts outstanding to report on the status and the foreseen timeline ahead. The Working Groups on Energy Matters, Transport, Statistics and Financial Services provided such reports in 2022. The EEA EFTA States, in cooperation with the EFTA Secretariat, have also been looking into measures to enhance the EEA incorporation procedures, without changing the current processes. Another important part in making the processes more efficient is the foreseen switch to using new online forms in the incorporation processes.

The Secretariat has also over recent years been gathering data showing the performance and compliance with procedures for both the EEA EFTA States and the Secretariat. These key performance indicators provide a good basis for a targeted approach to further improving the efficiency of the EEA incorporation process.

2022 Meetings

Subcommittee I	Subcommittee II	Subcommittee III	Subcommittee IV	Subcommittee V
26 meetings	21 meetings	4 meetings	21 meetings	4 meetings
387 acts incorporated	134 acts incorporated	5 acts incorporated	102 acts incorporated	

EEA Toolbox

How EU law becomes EEA law



Learn more:

Our **interactive web tool** How EU law becomes EEA law provides a visual presentation of the legislative process behind the Agreement on the European Economic Area (EEA). It is available in English, Icelandic, Norwegian and German.

Our **fact sheet** explains the process of how EU law becomes EEA law in an accessible and concise way.

How to read EEA law



Learn more:

Our **Adaptations tool** helps to find out what adaptations apply when reading an EU legal act in the EEA context.

Our **fact sheet** explains adaptations to EU acts in the EEA Agreement in an accessible and concise way.

Free Movement of Goods

A substantial part of the legislation incorporated into the EEA Agreement concerns the free movement of goods. The objective of this legislation is to ensure the free circulation of products and secure a high level of protection of health, safety, and the environment. The rules on competition, state aid and public procurement apply to trade in services as well as goods and ensure a fair and efficient market.

Subcommittee I on the Free Movement of Goods coordinates matters relating to all aspects of the free movement of goods – harmonised technical legislation, the food chain, intellectual property rights and energy matters in addition to competition, state aid and public procurement. Subcommittee I is assisted by 11 working groups and 24 expert groups which are subgroups under the Working Group on Technical Barriers to Trade.

In addition, three committees deal with issues related to goods under the EFTA Council: the Committee on Technical Barriers to Trade (TBT), the Committee of Origin and Customs Experts and the Committee on Trade Facilitation.

Reinforced role for the European Medicines Agency (EMA)

Regulation (EU) 2022/123 on a reinforced role for the European Medicines Agency in crisis preparedness and management for medicinal products and medical devices is currently being processed for incorporation into the EEA Agreement. The Regulation was put forward in light of the COVID-19 pandemic, which demonstrated the limitations of the Union's ability to coordinate work to ensure the availability of medicinal products and medical devices. The Regulation sets a clear framework for the activities to be deployed by the Agency in preparation for and during public health emergencies. It empowers the EMA to monitor and mitigate shortages of medicinal products and medical devices and ensures the smooth functioning of the internal market for such products during public health emergencies.

Market surveillance and consumer product safety

Regulation (EU) 2019/1020 on market surveillance and product compliance is currently being processed for incorporation into the EEA Agreement by the Expert Group on Product Safety, Market Surveillance and Product Liability. The objective of the act is to improve the functioning of the internal market and keep non-compliant products from being placed on it by strengthening market surveillance of products and promoting closer cross-border cooperation among enforcement authorities, including customs authorities. The Regulation is part of the so-called Goods Package, which also includes a Regulation on the mutual recognition of goods that has already been incorporated. The new rules consolidate the existing framework for market surveillance activities and create a strengthened framework for controls on products entering the single market.

Standardisation

In 2022, EFTA continued to support **European standardisation** and the existing public-private partnership between the European Commission/EFTA and the European Standardisation Organisations and stakeholders. The EFTA Secretariat participated at the General Assemblies of the European Committee for Standardization (CEN), the European Committee for Electrotechnical Standardization (CENELEC), the European Telecommunications Standards Institute (ETSI) and the European Cooperation for Accreditation (EA).

The EFTA States and the European Commission provide financial support to the three European standardisation organisations (ESOs): CEN, CENELEC and ETSI. EFTA continued to co-fund the three ESOs as well as four recognised stakeholder organisations that participate in European standardisation. These are the European Association for the Coordination of Consumer Representation in Standardisation (ANEC), the Environmental Coalition on Standards (ECOS), Small

Business Standards (SBS) and the European Trade Union Confederation (ETUC). A new Framework Partnership Agreement for the period 2022–2025 was concluded with SBS. In 2022, EFTA signed 35 agreements relating to standardisation (including amendments to existing agreements). EFTA also continued its financial support to the European Cooperation for Accreditation (EA) and concluded a new Framework Partnership Agreement with the EA for the period 2023-2026.

The European Energy Crisis

The situation in the energy markets in the run-up and following Russia's invasion of Ukraine has triggered several policy responses from the EU which impact the EU's energy acquis. Some policy actions from the EU are short-term emergency measures, whereas others target longer-term energy policies. Some of the longer-term measures under the **REPowerEU** initiative, to phase out Russian fossil fuels, include revisions of acts from the Clean Energy Package that are being processed for incorporation into the EEA Agreement by the Working Group on Energy Matters.

Competition – revised Vertical Block Exemption Regulation

The Working Group on Competition Policy is currently assessing the revised Vertical Block Exemption Regulation (the VBER), **Regulation (EU) 2022/720**, which entered into force in the EU on 1 June 2022. The revised rules provide businesses with simpler, clearer and up-to-date rules and guidance. The new rules will help businesses to assess the compatibility of their supply and distribution agreements with EU competition rules in a business environment reshaped by the growth of e-commerce and online sales.

New framework regulation on organic production

In 2022 the Working Group on the Food Chain, which is responsible for veterinary, food and agricultural issues, finalised the incorporation of **Regulation (EU) 2018/848** on organic production and labelling of organic products. The Regulation overhauls the legal framework for organic production, labelling and imports of organic products, further harmonising the rules and modernising the sector, ensuring that it's equipped for its ongoing expansive growth. The new rules also ensure that the organic logo offers consumers the same quality guarantees throughout the EEA.

Approval and market surveillance of motor vehicles

Regulation (EU) 2018/858 on the approval and market surveillance of motor vehicles and their trailers was incorporated into the EEA Agreement in 2022. The act sets out rules on technical requirements and procedures to ensure that new types of motor vehicles and their trailers conform to EU-approved safety and environmental protection requirements. The act aims to raise the quality level and independence of vehicle type-approval and testing, increase checks of cars that are already on the market, and strengthen the overall system with European oversight.

Simplified Procedure

Due to specific needs in the veterinary and food safety fields, certain acts under the Working Group on the Food Chain are subject to a simplified procedure. This is a derogation from the normal procedure for the incorporation of acts into the EEA Agreement which is used when it is necessary to put safeguard and protective measures in place urgently. It requires that the EEA EFTA States, "simultaneously with the EU Member States take measures corresponding to those taken by the latter". Until the introduction of the simplified procedure in 2001, an act could only be incorporated by a decision by the EEA Joint Committee, which in many cases took more than half a year.

The following acts are subject to the simplified procedure:

- > Safeguard and protective measures concerning the EEA territory or imports from third countries of live animals, animal products or food.
- > Texts of application and lists of approved food and feed producing establishments concerning imports from third countries.
- > Safeguard measures and listing of countries and territories concerning the non-commercial movement of pet animals.

In 2022, **112** acts were implemented by means of the simplified procedure.

Free Movement of Capital and Services

The EEA Agreement guarantees the freedom to provide services on a non-discriminatory basis anywhere in the EEA. The free movement of services – together with the right of establishment – is one of the major breakthroughs and an important factor in EEA coherence. The service sector constitutes a significant share of local economies and also plays a significant role at many stages of the production of goods. The free movement of capital is a prerequisite for the free movement of services. The EEA Agreement provides a comprehensive and non-discriminatory framework for capital transfers, cross-border investments and loans. The aim is to eliminate exchange controls that affect capital transfers directly, as well as other indirect barriers to capital movements.

Subcommittee II on the Free Movement of Capital and Services coordinates matters concerning financial services, company law, electronic communications, audiovisual services, information society, data protection, postal services, and transport. Five working groups and one expert group report to Subcommittee II.

Conference on the Future of Financial Services in the EEA

The EFTA Secretariat and the EFTA Surveillance Authority held a joint conference at the EFTA House on 9 November 2022 titled “The Future of Financial Services in the EEA”. The was successful in gathering high-level experts, market participants and policy makers for a discussion on the main relevant topics in financial services. Among the speakers were Commissioner of FISMA, Ms Mairead McGuinness who remarked on the EFTA States being among the EU’s closest allies. Also, Mr Martin Merlin, Director at DG FISMA for Banking, Insurance and Financial Crime said that the high number of financial services adopted each year is not a temporary spike, but a new reality.

[Recording of the event](#)

[Explore the photos from the event](#)

[See the full agenda](#)



From left: Stefan Barriga, College Member of the EFTA Surveillance Authority; Mairead McGuinness, European Commissioner for Financial Stability, Financial Services and the Capital Markets Union; Henri Gétaz, EFTA Secretary-General

Review of the legislation establishing the European Supervisory Authorities (ESAs)

In December 2019 the Commission adopted a revision of the Regulations establishing the European Financial Supervisory Authorities, **EBA**, **EIOPA** and **ESMA** (“The ESAs”). Among noteworthy amendments the ESAs will now set EU-wide strategic supervisory priorities for national competent authorities, the governance of the ESAs was strengthened and elaborated; and the European Banking Authority in particular will have an increased coordinating role in regard to combating money laundering and the financing of terrorism. The EFTA Task Force on Financial Services, consisting of experts from the EEA EFTA States, aims to have the ESAs’ Review enter into force in the EEA before the end of 2023.

New extensive legislation on Anti-money laundering and the financing of terrorism

On 20 July 2021 the Commission presented an **extensive new package of legislative proposals** concerning an entire new framework for Anti-money laundering and countering terrorism financing (AML/CFT). The package updates existing AML/CFT Directives but, more importantly, contains a Regulation establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA). The AMLA will have extensive supervisory competences, including direct supervision in certain instances.

The EFTA Working Group on Financial Services submitted an **EEA EFTA Comment** on 24 January 2022 to the EU institutions where the setup of the AMLA is addressed.

Digital Services

In 2022, the Working Group on Electronic Communication, Audiovisual Services and Information Society (ECASIS) continued assessing the EU's new legal framework for digital services in the internal market – **Regulation (EU) 2022/2065** (Digital Services Act, DSA) and **Regulation (EU) 2022/1925** (Digital Markets Act, DMA). The DSA focuses on upgrading the liability and safety rules for digital platforms, services and products. The DMA introduces rules for platforms that act as gatekeepers in the digital sector and aims to prevent them from imposing unfair conditions on businesses and consumers. In addition to providing better protection to consumers of digital services, while promoting an open and competitive platform economy, these instruments aim to make it easier for smaller companies to grow cross-border when faced with a consistent set of rules across the EEA.

Cybersecurity

The Working Group on ECASIS is progressing with the incorporation of the cybersecurity package consisting of **Directive (EU) 2016/1148** (NIS 1 Directive), **Regulation (EU) 2019/881** (Cybersecurity Act) and **Regulation (EU) 2021/887** (European Cybersecurity Competence Centre). At the same time experts have started preparing for the incorporation of the revised NIS 2 Directive and the EEA EFTA States were welcomed to participate for the first time in the **NIS Cooperation Group**.

Transport – the Eurovignette Directive

Directive (EU) 2022/362 on the charging of heavy goods vehicles for the use of infrastructure (the Eurovignette Directive), was adopted by the EU in February 2022 and will apply from 25 March 2024. The Directive, which is being assessed by the Working Group on Transport, introduces stronger and wider road charging rules, including a new scheme to address CO₂ emissions to reduce transport's carbon footprint in line with the European Green Deal and the Paris Agreement. Time-based user charges (vignettes) will be phased out for heavy-duty vehicles on the core TEN-T network within eight years of the entry into force of the directive. In addition, a new EU-wide tool will be introduced for varying infrastructure and user charges for heavy-duty vehicles based on CO₂ emissions.

Regulation on common rules in the field of civil aviation and establishing a European Union Safety Agency (EASA)

The process for the incorporation into the EEA Agreement of **Regulation (EU) 2018/1139** on common rules in the field of civil aviation and establishing a European Union Aviation Safety

Agency (the EASA Regulation) and several implementing and delegated acts, is in the final stages. The EASA Regulation introduces changes in several areas compared to the previous basic regulation. These relate to drones and urban air mobility, to the EASA role on new areas such as in environmental protection, to research and development and international cooperation, among others. The new mandate also gives EASA a coordinating role in cybersecurity in aviation.

Temporary relief from the slot utilisation rules at Union airports

Although air traffic in the EEA is gradually returning to pre-pandemic volumes, the current situation is still uncertain. As a consequence, air carriers are not able to fulfil the requirements of 80% minimum utilisation of their slot series. **Regulation (EU) 2022/2038**, which was incorporated into the EEA Agreement by a special written procedure on 16 November 2022, provides temporary measures given the uncertainty of the coming months. This includes a temporary waiver allowing air carriers to maintain their slot series if demonstrated that they have operated their slot series for at least 75% of the time during the scheduling period. In case of urgent needs, stemming from an epidemiological crisis or the war, the European Commission will be empowered to amend the percentage values through delegated acts. In addition, air carriers will be allowed to benefit from justified unused slots and count them as operated. The revised rules will be applicable until 28 October 2023. Similar measures, adopted in response to the COVID-19 pandemic, have previously been incorporated into the EEA Agreement.

Free Movement of Persons

The free movement of persons is a fundamental right which gives citizens of the 30 EEA countries the opportunity to live, work, establish business and study in any of these countries. EU legislation in this field aims at eliminating all obstacles to the freedom of movement and to give workers, self-employed people, students, pensioners and their family members the same rights within the EEA by eliminating any discrimination on the basis of nationality.

Subcommittee III on the Free Movement of Persons coordinates matters related to all aspects of the free movement of persons, including social security and the recognition of professional qualifications. Three working groups report to Subcommittee III.

Free Movement of Persons, Employment and Social Policy

The Working Group on Free Movement of Persons, Employment and Social Policy follows initiatives that relate to one of the core freedoms of the Internal Market: free movement of persons. In 2022, experts in the working group exchanged views and measures taken at a national level as a response to the ongoing war in Ukraine. They also followed the work of the Employment Committee (EMCO) and the development of key actions set out in the European Pillar of Social Rights Action Plan. In addition, a joint seminar on issues related to EU social policy was held with the Working Group on Health and Safety at Work and Labour Law and the **EFTA Consultative Committee** in March 2022.

Social Security – ongoing negotiations with the UK

Experts from the Working Group on Social Security representing Iceland, Liechtenstein and Norway participated in the ongoing negotiations between the three EEA EFTA States and the United Kingdom on social security coordination rules and reciprocal healthcare, due to the United Kingdom's withdrawal from the European Union. The negotiations were still ongoing at the end of December 2022.

Recognition of Professional Qualifications

The Working Group on Recognition of Professional Qualifications covers acts that facilitate the recognition of professional qualifications in the Internal Market, which is of vital importance for the free movement of high skilled professionals in the EEA. In 2022, the experts in the Working Group were engaged in dialogue on the recognition of Ukrainian refugees' qualifications and their integration into the European labour market.

Flanking and Horizontal Policies

In order to ensure that the Internal Market functions well, the EEA Agreement includes horizontal provisions relevant to the free movement of goods, persons, services and capital, as well as provisions concerning cooperation outside the four freedoms in so-called flanking areas. These provisions provide a legal basis for the incorporation into the Agreement of EU legislation in fields such as environment, consumer protection, civil protection, education and health and safety at work.

Subcommittee IV on Flanking and Horizontal Policies coordinates matters related to all aspects of the horizontal provisions of the EEA Agreement, as well as cooperation outside the four freedoms. Thirteen working groups report to Subcommittee IV.

Research and Development, Education, Training and Youth – Participation in EU Programmes

The policy areas of research and development and of education, training and youth are reflected in Protocol 31 to the EEA Agreement. EEA EFTA States’ participation in EU programmes are the main instrument for cooperation in these areas.

The Working Group on Education, Training and Youth and the Working Group on Research and Innovation were actively engaged in awareness raising and monitoring of EEA EFTA States’ rights and obligations in EU programmes in 2022, e.g. Horizon Europe, Erasmus+ and the European Solidarity Corps.

Proposal on empowering the consumer for the green transition

The Commission adopted a **proposal in April 2022 which amends the Unfair Commercial Practices Directive and the Consumer Rights Directive to empower consumers for the green transition** through better protection against unfair commercial practices and better information. The proposal is a part of a package of European Green Deal proposals to make sustainable products the norm in the EU. The main aim of the proposal, which the Working Group on Consumer Affairs is currently assessing, is to make consumers better informed about the environmental sustainability of products and better protected against greenwashing. The proposed amendments will oblige traders to provide consumers with information about the durability and repairability of products and ban greenwashing and planned obsolescence.

Regulation on the Single Digital Gateway

In 2022 the Working Group on Enterprise Policy and Internal Market Affairs finalised the incorporation of **Regulation (EU) 2018/1724** establishing a single digital gateway which facilitates online access to information, administrative procedures, and assistance services that EU citizens and businesses may need in another EU country. Therefore, it further contributes to establishing a digital single market where building unnecessary online barriers between people in different EU countries is avoided.

The Chips Act

The Commission adopted on 8 March 2022 a **proposal for a Regulation establishing a framework of measures for strengthening Europe’s semiconductor ecosystem**. The background is the shortage of chips/semiconductors which European undertakings have experienced lately. The proposal, which is being assessed by the Working Group on Enterprise Policy and Internal Market Affairs, aims at reaching the strategic objective of increasing the resilience of Europe’s semiconductor ecosystem and increasing its global market share. It also aims at facilitating early adoption of new chips by European industry and increasing its competitiveness.



Single Market Emergency Instrument (SMEI)

The Commission adopted a [proposal for a Single Market Emergency Instrument \(SMEI\)](#) in September 2022. Based on the effect on the Single Market caused by the COVID-19 pandemic and the Russian invasion of Ukraine, the Commission is aiming at an instrument that will focus on crisis preparedness and the management of new crises. The proposal, which the Working Group is currently assessing, sets out a new mechanism to monitor the Single Market, identify different levels of risk and coordinate an appropriate response comprising several stages, namely contingency, vigilance and emergency modes.

EU proposal for a Directive on the resilience of critical entities (CER Directive)

On 16 December 2020 the Commission presented a [proposal for a Directive to strengthen the resilience of entities operating critical infrastructure](#). The Working Group on Civil Protection is currently assessing the proposal, which extends the scope of the original directive and focuses on physical security and protection of critical processes such as the supply of drinking water and energy. On 20 October 2022 the Commission presented a [proposal for a Council Recommendation on a coordinated approach by the Union to strengthen the resilience of critical infrastructure](#) as part of a larger energy emergency package in light of the clear threat which has arisen when it comes to infrastructure. Experts

are currently assessing the Recommendation, which aims to strengthen the capacity of early warning and response and enhance cooperation.

The European Labour Authority – The ELA Regulation

[Regulation \(EU\) 2019/1149](#) establishing the European Labour Authority (ELA) was adopted in May 2019. ELA is expected to reach full operational capacity by 2024. ELA is part of the European Pillar of Social Rights, and the aim is to ensure that EU rules on labour mobility are enforced in a fair, simple and effective way across the EU. The act is being assessed by the Working Group on Health and Safety at Work and Labour Law and is in the process of being incorporated into the EEA Agreement.

Shaping EU policies

The EEA EFTA States contribute to the development of EU legislation and policy through different channels. An important feature of the EEA Agreement is that it makes it possible for our experts to participate in EEA-relevant Commission expert groups and advisory committees where we can express our views on upcoming EU initiatives. The EEA EFTA States can also influence policies through their participation in EU programme committees and EU agencies in instances where these are used as sounding boards for new proposals. Furthermore, Seconded National Experts from the EFTA States can be an important source of information about upcoming legislative initiatives, as well as a way to spread knowledge about the EEA Agreement and priorities of the EFTA States within the EU institutions.

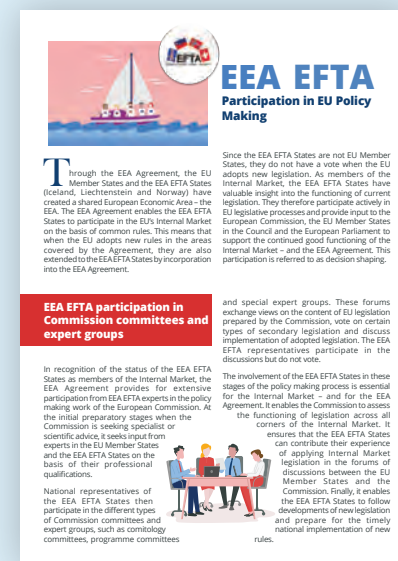
One of the formal ways in which the EEA EFTA States participate in shaping EU legislation is by submitting comments to the EU on important policy issues. These are common position papers agreed by the governments of the three EEA EFTA States.

In 2022, six EEA EFTA Comments were sent to the Commission, the European Parliament, and the Council on the following issues:

- > the Commission's legislative package on Anti-Money Laundering and Countering the Financing of Terrorism,
- > the Commission proposal for a Regulation on general product safety,
- > the European Green Bonds Regulation,
- > the proposal for a Regulation establishing the Union Secure Connectivity Programme for the period 2023-2027,
- > the revised Construction Products Regulation,
- > a harmonised front-of-pack nutrition label.

Follow-up meetings were arranged where the Commission attended the relevant EFTA Working Group to give feedback on the comments received.

The full list of EEA EFTA Comments can be found here



EEA EFTA Participation in EU Policy Making

Since the EEA EFTA States are not EU Member States, they do not have a vote when the EU adopts new legislation. As members of the Internal Market, the EEA EFTA States have valuable insight into the functioning of current legislation. They therefore participate actively in EU legislative processes and provide input to the European Commission, the EU Member States in the Council and the European Parliament to support the continued good functioning of the Internal Market – and the EEA Agreement. This participation is referred to as decision shaping.

EEA EFTA participation in Commission committees and expert groups

Through the EEA Agreement, the EU Member States and the EEA EFTA States (Iceland, Liechtenstein and Norway) have created a shared European Economic Area – the EEA. The EEA Agreement enables the EEA EFTA States to participate in the EU's Internal Market on the basis of common rules. This means that when the EU adopts new rules in the areas covered by the Agreement, they are also extended to the EEA EFTA States by incorporation into the EEA Agreement.

In recognition of the status of the EEA EFTA States as members of the Internal Market, the EEA Agreement provides for extensive participation from EEA EFTA experts in the policy making work of the European Commission. At the initial preparatory stages when the Commission is seeking specialist or scientific advice it seeks input from experts in the EU Member States and the EEA EFTA States on the basis of their professional qualifications. National representatives of the EEA EFTA States then participate in the different types of Commission committees and expert groups, such as commodity committees, programme committees

and special expert groups. These forums exchange views on the content of EU legislation prepared by the Commission, vote on certain types of secondary legislation and discuss implementation of adopted legislation. The EEA EFTA representatives participate in the discussions but do not vote.

The involvement of the EEA EFTA States in these stages of the policy making process is essential for the Internal Market – and for the EEA Agreement. It enables the Commission to assess the functioning of legislation across all corners of the Internal Market. It ensures that the EEA EFTA States can contribute their experience of applying Internal Market legislation in the forums of discussions between the EU Member States and the Commission. Finally, it enables the EEA EFTA States to follow developments of new legislation and prepare for the timely national implementation of new rules.

Public Health – EU Digital COVID Certificate system

Following the incorporation of [Regulation \(EU\) 2021/953 on the EU Digital COVID Certificate](#) in 2021, the Working Group on Public Health has in 2022 continued to assess and process for incorporation several Commission implementing decisions establishing equivalence of issuance of COVID certificates from third countries. So far, 49 non-EU countries (and territories) have joined the EU Digital COVID Certificate system, based on EU equivalence decisions, which have been incorporated into the EEA Agreement.

Budgetary Matters

The Working Group on Budgetary Matters is responsible for the timely and correct application of budgetary provisions set down in Article 82 and Protocol 32 to the EEA Agreement. The Working Group also plays a coordinating role when it comes to the assessment of the programme portfolio in the EU's Multiannual Financial Framework (MFF).

The annual EEA EFTA budget covers the EEA EFTA States' contribution to the EU budget and allows for EEA EFTA participation in EU programmes, actions and agencies. The EEA EFTA States' financial commitments to EU operational costs in 2022 were EUR 618.5 million; an increase from EUR 599.2 million in 2021 which was the first year of programme implementation under the 2021-2027 MFF.

The EEA EFTA net payment in 2022 amounted to EUR 576.9 million; a significant increase from 394.7 million in 2021. This demonstrates increased level of programme implementation, including the research and innovation programme Horizon Europe that accounts for the largest single part of the EEA EFTA budget.

The EEA EFTA States also contribute to the administrative costs of the European Commission in relation to their programme participation, an essential part of which is the contribution in kind of seconded national experts. Twenty-five EEA EFTA national experts were seconded in 2022 to the various directorates within the Commission dealing with EEA-relevant programmes and activities.

Fig. 3 – EEA EFTA financial contributions to EU programmes, agencies and other activities (payments in thousand EUR)

Sectors of activity	2021	2022
Research	232 787	356 650
Education, training and youth	68 652	89 193
Transport	45 466	53 263
Culture and Audiovisual sector	6 585	10 130
Public health	7 118	10 926
Information services	7 930	24 351
Social policy and employment	3 126	2 996
Product requirements (chemicals, food, medicines)	6 450	6 266
Statistics	1 654	1 752
Civil protection	9 479	14 074
Environment	1 276	1 566
Enterprise, innovation, SME, consumer protection	3 902	5 418
Energy	324	269
Total EEA EFTA contribution	394 749	576 854

Cooperation in Statistics

The [EFTA Statistical Office \(ESO\)](#) in Luxembourg is a central bridging body between the EFTA National Statistical Institutes (NSIs) and Eurostat. Cooperation between the EFTA NSIs, Eurostat and ESO, particularly in the context of the EEA Agreement, and technical cooperation with partner countries outside the European Statistical System (ESS) remain the two main areas of ESO's activities.

In the context of the EEA Agreement, monitoring new EU legislation in the field of statistics, and supporting the EEA EFTA NSIs the incorporation process of EEA-relevant acts into the EEA Agreement are important priorities for ESO.

Furthermore, ESO works closely with Eurostat on the development of the EEA Annual Statistical Work Programme and monitors the inclusion of EFTA data in Eurostat publications. As part of its cooperation with Eurostat and the EFTA NSIs, ESO co-organises courses for statisticians in the framework of the European Statistical Training Programme (ESTP) and supports statistical training and capacity building



Group picture with all participants of the Joint ESO-UNECE Workshop for Human Resources Professionals.



HR professionals from 27 countries representing both international organisations and national statistical institutes (NSIs) exchanging insights and discussing valuable lessons learned in their organisations.

in third countries, primarily in Europe's bordering regions to the east and south. ESO is located at the same premises as Eurostat in Luxembourg.

The COVID-19 pandemic continued to have an impact on activities in the European Statistical System (ESS) as well as the technical cooperation activities of ESO in early 2022. However, during the first half of 2022 the situation gradually returned to pre-COVID-19 conditions, with more physical meetings and conferences taking place. Therefore, several planned activities (including some previously postponed activities) could take place in 2022, such as training courses and workshops organised as part of ESO's technical cooperation activities. Future technical cooperation activities provided by ESO will be a combination of physical and online activities.

Overall priorities in 2022

The initial priorities in 2022 were the following:

- > Support the NSIs in implementing the priorities in the European Statistical Programme (ESP) within the Single Market Programme and work closely

with Eurostat to adopt the EEA annual work programmes.

- > With the adoption of the framework regulations for European Business Statistics (EBS) and Integrated European Social Statistics (IESS) by the EU, another priority was to ensure that these frameworks are incorporated into the EEA Agreement and implemented in the EEA EFTA Member States. This would also reduce the backlog of legal acts pending incorporation in the area of statistics.
- > Continue coordination and liaison activities with Eurostat on all matters relevant to the EEA, in order to promote the importance of the EEA Agreement for statistical cooperation and the status of the EEA EFTA countries in the ESS. This priority includes activities to promote and inform Eurostat about the EFTA EU cooperation and the EEA Agreement, but also monitoring of inclusion of EFTA data in Eurostat's

dissemination channels. In addition, the EFTA States should participate in the relevant meetings of committees, director groups, working groups and task forces in the ESS according to their rights in the EEA Agreement, and ESO should facilitate this participation by providing relevant meeting invitations in a timely manner to the NSIs.

Legal and Institutional Developments

As regards legislation, sixteen new acts were incorporated into Annex XXI of the EEA Agreement in the course of 2022, which contributed to reducing the backlog of legislation in the area of statistics. 47 acts were pending at expert level or with Subcommittee IV at the end of the year. Importantly, the Framework regulation for Integrated European Social Statistics (Regulation (EU) 2019/1700) was incorporated in 2022, which enabled incorporation of several acts belonging to this framework. However, processing of some legal acts is in some cases also delayed, and pending outstanding assessments on the expert level, including the important framework act for European Business Statistics (Regulation (EU) 2019/2152). ESO provided support to NSIs during 2022 in their assessment of the regulations pending incorporation.

The EEA Annual Work Programme was prepared through consultation with the EEA EFTA NSIs and Eurostat.

Production and Dissemination of EFTA Statistics

Protocol 30 in the EEA Agreement and the Switzerland–EU bilateral agreement on statistics provide for statistical information from all EFTA States to be transmitted to Eurostat for storage, processing and dissemination. In dialogue with the

EFTA-EU Statistical Cooperation

Official statistics are international in nature, whether they concern **economic growth** estimates, **energy** consumption, **migration** figures, data on **greenhouse gas emissions** or any other aspect of **our society**. They need to adhere to common standards and methodologies to be comparable across countries and to be useful for policy making, economic analysis and society at large.

Official statistics are an indispensable tool that underpin policy making and help monitor the impact of those policies.

The EFTA Statistical Office

The role of the **EFTA Statistical Office (ESO)** is to serve as a liaison office between EFTA, the National Statistical Institutes (NSIs) and the Statistical Office of the European Union (Eurostat) in the field of statistics. ESO monitors new EU statistics legislation, supports and coordinates the EEA EFTA NSIs in evaluating new EU legal acts, and facilitates the incorporation of the acts into the EEA Agreement.

ESO works closely with Eurostat on developing the **EEA annual work programme** and also monitors the inclusion of EFTA data in Eurostat publications. ESO, Eurostat and the EFTA NSIs co-organise courses in the European Statistical Training Programme for statisticians. They also provide statistics training and capacity building outside the European Statistical System, primarily in Europe's neighbouring regions. ESO's office is located at the same premises as Eurostat in Luxembourg.

EFTA NSIs and Eurostat, ESO continues to strive for regular and complete inclusion of EFTA data in Eurostat databases and publications. ESO presents the results of the inclusion monitoring in an annual report to the EFTA NSIs and to Eurostat's top management. Several changes to the methodology and format of the inclusion report have been made in recent years, and in order to keep pace with Eurostat's evolving dissemination policy ESO continues to develop the inclusion monitoring.

EFTA Participation in Eurostat Working Groups and Committees

Every year, Eurostat organises over 100 meetings as part of the cooperation in the ESS in order to prepare and implement new legislation, exchange and develop methodologies and follow up on data collection. Statisticians from the EFTA States participate actively in the relevant meetings on an equal footing with their counterparts from the EU Member States. With the gradual return to pre-COVID-19 conditions, many meetings in the ESS could take place in person. Future meetings in the ESS will be planned as a combination of physical and online meetings. In 2022, around 150 meetings were organised, around 92% of these were attended by at least one EFTA NSI.

Other Priority Areas

In addition to its core activities, ESO contributed to EFTA's presence and visibility in the ESS by:

- > Maintaining active involvement of EFTA and the EFTA NSIs in EU technical assistance projects in the area of statistics, with a priority to partner countries in the European Neighbourhood Policy (ENP) countries; and
- > Contributing with training courses in the European Statistical Training Programme (ESTP).



Participants from 20 countries at the Workshop on facilitating the development of financial accounts.

Statistical Assistance and Cooperation with Third Countries

EFTA works closely with Eurostat and other international partners on statistical assistance projects in partner countries outside the ESS. In 2022, this cooperation was based on the Administrative Arrangement (AA) between the two institutions, covering the years 2020–2022. During 2022, the EFTA Statistical Office has also prepared the renewal of the Administrative Arrangement for the period 2023-2025.

Statistical assistance and cooperation is mainly focused on bordering regions of the EU and the EEA, and include partner countries in the European Neighbourhood Policy (ENP), Central Asia and the EU candidate and potential candidate countries. It also includes the free trade partners of EFTA. The overarching objective of the EFTA Secretariat's technical cooperation in the area of statistics is to further the development, production, and dissemination of high quality, diversified, coherent and comparable official statistics in partner countries.

The COVID-19 situation had a large impact on statistical technical cooperation with partner countries outside the ESS in 2020–2021. Several activities were postponed, and many activities were conducted online instead of in person due to travel restrictions. During 2022, most activities in this area were resumed, and some of the previously postponed activities took place.

The main activities and projects in 2022 were:

- > Global Assessments and other Reviews of National Statistical Systems, which included a Peer Review of the Palestinian Statistical Office (PCBS) together with Eurostat, a Global Assessment of the National Statistical System of Turkmenistan together with UNECE and an IT-sector review in the statistical office of Namibia (EFTA Free Trade Partner).
- > Training Courses in climate change-related statistics, use of the software R in statistical production and introduction to statistics production with the use of Geographical Information Systems (GIS).

- > Joint EFTA/UNECE capacity development activities / events on
 - Business registers;
 - Implementation of the 2008 System of National Accounts (SNA) with a workshop on financial accounts;
 - Workshop on human resources management and training.
- > Review of Research and Development Statistics in Armenia
- > The High-Level Seminar (HLS) for European Neighbourhood Policy East and Central Asia Countries was jointly organised by EFTA, Eurostat and UNECE in Georgia in September 2022.
- > Funding and co-funding of participation statisticians from partner countries in various international and European events
- > Funding contribution to the UNECE publication "Handbook on Forms of Employment"



Group photo from the 2022 Conference of the Directors General of the National Statistical Institutes on 26-27 October 2022 (Photo: Studio Eisenberg).

European Statistical Training Programme

An exchange of letters between the EFTA Secretariat and Eurostat stipulates that EFTA shall finance two to four ESTP courses per year. In return, statisticians from the EFTA States have the right to apply for participation in all ESTP courses.

EFTA financed and organised three ESTP courses in 2022:

- > Statistics Iceland conducted an online course "Tidying up official statistics with 'R' and GSBPM" on 6-10 June 2022.
- > Statistics Norway conducted the training course "Introduction to statistics production with the use of geographical information systems" on 31 May – 2 June 2022 in Oslo, Norway.
- > The Swiss Federal Statistical Office (FSO) conducted the training course "Development and use of indicator systems for evidence-based decision making in the context of SDG monitoring and other areas" in Neuchâtel, Switzerland on 14–16 September 2022.



High-level seminar for European Neighbourhood Policy East and Central Asia Countries on "Data sources and coordination in statistical systems" in Tbilisi, Georgia from the 28-30 of September 2022.

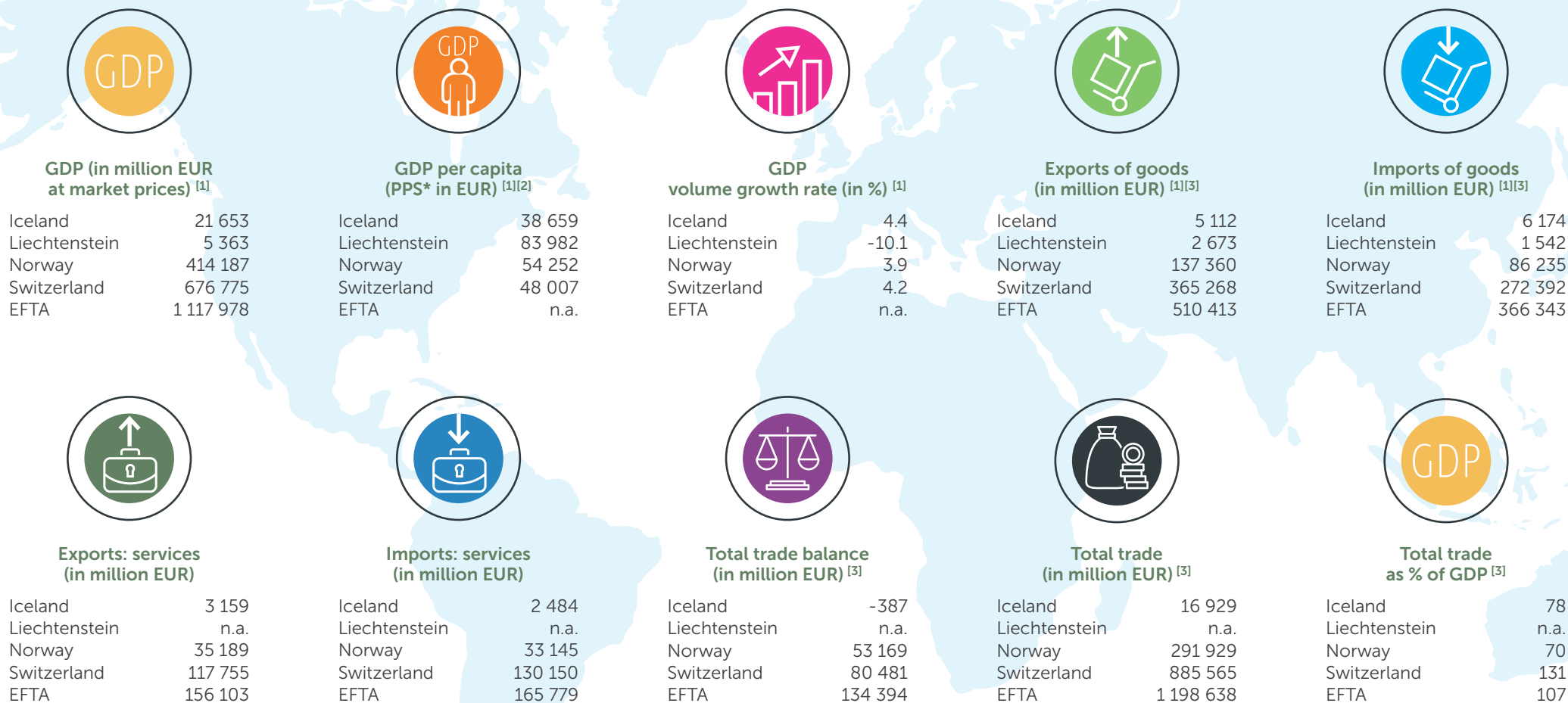
EFTA National Experts seconded to Eurostat

The secondment of national experts (SNEs) to Eurostat ensures the continued visibility of EFTA and the EFTA NSIs in EFTA–EU general statistical cooperation and in joint projects. In 2022, four experts from Statistics Norway and two experts from the Swiss FSO were seconded to Eurostat within the framework of the EEA Agreement and the Swiss–EU Statistical Agreement. One Icelandic and one Norwegian expert were seconded to Eurostat as a specific contribution in kind to EFTA–EU statistical cooperation with third countries, financed by EFTA through the Administrative Arrangement.



The Sector Review team from the EFTA Statistical Office, Statistics Norway and the Statistical Office of the Republic of Serbia, along with their colleagues from the Namibian Statistics Agency meeting from 1 to 4 August 2022 in Namibia.

Fig. 4 – Economic indicators 2021



Source: Eurostat and Liechtenstein Statistisches Jahrbuch 2022

[1] Figures for Liechtenstein refer to 2020

[2] The high GDP per capita for Liechtenstein is partly explained by the fact that a large number of foreign residents are employed in Liechtenstein and thus contribute to its GDP, while they are not included in the resident population

[3] As Liechtenstein is in a customs union with Switzerland, its foreign trade is included in the Swiss data.

[*] Purchasing power standard (PPS) is an artificial currency unit which neutralises the effect of price level differences across countries

Stable economic growth and high inflation

Following a gradual removal of COVID-19 measures, the economic growth in the EFTA countries bounced back, surpassing GDP levels pre-COVID-19. A steady growth was present after the second quarter of 2021 after a constant decline in 2020. Figure 5 shows the change in quarterly GDP in constant prices compared to the same quarter of the previous year.

Inflation has been on the rise since late 2021, and particularly following the Russian invasion of Ukraine in 2022. Prices for food and housing energy (gas and electricity) have contributed to the highest inflation observed for the European Union as a whole since the beginning of the Harmonised Index of Consumer Prices (HICP) in 1996.

The inflation in the EFTA countries has been lower compared to many countries in the EU and compared to EU as a whole, even though the inflation is the highest since the beginning of HICP in Norway and matches the 2008 inflation levels in Switzerland. Iceland has historically fluctuating inflation and inflation peaks higher than this have been present in the past. However, inflation stabilised at much lower levels in the last eight years.

At least two factors contributed to this development. Firstly, households in the EFTA countries spend less of their overall expenditure on food than on average in the EU and thus, the overall inflation was less affected by the rise of food prices.

Secondly, energy prices in Iceland and Switzerland have not risen as sharply as in the EU. From the beginning of 2021 housing energy prices have risen by 75% in the EU, 10% in Iceland and 37% in Switzerland. Norway has seen a big fluctuation in energy prices over the years and prices have risen by 66% in Norway during the same time.

Fig. 5 – Quarterly GDP – Percent change from same quarter of previous year

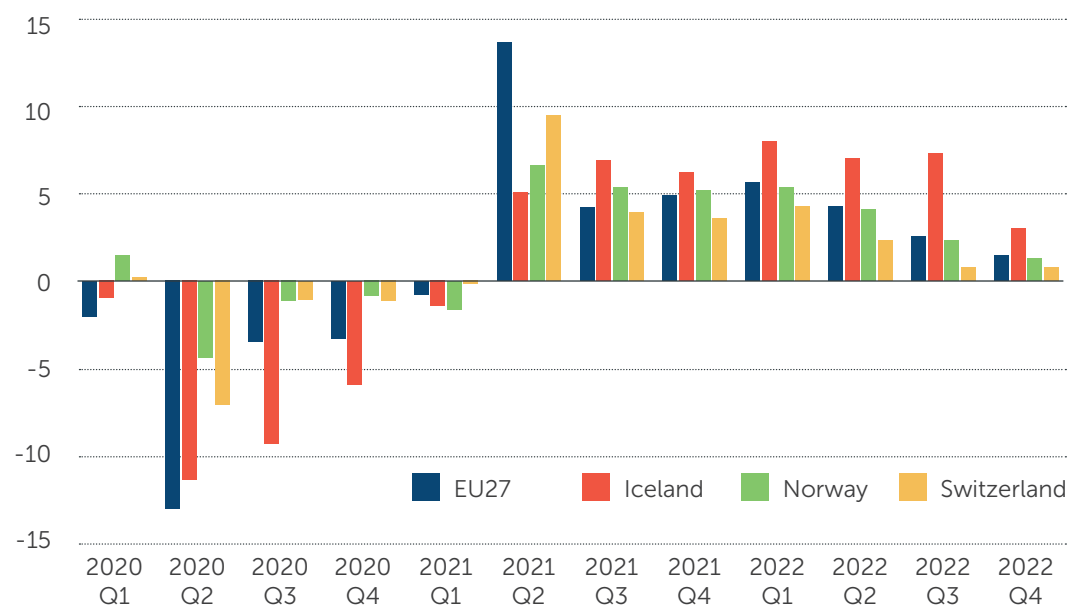
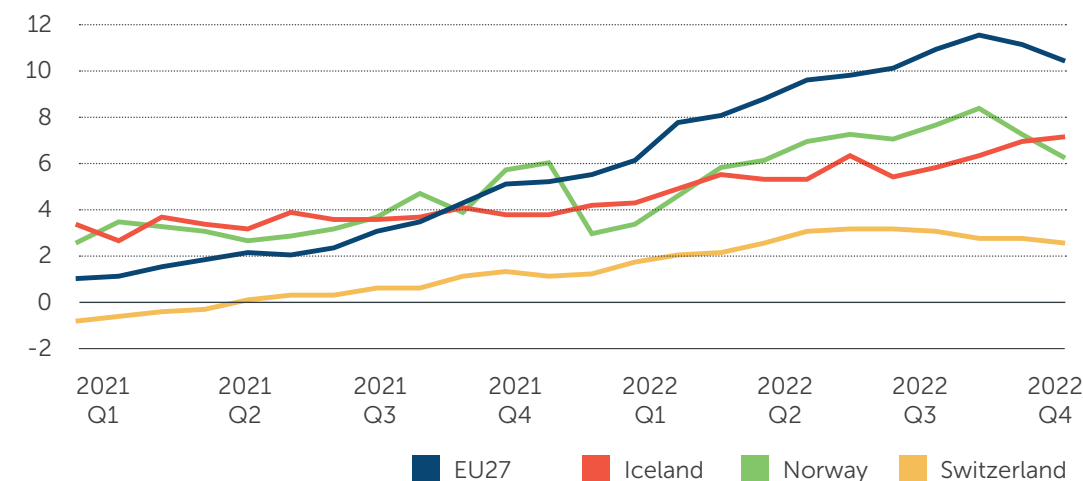


Fig. 6 – Harmonised Index of Consumer Price – rate of change from previous year





Photographer: Dimitar Kutzmanov, Copyright: IOM Bulgaria

EEA and Norway Grants

Reducing Disparities and Strengthening Bilateral Relations

The EEA and Norway Grants are funded by Iceland, Liechtenstein and Norway. The main goal of the Grants is to reduce economic and social disparities in the EU and strengthen bilateral relations between the donor states and 15 beneficiary states in Central and Southern Europe and the Baltics: Bulgaria, Croatia, Cyprus, Czechia, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. The Grants are directly linked to the EEA Agreement.

Working together for a green, competitive and inclusive Europe

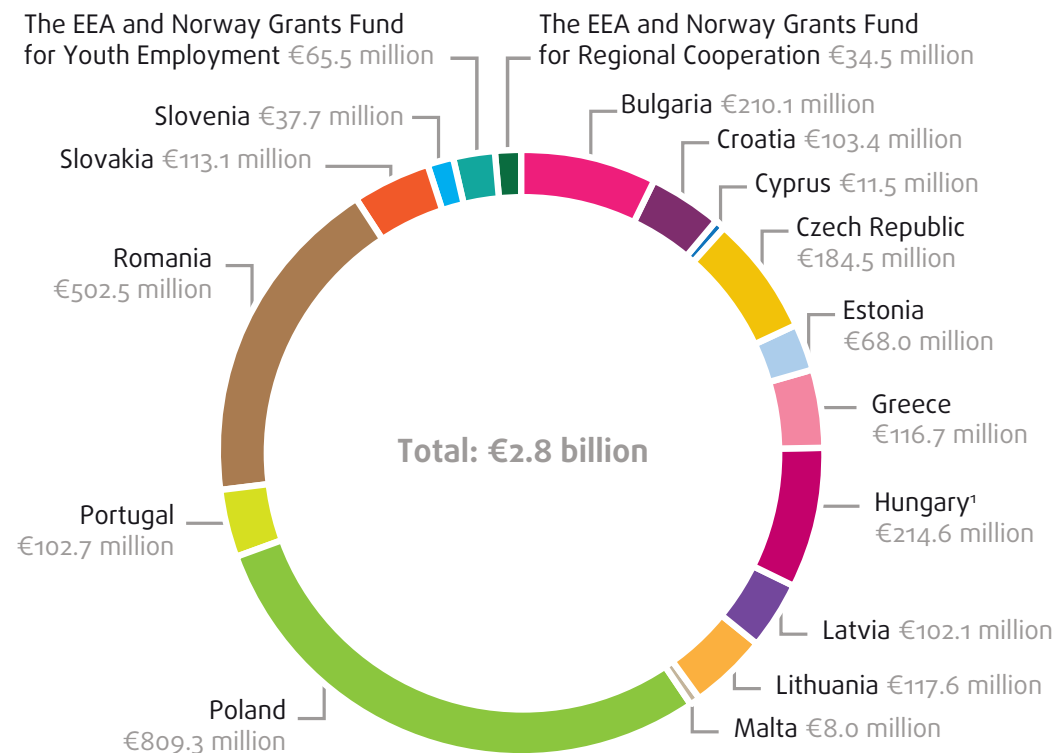
For the funding period 2014–2021, Iceland, Liechtenstein, and Norway will contribute with a total amount of €2.8 billion. Five priority sectors have been agreed upon between the donor states and the EU to help build a greener, more competitive and inclusive Europe. The different priority sectors aim to respond to the shared challenges Europe is facing:

- > Innovation, research, education and competitiveness
- > Social inclusion, youth employment and poverty reduction
- > Environment, energy, climate change and low carbon economy
- > Culture, civil society, good governance and fundamental rights
- > Justice and home affairs

There are currently 97 programmes and two Regional Funds formally agreed between the donor and beneficiary states. These programmes support areas that cover civil society, innovation and green business, research, scholarships, green energy, adaptation to climate change, the rule of law, strengthened asylum and migration systems, youth unemployment, social inclusion, cultural heritage, and bilateral and regional cooperation.

More details on the programme areas eligible for support can be found in the [EEA and Norway Grants Blue Book](#).

Fig. 7 – EEA and Norway Grants 2014–2021



¹ In 2021, the donor states, Iceland, Liechtenstein and Norway, have not reached an agreement with Hungary on the appointment of a Fund Operator to manage the funding for civil society. Consequently, no programmes will be implemented under the EEA and Norway Grants during the current funding period.

2022: A snapshot of results and achievements

At the beginning of the 2022 the world was shocked by the Russian attack on Ukraine. Millions were displaced, many of whom sought refuge in neighbouring countries like Poland or Romania. To help beneficiary states cope with the growing humanitarian crisis, the three donor states – Iceland, Liechtenstein and Norway – have encouraged flexibility through the EEA and Norway Grants' Bilateral Fund. **By the end of 2022, more than €13 million had been committed to funding 66 projects and initiatives. They will help the beneficiary states provide the best support and assistance to the refugees.**

The bilateral initiative "Protect, Support, Empower Human Trafficking Victims in Romania – PSEV", implemented by a Romanian NGO ASSOC, focuses on preventing Ukrainian refugees from becoming victims of human trafficking. To the identified trafficking victims, they provide emergency protection and redirection to specialised medical assistance, accommodation, food, and transport. They also offer appropriate psychological counselling, social investigation, legal counselling, and other assistance.

"So far, we have managed to directly prevent at least six cases of potential victimisation and inform over 1 900 displaced Ukrainians," says the project manager Marcel Puiu.

Read the interview with two men who spend their days talking to people fleeing war-torn Ukraine with a task to identify and support potential victims of human trafficking crossing the border in Sighetu Marmăției in Romania



In 2022, and despite the challenges posed by the war, the current funding period is now entirely in implementation. Programme agreements in 14 beneficiary states have been signed. This brought the total number of programmes in the beneficiary states to 97. By the end of June 2022, programme and fund operators successfully launched 465 calls and signed 5 193 projects under the EEA and Norway Grants.

By the end of June 2022, the EEA and Norway Grants had funded over 2 000 civil society organisations. This led, among other things, to nearly 1 400 000 people actively engaging in civil society activities, such as standing up for human rights, democracy, social justice and gender equality.



Imagine if your choice to have children was taken away without your knowledge only because of your race. Hundreds of Roma families in Slovakia don't need to imagine – they have lived it. Between 1966 and 2004, in Slovakia, forced sterilisation of Roma women was a common occurrence.

In November 2021, the women received an official apology from the Slovakian Government. Supported by the Active Citizens Fund, the Centre for Civil and Human Rights in Slovakia, together with a group of women, have been fighting for their sexual and reproductive rights long before that.

[Read more about the road towards claiming the rights to your body for these Slovenian Roma women](#)

Well-functioning healthcare systems are fundamental for maintaining healthy populations and essential for economic productivity and social development. To that end, funding from the EEA and Norway Grants helped over 83 500 people benefit from social and health services (such as medical services, legal advice and counselling, informal education, helplines, shelters, etc.).

Supporting businesses and investing in education is essential for ensuring social inclusion and strengthening Europe's competitiveness in an increasingly globalised world. By the end of June 2022, over 50 600 professional staff had been trained through the Grants, 1 790 jobs had been created, and over 1 070 SMEs had received support from the Grants, to name a few results.



As many as one in six people in the EU over the age of 15 lives with a disability. That represents over 100 million people who face persistent challenges when it comes to accessing services, quality education and lastly, but just as worryingly, the labour market. A project in Romania, Portugal and Lithuania tackles the latter with one of the most powerful tools out there: support.

The Labour market Employment for young Adults with a Disability (LEAD) project, supported through the EEA and Norway Grants' Fund for Youth Employment, aims to change that by making sure young adults with disabilities get their fair chance on the labour market.

[Read more about this project](#)

Preserving cultural heritage is key to Europe's future. The EEA and Norway Grants help make culture more accessible and contribute to local jobs, skills development, and resilience in local communities. To date, over 680 000 people have visited cultural heritage sites supported by the Grants in the beneficiary states.

Finally, the EEA and Norway Grants aim to impact both socially and economically and strengthen cooperation between the donor and beneficiary states. Bilateral involvement in programmes and projects helps contribute to awareness raising, changes in attitudes and the development of trust between cooperating organisations across borders. By the end of June 2022, over 1 900 projects involved a partner from the donor states. Cooperation under the Grants helps lay the foundation for further collaboration, with many partners planning to develop future projects together.

By the end of the current funding period, Iceland, Liechtenstein and Norway aim to have created more than 6 700 jobs, supported over 2 200 researchers and reduced the annual CO₂ emissions by 1 490 000 tonnes (equivalent to emissions from approximately 860 000 cars).

The EEA and Norway Grants: Working together to reduce social and economic disparities in Europe and strengthen cooperation between European countries

15

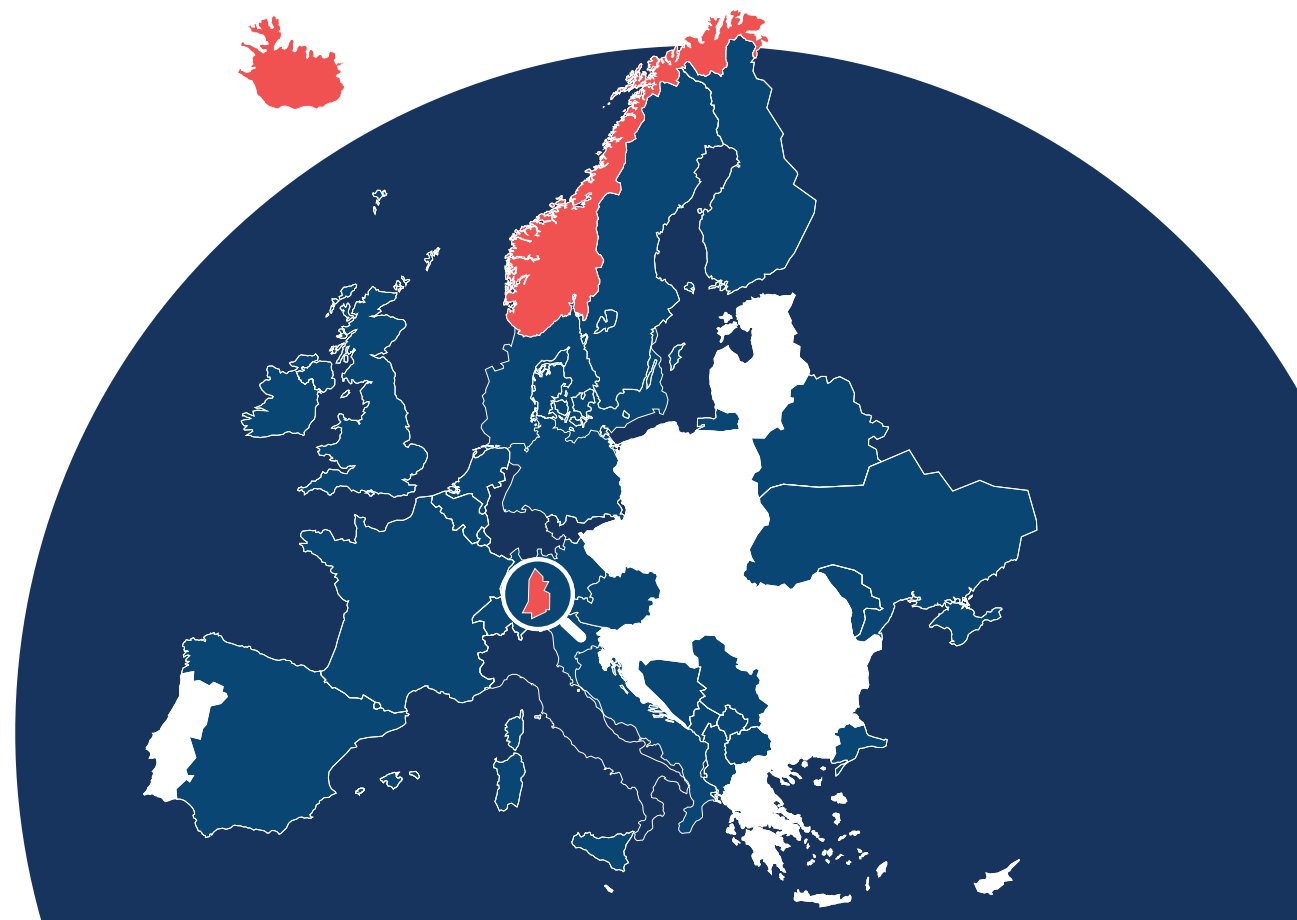
beneficiary
countries

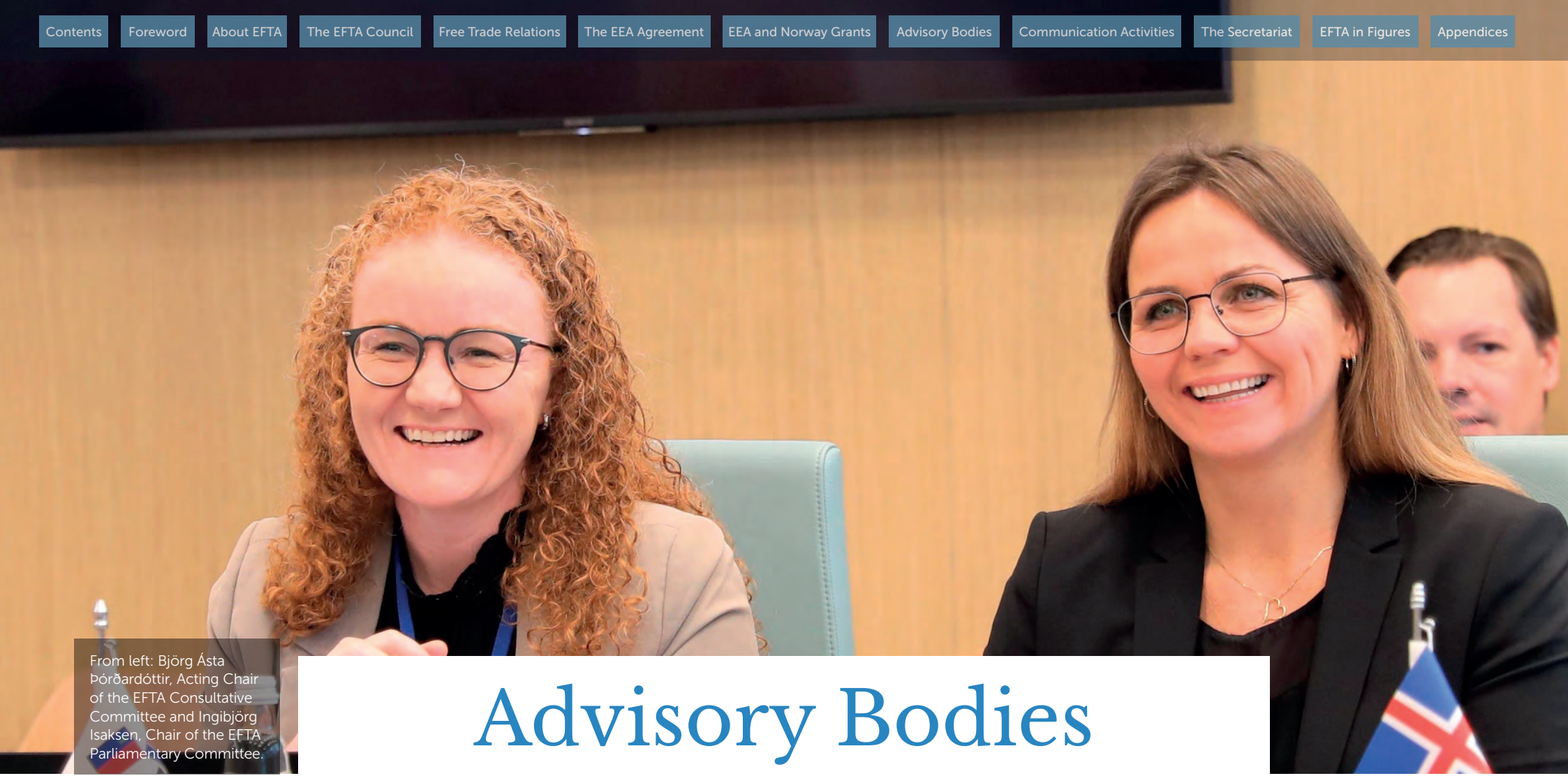
3

donor
countries

2.8

billion
euro





From left: Björg Ásta Þórðardóttir, Acting Chair of the EFTA Consultative Committee and Ingibjörg Isaksen, Chair of the EFTA Parliamentary Committee.

Advisory Bodies

EFTA has advisory bodies which scrutinise EFTA's trade relations with third countries as well as relations with the EU through the EEA Agreement. The EFTA Parliamentary Committee (EFTA PC) is composed of parliamentarians from the parliaments of the four Member States, while the EFTA Consultative Committee (EFTA CC) consists of representatives from trade union confederations and employers' organisations. The EEA EFTA Forum consists of elected representatives at the local level.

The advisory bodies issue opinions to the EFTA decision-making bodies and meet regularly with the EFTA Ministers. The scrutiny of the EEA cooperation is also done in joint bodies with their counterparts in the EU. The EEA Joint Parliamentary Committee (EEA JPC) is composed of Members of the European Parliament (MEPs) and parliamentarians from the EEA EFTA States while the EEA Consultative Committee (EEA CC) is composed of representatives from the EFTA CC and the European Economic and Social Committee (EESC).

Dialogue between the Advisory Bodies and the EFTA Ministers

In 2022, the EFTA advisory bodies met with ministers on three occurrences. On 20 June, on the margins of the EFTA Ministerial meeting in Borgarnes, Iceland, the **Committees held an exchange of views with Ministers** whereby they discussed EFTA's support to Ukraine; EFTA's strategy to cope with a volatile international trade environment; the state of play of EFTA's third-country relations both in terms of partners and horizontal issues; the outcome of the WTO 12th Ministerial Conference; and the state of play of the Swiss–EU relations.

On 22 November, they met with the Chair of the EFTA Council, Ambassador of Liechtenstein to EFTA/WTO, Kurt Jäger, who stepped in for his Minister Ms Dominique Hasler. Committee members exchanged views on the priorities of the Liechtenstein Chairmanship and reported on the state of play of the possible modernisation of the EFTA–Ukraine free trade agreement. Progress on EFTA's third-country agenda and horizontal processes was examined along with the outcome of the delegation visit of the EFTA PC to Thailand that had taken place earlier in September.

The following day, on 23 November, the **EFTA advisory bodies met with the EEA EFTA Ministers** on the margins of the **EEA Council**. Both Committees used the opportunity to inform ministers about their joint work with the EU institutions on EEA matters (more information below). The meeting provided a unique opportunity to coordinate on important political issues such as the situation in Ukraine, and EEA EFTA's positioning and initiatives on EU's twin transitions of greening and digitalising societies and economies.

The EFTA Parliamentary Committee

The EFTA PC was chaired by Ms Ingibjörg Ólöf Isaksen, Member of the Icelandic Parliament, for both third-country issues [Committee of Members of Parliament of the EFTA Countries (CMP – EFTA-4)] and for EEA-related matters [Committee of Members of Parliament of the EFTA States (MPS – EFTA-3)]. See **appendices** for all members of the EFTA Parliamentary Committee.

Third-Country Relations/Trade

The EFTA PC convened for the first time on 8 and 9 February for its **annual trade seminar**. EFTA parliamentarians first discussed multilateral trade policy issues such as: bottlenecks in global value chains amid the COVID-19 pandemic; a possible waiving of the protection of intellectual property rights on health-related products and technologies; and WTO reform needs. EU trade policy developments also featured high on the programme with briefings and presentations on the EU's trade and sustainable development agenda; as well as current ongoing legislative processes in the field of trade and enforcement: the European Carbon Border Adjustment Mechanism; the EU anti-coercion tool; and the International Procurement Instrument. They also discussed the first annual report of the European Commission on the screening of foreign direct investments into the EU.



Ingibjörg Ólöf Isaksen, Head of the Icelandic Parliamentary delegation



Daniel Seger, Member of the Liechtenstein Parliamentary delegation



Trine Lise Sundnes, Head of the Norwegian parliamentary delegation



Benedikt Würth, Head of the Swiss parliamentary delegation



EFTA Parliamentary delegation on their company field visit to Nestlé in Amata-City Rayong, Thailand.



The EFTA Parliamentary Committee meeting with the Chamber of Commerce and Board of Trade of Thailand.



Ingibjörg Óláf Isaksen, Chair of the EFTA Parliamentary Committee in the Assembly Hall of the Thai National Assembly.

At the end of the seminar, together with the EFTA Consultative Committee, the EFTA PC met with the Committee on Third-Country Relations (TCC) for a review of all ongoing EFTA trade initiatives.

In June, on the margins of the EFTA Ministerial meeting, the EFTA PC prepared for its delegation visit to Thailand and took stock – with the trade ministers of both countries – of the progress of the negotiations on a free trade agreement with Kosovo and Moldova. The recent EU proposal on Corporate Sustainability Due Diligence was also introduced by a representative of the European Commission.

From 5 to 9 September, a delegation of the EFTA PC undertook a working visit to Thailand. The objective was to lend support to the negotiations on a free trade agreement with this partner that had been resumed at the EFTA Ministerial meeting in June. EFTA parliamentarians met with officials from the National Assembly, the Ministry of Commerce, the Ministry of Foreign Affairs as well as with representatives of business associations, trade unions, and civil society.



From left: Günter Vogt, Head of the Liechtenstein delegation; Trine Lise Sundnes, Head of the Norwegian delegation; Ingibjörg Óláf Isaksen, Head of the Icelandic delegation and Chair of the EFTA Parliamentary Committee; Mr Sinit Lertkrai, Deputy Minister of Commerce; Ms Chotima Iemsawasdikul, Deputy-Director General of the Department of Trade Negotiations; Mrs Arada Fuangtong, Deputy-Director General, Department of International Trade Promotion; Benedikt Würth, Head of the Swiss delegation.

In November, on the margins of the EEA Council, the EFTA PC discussed the EU's measures to mitigate the surge of energy prices and to reform European energy markets and were briefed on the resumed negotiations on a free trade agreement between the EU and India. The Committee also held exchanges of views on empowering Small and Medium-Sized Enterprises (SMEs) in free trade agreements, the revamped EU approach on trade and sustainable development, the EU-US trade and technology Council and the EU's proposal to prohibit products made with forced labour within the EEA.

Joint Meetings with the European Parliament – EEA cooperation

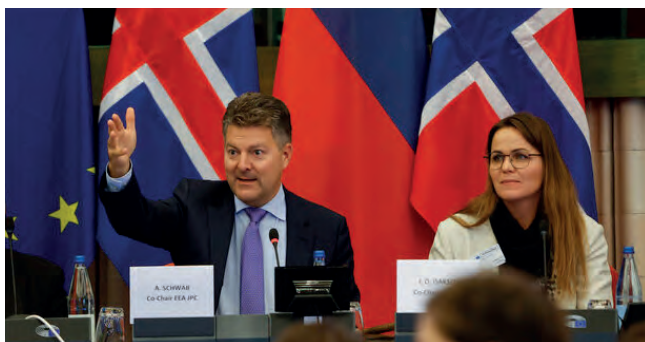
The first meeting of the EEA Joint Parliamentary Committee (EEA JPC) was held online on 24 and 25 May 2022. The members of the EEA JPC discussed the latest EEA developments with representatives of the EEA governing bodies. They adopted a **resolution** on the functioning of the EEA Agreement in 2021. The Committee discussed the situation in Ukraine; the state of play



The 58th meeting of the EEA Joint Parliamentary Committee (Philippe BUISSIN © European Union 2022, Source EP).

of the interinstitutional negotiations on a Carbon Border Adjustment Mechanism; the revision of the Renewable Energy Directive; Norway's solutions and technologies to the green transition; the proposal for a European Health Data Space; the ongoing interinstitutional negotiations on an Artificial Intelligence Act; and the recent developments of the relations of both the UK and Switzerland with the European Union. The meeting was co-chaired by Ms Ingibjörg Ólöf Iskaksen, Vice-President of the EEA JPC and by Mr Christophe Grudler, Member of the European Parliament, who was representing the President of the EEA JPC, Mr Andreas Schwab.

The second meeting of the EEA JPC took place on 19 and 20 October 2022 in Strasbourg, at the seat of the European Parliament. The members of the EEA JPC discussed the latest EEA developments; the situation in Ukraine; the EEA energy resilience; cybersecurity throughout the EEA; space cooperation; and the first meeting of the European Political Community. The meeting was co-chaired by Ingibjörg Ólöf Isaksen, Vice-President of the EEA JPC, and by Andreas Schwab, President of the EEA JPC.



Andreas Schwab, EEA JPC President and Chair of the delegation of the European Parliament for the relations with EFTA countries and the EEA; Ingibjörg Ólöf Isaksen, Chair of the EFTA Parliamentary Committee and Vice-President of the EEA JPC
(Philippe BUISSIN © European Union 2022, Source EP).

The EFTA Consultative Committee

The EFTA Consultative Committee was chaired by Ms Liz Helgesen from the Norwegian Employers in 2022. See [appendices](#) for all members of the EFTA Consultative Committee.

Among the issues which were highlighted in the EFTA CC 2022 [work programme](#) were:

- > Trade and sustainable development (TSD) continued to be of great importance to the CC. In 2022 for the first time the EFTA CC members were active participants in the EFTA TSD monitoring mechanism.
- > The war in Ukraine and its impact on the EEA, the Fit for 55 package and climate initiatives, digital transition files such as the Digital Services Act and the Digital Markets Act, and artificial intelligence.

Under the chairmanship of Ms Helgesen the committee met regularly throughout the year in various constellations; in-person, in a hybrid setting and virtually. Below is a short summary of the main meetings of 2022. For a more detailed overview of the work of the EFTA CC in 2022 please find the [review report of the work of the EFTA CC in 2022](#).

Overview of meetings of the Consultative Committee

The first meeting of the year was held on 9 February 2022 where the Parliamentary Committee and Consultative Committee jointly met with high-level trade officials of the EFTA Member States (TCC). There, the officials presented the state of play of third-country relations and introduced horizontal initiatives such as the preference utilisation rate analysis done by the EFTA States, TSD monitoring mechanism, and other related topics.



Liz Helgesen, Chair of the EFTA Consultative Committee (in the middle) at the annual bilateral meeting of the EFTA Consultative Committee.

The second meetings of the year took place on 22 March 2022 in Brussels. There, the focus was on topics related to the EEA Agreement. The CC met with the EEA EFTA Ambassadors and President of the ESA College to discuss the latest development and future perspectives in the EEA and EFTA relations with the EU. That same day the CC also hosted a seminar with relevant EFTA Working Groups.

On the margins of the yearly EFTA summer Ministerial meeting, that was held on 20 June 2022 in Borgarnes Iceland, the EFTA Consultative Committee convened both jointly with the EFTA parliamentarians (as the EFTA advisory bodies) and internally.

The Committee reconvened in the fall for a virtual meeting on 13 October 2022. There the new EU trade and sustainable development approach of the EU Commission was discussed with a Commission representative. Further, the Vice-Chair of the Committee briefed the members on a third-country visit he undertook, as the observer of the EFTA CC, to Thailand in early September in view of the EFTA trade negotiations with Thailand.

At the internal meeting of the Consultative Committee on 22 November a new Chair and Bureau were elected. It was decided that the chairmanship in 2023 would be held by the Norwegian Employers and the new Chair would be Kristin Hansen from NHO. The Committee further discussed and subsequently approved a new work programme and preliminary meeting schedule for 2023.

On 9 December the Committee met for the last time in 2022. There they took stock of their work throughout the year.



Björg Ásta Þórðardóttir, Acting Chair of EFTA's Consultative Committee



Robert René Hansen, Norwegian Confederation of Trade Unions (LO)

Joint Work with the EU

The EEA Consultative Committee is composed of members of the EFTA CC from Iceland, Liechtenstein and Norway and members from the European Economic and Social Committee (EESC). The Committee meets once a year.

Their plenary meeting took place in Bergen on 10 and 11 May 2022 with EU social partners. The joint body agreed upon two resolutions and reports at the meeting:

- > On the **social dimension of the Fit-for-55 package**. There the EEA CC noted that although the EEA EFTA States would be highly likely to implement the relevant EU legislation stemming from the Fit-for-55 package it was unlikely that they would be included in cushioning policies such as the Social Climate Fund.
- > On the **challenges and opportunities of greater use of AI in working life**. In that resolution the Committee argued that all EEA States should seek to address issues raised by the increased use of AI in the workplace in a comprehensive and systematic manner while following the principles of transparency and human monitoring.

The EEA EFTA Forum

The EEA EFTA Forum of Elected Representatives of Local and Regional Authorities was established by the EFTA Standing Committee in 2009 as an informal body to involve elected representatives from local authorities and regions in EEA matters. It currently has 12 members (six from Iceland and six from Norway) and Switzerland participates as a permanent observer. Ms Beate Marie Dahl Eide from the Norwegian delegation chaired the Forum in 2022. See [appendices](#) for all members of the EEA EFTA Forum.



23rd meeting of the Forum of Regional and Elected Representatives of the EEA EFTA States (EEA EFTA Forum); chaired by Beate Marie Dahl Eide from the Norwegian delegation.

The EEA EFTA Forum held a meeting at the EFTA House on 1-2 December 2022. The Forum first discussed the EU's proposal to amend the Urban Wastewater Treatment Directive and adopted an opinion on the topic. Secondly, they discussed and opined regarding the EU's proposal to strengthen the principle of equal pay for equal work through pay transparency.

Advisory bodies and the EEA



EFTA has three advisory bodies which provide economic, social, and civil society circles in EFTA Member States. They also bring EEA issues relevant to the organisation. One of their core competences is to advise the governments of the EEA EFTA States on matters related to the EEA Agreement. Swiss members are observers when EEA matters are discussed.

The three EEA EFTA States (Iceland, Liechtenstein, and Norway) established economic and trade cooperation with the EU through the EEA Agreement. It brings these three EEA EFTA States together with the EU Member States in the EU Internal Market which is underpinned by the free movement of goods, capital, services, and persons.

The EFTA advisory bodies are an essential communication channel with the political, economic, social, and civil society circles in EFTA Member States. They also bring EEA issues relevant to the organisation. One of their core competences is to advise the governments of the EEA EFTA States on matters related to the EEA Agreement. Swiss members are observers when EEA matters are discussed.

Three bodies have an advisory role to the EEA EFTA institutional structure.

- The EFTA Parliamentary Committee**
- The EFTA Consultative Committee**
- The EEA EFTA Forum**

The EEA and parliamentary scrutiny

EFTA EFTA Parliamentarians regularly composed of an equal number of Members exchanges views with the EEA governing bodies responsible for the good functioning of the EEA Agreement. Once a year they meet with the EEA EFTA Foreign Affairs Ministers to discuss cooperation with the EU and the challenges regarding the EEA implementation. The EEA EFTA parliamentarians also address an Opinion on the budget of the EFTA Surveillance Authority for the following year.

The EEA Agreement establishes an EEA joint Parliamentary Committee (EEA JPC) which is composed of an equal number of Members of the European Parliament and of EEA EFTA parliamentarians. It meets twice a year, once in an EEA EFTA State and once in Strasbourg, at the seat of the European Parliament. Representatives of both the EEA Council and the EEA Joint Committee report upon developments in the EEA and are accountable to the EEA JPC.

The joint committee scrutinises EEA policy developments and their potential impact on the EEA Agreement. Its mandate is to



Communication Activities

Press at the EEA Council
at EFTA House on
23 November 2022.

EFTA is dedicated to sharing its activities with its stakeholders and the general public in the format that best suits its audience, be it via the website, social media, videos, **monthly newsletter**, seminars, the annual report, explanatory brochures or other publications. We encourage interested groups to stop by for a presentation on EFTA's activities at the Secretariat's offices in Geneva, Brussels, and Luxembourg.

Events

Inauguration of EFTA House

The three EFTA institutions in Brussels: the EFTA Secretariat, EFTA Surveillance Authority (ESA), and the Financial Mechanism Office of the EEA and Norway Grants (FMO), are now united under one roof at Avenue des Arts 19H. The institutions manage different aspects of the EEA Agreement and EFTA House brings their 230 employees closer together and fosters better visibility and stronger cooperation – all for the benefit of the EEA EFTA States and their citizens and businesses.



Guests at the inauguration of EFTA House on 23 May 2022.



From left: Henri Gétaz, Secretary-General of the EFTA Secretariat; Dominique Hasler, Minister of Foreign Affairs of Liechtenstein; Henning Stirø, Managing Director of EEA and Norway Grants; Arne Røksund, President of EFTA Surveillance Authority.

To mark this milestone, the EFTA States and the three organisations inaugurated EFTA House on 30 May 2022. The event was aimed at high-level representatives from the diplomatic community in Brussels. Over 130 guests attended, including EEA EFTA Foreign Ministers, Commission Vice-President Maroš Šefčovič, Secretary-General of the Commission Ilze Juhansone, and numerous Ambassadors from EU Member States.

Conference on the Future of Financial Services in the EEA

Will the future of financial services be green, clean and digital? What are the challenges and opportunities of more financial supervision at the European level, given the unique two-pillar structure of the European Economic Area (EEA)?

These were among the questions explored at a conference hosted by EFTA and the EFTA Surveillance Authority (ESA) on 9 November 2022 at EFTA House in Brussels. The conference brought

together 150 policymakers, supervisors, and other high-level financial services professionals in the EEA.

In her keynote address, Mairead McGuinness, European Commissioner for Financial Stability, Financial Services and the Capital Markets Union, highlighted the strong and successful cooperation between the EEA EFTA States and the EU, and referring to the Internal Market, stressed “We should be very proud of what we built”.

[Recording of the event](#)

[Explore the photos from the event](#)

[See the full agenda](#)



Mairead McGuinness, European Commissioner for Financial Stability; Financial Services and the Capital Markets Union speaking at the Joint EFTA–ESA Conference on the Future of Financial Services in the EEA.

EEA Seminars

EFTA held two Introductory seminars on the European Economic Area (EEA) in 2022. The first EEA seminar was held on 17 February. Due to Covid-19 restrictions, in-person participation was severely limited, but the seminar was also streamed online. Thankfully all restrictions had been lifted when the second seminar was held on 15 September, allowing over 80 participants to join in person and over 120 to follow the event online. A survey sent to participants after the event showed a strong appreciation for the opportunity to learn about the different aspects of the European Economic Area and the EEA Agreement.

Online Outreach

Website & newsletter

EFTA's website is the organisation's primary way of sharing information about its wide array of activities. It is the best place to find general information on EFTA's work, legal texts related to the EFTA Convention, EFTA's free trade agreements with third countries, and the EEA Agreement, as well as high-level communiqués, the news archive, and a photo gallery going back over a decade. The website had over 1.2 million page views in 2022.

This year EFTA launched an interactive web tool [How to read EU acts incorporated into the EEA Agreement](#). The EEA Agreement is dynamic, meaning it is continuously updated to incorporate new EU legal acts that fall within its scope. While the rules are common, provisions of legal acts may need to be adjusted because the scope and the institutional set-up of the EEA Agreement differ in certain respects from the EU, or because of the

specific situation of an EFTA State. Such adjustments are referred to as adaptations. To read a legal act in the EEA context, it is necessary to find out what adaptations may apply. [Watch the video](#) on how to read EEA law and how the tool can help.

The interactive web tool [How EU law becomes EEA law](#) continues to be one of the most visited sections of the EFTA website. This user-friendly tutorial provides a visual presentation of the legislative process behind the EEA Agreement in English, Icelandic, Norwegian and German. There is also an [animated video showing](#) how EU law becomes EEA law.

The Secretariat also regularly publishes a [newsletter](#) summarising highlights from all three duty stations. In 2022, eight newsletters were published, each going out to the Secretariat's 3500 subscribers. On average, the open rate was 35% and the click rate 5.9%, which is well above the industry average.



Ingibjörg Ólöf Isaksen, Chair of the EFTA Parliamentary Committee being interviewed during the EEA Council at EFTA House on 23 November 2022.

Social media

Information about EFTA and its activities can also be found on social media. The Secretariat is active on LinkedIn (9870 followers), Twitter (7924 followers), Facebook (5315 followers) and Instagram (2118 followers). While most activities are shared on all four platforms, the way this is done differs from platform to platform:

The Secretariat uses **Twitter** and **LinkedIn** to explain its activities and the functioning of the EEA Agreement and benefits of Free Trade Agreements, as well as sharing open vacancies. Additionally on Twitter, live tweeting gives an insight into events and seminars at EFTA House or during trade negotiations around the world, as they happen. **Facebook** and **Instagram** are mostly used to share pictures of trade negotiations, meetings, events and other activities. Instagram, allowing for more creative and dynamic content, is mostly used to reach students and young professionals.

At the end of 2022, for the first time ever, a comprehensive analysis of the Secretariat's social media performance was conducted. The analysis not only showed a growing number of followers and increased reach on all four platforms, but also provided insight into the performance of the different types of content. For example, the results showed that posts featuring ongoing trade negotiations, high-level meetings and events, and explanations of the functioning of the EEA Agreement perform the best.

Videos

The Secretariat continues to invest in developing visual material to showcase and explain its work.

To increase the visibility of the first EEA Council hosted at EFTA House, in November 2022, and engage with the different actors that use this occasion to meet, the Secretariat launched a new

video series with short interviews with Ministers from the EEA EFTA States and members of the EFTA advisory bodies.

The Secretariat also continued to add to its library of explanatory videos, with a new one dedicated to the webtool on "How to read EEA law".



EEA Council at EFTA House on 23 November 2022



EFTA Advisory Bodies meeting at EFTA House on 23 November 2022



Dominique Hasler, Liechtenstein's Foreign Minister and Chair of the EFTA Standing Committee, on the importance of the EEA Agreement.



EFTA's 2022 highlights



The Secretariat

EFTA staff at the annual staff seminar in Spa, Belgium.

The EFTA Secretariat has three duty stations, Geneva, Brussels and Luxembourg, reflecting the division of EFTA's activities. The headquarters in Geneva deals with the management and negotiation of free trade agreements with non-EU countries, and provides support to the EFTA Council. In Brussels, the Secretariat supports the management of the EEA Agreement and assists the Member States in the preparation of new legislation for integration into the EEA Agreement. The EFTA Statistical Office in Luxembourg contributes to the development of a broad and integrated European Statistical System.

The EFTA Secretariat is a place of equality and mutual respect among employees, who shall be treated fairly and enjoy equal opportunities. The Secretariat has a Gender Equality Policy, which aims to ensure equal conditions and opportunities for employees at the Secretariat. See the paper [here](#).

The EFTA Secretariat is a great place to work that offers a supportive and inclusive environment where highly skilled professionals are valued and have opportunity to develop their potential. An annual workplace environment survey gives good indications of staff members' view of the workplace. In the results of the survey introduced in January, the statement "Taking everything into account, I would say this is a great place to work" got the good results of 89%.

Every year, EFTA offers great opportunities to motivated, well educated people in the early stages of their career, equipping them with valuable experience to further develop their careers. The Junior Professionals bring valuable contributions to the work of the Secretariat for the 11 months they spend within the organisation. In September, 8 motivated new colleagues, 3 male and 5 female joined EFTA as Junior Professionals, and 2, 1 female and 1 male, as Short-Term Experts.

At the end of 2022, the Secretariat employed a total of

<p>78 staff members</p> <p>The gender balance at the end of the year was even,</p> <p>50% Female 50% Male</p>	<p>15 nationalities, including 61 EFTA nationals</p> <p>In management positions,</p> <p>44% Female 56% Male</p>
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Budget and Annual Financial Reporting

The Secretariat's budget is prepared according to the framework budgeting principle used by the Member States' public administrations. This approach aims to increase awareness of budgetary spending at all levels. The budget is accompanied by a performance plan, describing the main objectives and expected outcomes of the services provided by the Secretariat to the Member States. The plan and subsequent performance reports keep the Member States informed of the performance of the Secretariat in various activities.

EFTA's budget is prepared in two currencies: Swiss francs (CHF) and euros (EUR). The total budget for 2022 was equivalent to CHF 23 361 000. The Secretariat's annual statement of accounts, prepared in accordance with the International Public Sector Accounting Standards (IPSAS), is made

available on the EFTA website once the relevant Council procedures for the year in question have been finalised.

The EFTA Board of Auditors

The EFTA Board of Auditors (EBOA), established in May 1992, is the auditing authority of EFTA. It is a permanent committee which, in cooperation with external auditors, performs annual audits of the three EFTA institutions: the EFTA Secretariat, the EFTA Surveillance Authority (ESA) and the EFTA Court. For matters relating to the Secretariat, EBOA meets at four (one representative from each EFTA State) and reports directly to the EFTA Council. For matters relating to the EEA Agreement (ESA and the EFTA Court), EBOA meets at three (Iceland, Liechtenstein and Norway) and reports to the ESA/Court Committee. EBOA also works in cooperation with the European Court of Auditors.

Fig. 8 – 2022 EFTA budget

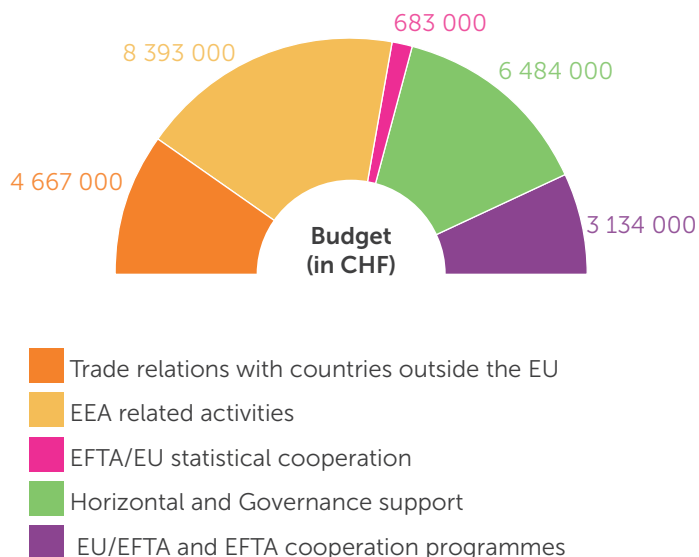
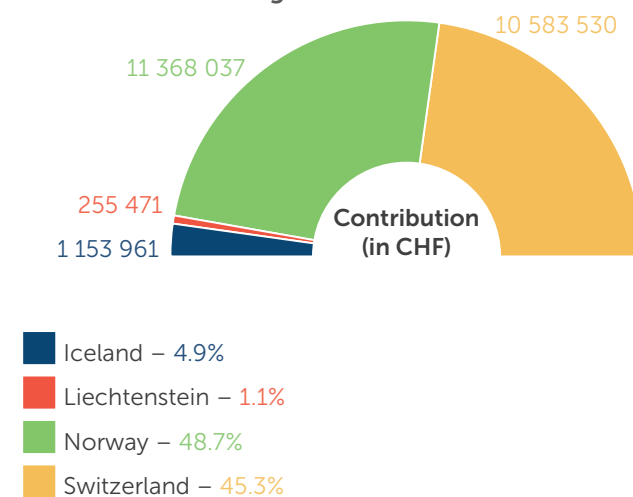


Fig. 9 – Contributions from the EFTA States to the 2022 EFTA budget





EFTA in Figures

Fig. 10 – EFTA's FTA network - merchandise trade: 2021 (in million EUR)

	Total trade	Exports	Imports	Trade balance
EFTA's 40 FTA partners outside the EU	92 324	48 357	43 967	4 389
Albania	94	65	29	36
Bosnia and Herzegovina	290	118	171	-53
Canada	9 835	4 487	5 348	-861
Central American States	734	426	308	118
Costa Rica	360	193	166	27
Guatemala	129	63	66	-2
Panama	245	169	76	93
Chile	1 427	427	1 000	-573
Colombia	1 112	547	565	-18
Ecuador	441	99	342	-242
Egypt	1 481	1 374	107	1 267
Georgia	133	63	70	-7
Gulf Cooperation Council	16 585	8 127	8 458	-332
Bahrain	320	245	76	169
Kuwait	512	491	22	469
Oman	283	255	28	226
Qatar	814	757	57	700
Saudi Arabia	3 052	2 240	812	1 428
United Arab Emirates	11 603	4 140	7 464	-3 324
Hong Kong	12 969	8 895	4 074	4 822
Indonesia	2 146	483	1 663	-1 180

	Total trade	Exports	Imports	Trade balance
Israel	1 813	1 227	586	641
Jordan	667	642	25	617
Republic of Korea	8 121	5 262	2 859	2 403
Lebanon	719	326	392	-66
Mexico	3 542	1 524	2 018	-494
Montenegro	33	28	5	23
Morocco	795	369	427	-58
North Macedonia	175	79	96	-17
Palestinian Authority	49	48	1	46
Peru	2 346	136	2 210	-2 074
Philippines	1 012	348	664	-316
Serbia	703	405	299	106
Singapore	11 982	7 265	4 717	2 548
Southern African Customs Union	4 644	699	3 945	-3 247
Botswana	67	60	7	53
Eswatini	10	3	8	-5
Lesotho	26	0	26	-26
Namibia	41	13	28	-15
South Africa	4 500	623	3 877	-3 254
Tunisia	443	181	262	-80
Türkiye	6 831	3 780	3 051	728
Ukraine	1 201	926	275	651

Source: Eurostat (COMEXT)

Fig. 11 – Global leaders in merchandise trade 2021 (in billion USD)

Rank	Economy	Total	Share (as %) of world total	Exports	Imports
1	China	6 052	16.4	3 364	2 689
2	EU27 ^[1]	5 078	13.8	2 578	2 500
3	United States	4 690	12.7	1 754	2 935
4	Japan	1 525	4.1	756	769
5	Hong Kong ^[2]	1 382	3.7	670	712
6	Korea	1 259	3.4	644	615
7	United Kingdom	1 162	3.1	468	694
8	Mexico	1 017	2.8	495	522
9	Canada	1 012	2.7	508	504
10	EFTA	976	2.6	546	430
11	India	968	2.6	395	573
12	Singapore ^[2]	864	2.3	457	406
13	Chinese Taipei	830	2.2	448	382
14	Russian Federation	798	2.2	494	304
15	United Arab Emirates	773	2.1	425	348
16	Viet Nam	668	1.8	336	332
17	Australia	606	1.6	345	261
18	Thailand	539	1.5	272	267
19	Malaysia	537	1.5	299	238
20	Brazil	516	1.4	281	235
	Top 20 combined	31 251	85.0	15 535	15 716
	World	36 894	100.0	18 276	18 618

Source: WTO Trade Statistical Review 2022

[1] Excludes intra-EU trade

[2] Includes significant re-exports or imports for re-export

Fig. 12 – Global leaders in commercial services trade 2021 (in billion USD)

Rank	Economy	Total	Share (as % of world total)	Exports	Imports
1	EU27 ^[1]	2 313	24.7	1 232	1 080
2	United States	1 297	13.9	772	525
3	China	829	8.9	391	438
4	United Kingdom	654	7.0	415	239
5	Singapore	453	4.8	230	223
6	India	435	4.7	240	195
7	Japan	369	3.9	164	205
8	EFTA	363	3.9	177	186
9	Korea	248	2.6	122	126
10	Canada	206	2.2	103	104
11	United Arab Emirates	176	1.9	101	75
12	Hong Kong	138	1.5	77	62
13	Russian Federation	130	1.4	56	75
14	Israel	104	1.1	72	32
15	Chinese Taipei	91	1.0	52	39
16	Thailand	89	1.0	24	65
17	Türkiye	88	0.9	58	31
18	Australia	82	0.9	45	38
19	Brazil	81	0.9	32	49
20	Saudi Arabia	72	0.8	10	62
	Top 20 combined	8 217	88.0	4 370	3 847
	World	9 347	100	4 856	4 491

Source: WTO Trade Statistical Review 2022

[1] Excludes intra-EU trade

Fig. 13 – EFTA: a major trading partner for the EU ^[1] (in million EUR and %)

Merchandise trade: 2021						
Rank	Partner	Export	Import	Total Trade	Balance	As % of EU's external trade
	Extra-EU ^[1]	2 181 036	2 126 198	4 307 234	54 837	100.0
1	China	223 481	473 776	697 256	-250 295	16.2
2	United States	399 541	233 521	633 062	166 020	14.7
3	United Kingdom	283 416	147 548	430 964	135 867	10.0
4	EFTA	217 869	203 466	421 336	14 403	9.8
5	Russian Federation	89 197	163 630	252 827	-74 433	5.9

Trade in commercial services: 2021						
Rank	Partner	Export	Import	Total Trade	Balance	As % of EU's ^[2] external trade
	Extra-EU ^[1]	1 067 147	944 868	2 012 015	122 280	100.0
1	United States	237 836	325 674	563 510	-87 839	28.0
2	United Kingdom	204 536	175 015	379 552	29 521	18.9
3	EFTA	140 179	79 933	220 112	60 246	10.9
4	China	59 106	38 565	97 672	20 541	4.9
5	Singapore	25 150	32 443	57 593	-7 293	2.9

Source: Eurostat (COMEXT)

[1] Extra-EU trade includes imports/exports of goods and services which enter or leave the statistical territory of the EU from a third country

Fig. 14 – EFTA’s merchandise trade: 2021 (in million EUR and %)

Country	Total trade	Total trade with EU27	EU27 share of total trade in %	Total exports to the world	Exports to the EU27	EU share of total exports in %	Total imports from the world	Imports from EU27	EU share of total imports in %
Switzerland ^[1] ^[2]	595 941	269 116	45.2	321 610	134 417	41.8	274 330	134 699	49.1
Norway	220 904	126 955	57.5	136 997	81 696	59.6	83 907	45 259	53.9
Iceland	11 639	6 446	55.4	5 084	3 334	65.6	6 555	3 112	47.5
Liechtenstein ^[2]	4 990	3 401	68.2	3 286	2 087	63.5	1 704	1 314	77.1
EFTA Total	833 473	405 918	48.7	466 976	221 533	47.4	366 496	184 385	50.3

Source: Eurostat (COMEXT)

[1] Trade in non-monetary gold included

[2] Trade between Liechtenstein and Switzerland is not included due to the existence of the Switzerland-Liechtenstein Customs Union.

Fig. 15 – EFTA merchandise trade with the EU: 2021 (in million EUR)

PARTNER	EFTA			Iceland			Liechtenstein			Norway			Switzerland		
	Exports to	Imports from	Total trade	Exports to	Imports from	Total trade	Exports to	Imports from	Total trade	Exports to	Imports from	Total trade	Exports to	Imports from	Total trade
EU27	221 533	184 385	405 918	3 334	3 112	6 446	2 087	1 314	3 401	81 696	45 259	126 955	134 417	134 699	269 116
Germany	74 510	63 430	137 939	305	563	869	1 156	634	1 790	26 247	9 294	35 542	46 801	52 938	99 739
France	26 838	19 039	45 877	406	154	560	229	26	255	9 893	2 400	12 293	16 310	16 458	32 768
Italy	19 027	23 030	42 058	32	191	222	87	67	154	1 816	2 503	4 319	17 092	20 270	37 362
Netherlands	18 442	8 468	26 911	1 380	436	1 816	23	26	48	10 822	3 004	13 826	6 218	5 002	11 220
Spain	14 479	9 767	24 246	595	126	721	32	8	40	2 167	1 970	4 136	11 685	7 663	19 349
Sweden	12 461	11 138	23 599	33	286	319	45	11	56	10 660	9 449	20 110	1 723	1 392	3 115
Austria	9 320	9 658	18 977	2	40	42	318	344	661	336	668	1 004	8 664	8 606	17 270
Belgium	12 370	5 431	17 802	77	123	200	9	8	17	8 007	1 584	9 591	4 278	3 715	7 993
Poland	5 795	5 627	11 422	115	157	273	53	35	88	2 860	2 843	5 703	2 767	2 592	5 358
Denmark	5 026	5 235	10 261	124	474	598	4	7	11	3 857	3 874	7 732	1 041	879	1 920
Slovenia	7 432	2 142	9 574	0	10	11	4	9	13	17	175	192	7 411	1 948	9 358
Ireland	1 874	4 192	6 066	42	73	115	4	1	5	724	558	1 282	1 104	3 560	4 664
Czechia	2 169	3 713	5 882	2	102	104	9	27	36	246	1 083	1 329	1 912	2 501	4 414
Finland	2 121	3 188	5 310	14	59	73	21	15	36	1 508	1 757	3 266	577	1 357	1 934
Hungary	1 238	1 943	3 180	36	22	58	49	39	88	73	481	554	1 080	1 401	2 481
Portugal	1 709	1 416	3 126	95	22	116	1	1	2	537	366	903	1 077	1 027	2 104
Romania	1 596	1 292	2 889	1	13	14	15	6	21	110	450	560	1 470	823	2 293
Slovakia	713	1 397	2 109	8	37	45	7	21	27	65	328	393	633	1 011	1 643
Lithuania	717	1 368	2 085	43	79	122	2	0	2	526	1 044	1 571	146	244	390
Greece	1 347	315	1 662	6	5	12	3	0	3	669	98	767	669	212	881
Estonia	453	739	1 193	2	54	56	0	0	1	178	596	773	273	90	363
Bulgaria	459	492	951	2	11	13	8	3	11	28	104	132	420	375	795
Croatia	442	420	862	0	3	3	3	24	27	107	110	217	331	283	614
Latvia	320	500	820	7	61	68	1	0	1	176	373	549	136	66	202
Luxembourg	385	346	732	1	7	7	1	2	3	28	88	116	355	250	605
Cyprus	139	55	194	4	1	5	1	0	1	24	47	71	110	7	116
Malta	150	43	193	1	3	3	1	0	1	14	10	25	133	31	164

Source: Eurostat (COMEXT)

Fig. 16 – EFTA's top 25 trading partners in merchandise trade: 2021 (in million EUR and %)

	Economy	Total trade	Share (%)	Export	Share (%)	Import	Share (%)	Trade balance
	World	833 473	100.0	466 976	100.0	366 496	100.0	100 480
	- EFTA's 40 FTA partners ^[1]	92 324	11.1	48 357	10.4	43 967	12.0	4 389
	- Intra-EFTA	4 060	0.5	1 874	0.4	2 186	0.6	-312
1	EU27	405 918	48.7	221 533	47.4	184 385	50.3	37 149
2	United States	84 386	10.1	57 881	12.4	26 505	7.2	31 376
3	United Kingdom	75 801	9.1	40 519	8.7	35 283	9.6	5 236
4	China	64 752	7.8	36 165	7.7	28 587	7.8	7 577
5	India	30 275	3.6	27 710	5.9	2 565	0.7	25 145
6	Japan	14 352	1.7	8 208	1.8	6 144	1.7	2 064
7	Russian Federation	7 049	0.8	3 588	0.8	3 461	0.9	128
8	Thailand	6 362	0.8	4 016	0.9	2 345	0.6	1 671
9	Brazil	5 774	0.7	2 640	0.6	3 134	0.9	-494
10	Chinese Taipei	4 687	0.6	2 587	0.6	2 100	0.6	487
11	Australia	4 004	0.5	2 341	0.5	1 663	0.5	678
12	Viet Nam	3 142	0.4	689	0.1	2 453	0.7	-1 764
13	Burkina Faso	2 861	0.3	4	0.0	2 857	0.8	-2 854
14	Malaysia	2 586	0.3	1 409	0.3	1 177	0.3	232
15	Uzbekistan	2 152	0.3	85	0.0	2 067	0.6	-1 982
16	Ghana	2 149	0.3	74	0.0	2 075	0.6	-2 001
17	Nigeria	1 729	0.2	1 304	0.3	425	0.1	880
18	Argentina	1 504	0.2	632	0.1	872	0.2	-239
19	Bangladesh	1 307	0.2	131	0.0	1 175	0.3	-1 044
20	Mali	1 158	0.1	8	0.0	1 150	0.3	-1 142
21	Kyrgyzstan	1 011	0.1	11	0.0	1 000	0.3	-989
22	Mongolia	953	0.1	16	0.0	938	0.3	-922
23	Suriname	926	0.1	2	0.0	923	0.3	-921
24	Dominican Republic	899	0.1	99	0.0	800	0.2	-700
25	Côte d'Ivoire	814	0.1	54	0.0	760	0.2	-706
	Rest of the world	10 537	1.3	5 037	1.1	5 500	1.5	-464

Source: Eurostat (COMEXT)

[1] EFTA's 40 FTA partners (excluding EU) include: Albania, Bosnia Herzegovina, Canada, Central American States (comprising Costa Rica, Guatemala and Panama), Chile, Colombia, Ecuador, Egypt, Georgia, Gulf Cooperation Council (GCC; comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates), Hong Kong China, Indonesia, Israel, Jordan, Lebanon, North Macedonia, Mexico, Montenegro, Morocco, Palestinian Authority, Peru, Philippines, Republic of Korea, Serbia, Singapore, Southern African Customs Union (SACU; comprising Botswana, Eswatini, Lesotho, Namibia, South Africa), Tunisia, Turkey and Ukraine.

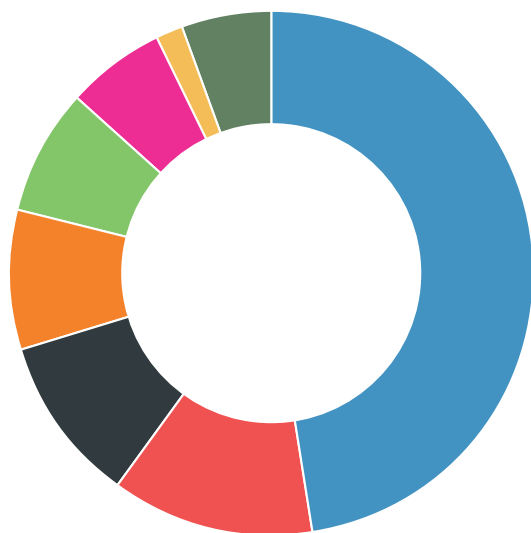
Fig. 17 – EFTA States' top 5 trading partners 2021 (in %)

Top trading partners	Import		Export		Top trading partners	Import		Export	
	Partner	Share	Partner	Share		Partner	Share	Partner	Share
Iceland	Norway	9.8%	Netherlands	27.1%	Switzerland	Germany	19.3%	United States	16.6%
	China	8.9%	Spain	11.7%		United Kingdom	11.3%	Germany	14.6%
	Germany	8.6%	United Kingdom	9.5%		United States	7.5%	China	8.7%
	United States	8.1%	France	8.0%		Italy	7.4%	India	8.2%
	Denmark	7.2%	United States	7.7%		China	6.1%	Italy	5.3%
	Total	42.6%	Total	64.1%		Total	51.6%	Total	53.4%
	Rest of the world	57.4%	Rest of the world	35.9%		Rest of the world	48.4%	Rest of the world	46.6%
	Liechtenstein	Germany	37.2%	Germany		35.2%	EFTA	Germany	17.3%
Austria		20.2%	United States	10.4%	United Kingdom	9.6%		United States	12.4%
China		8.8%	Austria	9.7%	China	7.8%		United Kingdom	8.7%
United States		4.3%	France	7.0%	United States	7.2%		China	7.7%
Italy		3.9%	China	5.8%	Italy	6.3%		India	5.9%
Total		74.4%	Total	68.0%	Total	48.3%		Total	50.7%
Rest of the world		25.6%	Rest of the world	32.0%	Rest of the world	51.7%		Rest of the world	49.3%
Norway	China	13.2%	United Kingdom	20.5%	Source: Eurostat (COMEXT)	EFTA Member State			
	Sweden	11.3%	Germany	19.2%		EU27 Member State			
	Germany	11.1%	Netherlands	7.9%					
	United States	6.3%	Sweden	7.8%					
	United Kingdom	4.6%	France	7.2%					
	Total	46.5%	Total	62.6%					
	Rest of the world	53.5%	Rest of the world	37.4%					

Source: Eurostat (COMEXT)

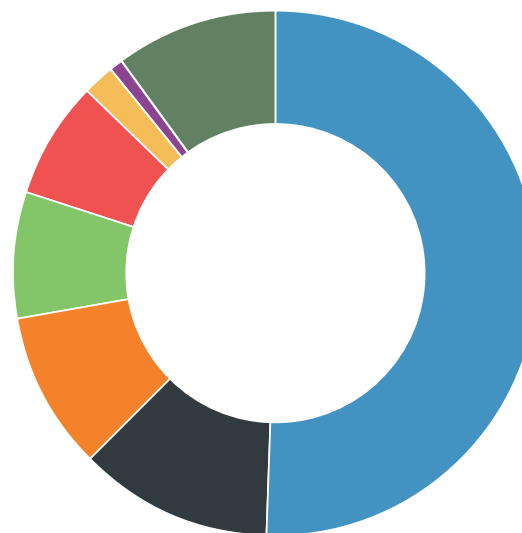
EFTA Member State
EU27 Member State

Fig. 18 – EFTA’s top export destinations of merchandise trade: 2021



47.6% EU27	7.8% China
12.4% United States	6.0% India
10.4% EFTA's 40 FTA partners	1.8% Japan
8.7% United Kingdom	5.3% Rest of the world

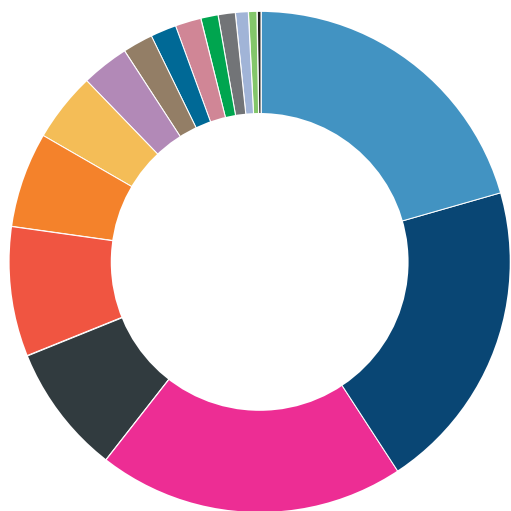
Fig. 19 – EFTA’s top import sources of merchandise trade: 2021



50.6% EU27	7.3% United States
12.1% EFTA's 40 FTA partners	1.7% Japan
9.7% United Kingdom	0.9% Russia
7.8% China	9.9% Rest of the world

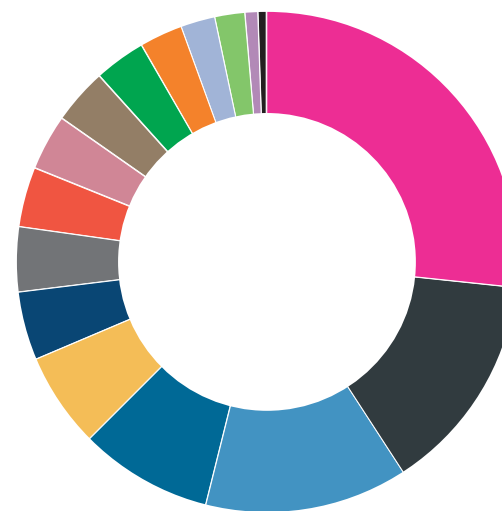
Source: Eurostat (COMEXT), excluding EFTA intra trade

Fig. 20 – EFTA’s key exports by commodity 2021



20.6%	Chemical products	1.9%	Arms and ammunition, miscellaneous products
20.2%	Mineral products	1.8%	Vehicles, aircraft etc
19.8%	Articles of stone, plaster, cement and ceramic products	1.6%	Plastic, rubber, raw hides and skins, leather etc
8.4%	Machinery and mechanical appliances, electrical equipment	1.3%	Prepared foodstuff, beverage etc
8.3%	Optical, photographic, cinematographic and instruments	1.0%	Textiles and textile articles
6.0%	Product of the chemical or allied industry	0.7%	Wood and articles of wood and pulp of wood etc
4.4%	Base metals and articles of base metals	0.7%	Vegetable products
3.1%	Live animals and animal products	0.1%	Animal or vegetable fats and oils

Fig. 21 – EFTA’s key imports by commodity 2021



26.7%	Articles of stone, plaster, cement and ceramic products	3.7%	Plastic, rubber, raw hides and skins, leather etc
14.3%	Machinery and mechanical appliances, electrical equipment	3.7%	Arms and ammunition, miscellaneous products
13.0%	Chemical products	3.2%	Prepared foodstuff, beverage etc
8.6%	Vehicles, aircraft etc	2.8%	Product of the chemical or allied industry
6.1%	Base metals and articles of base metals	2.3%	Wood and articles of wood and pulp of wood etc
4.3%	Mineral products	1.9%	Vegetable products
4.2%	Textiles and textile articles	0.8%	Live animals and animal products
3.8%	Optical, photographic, cinematographic and instruments	0.4%	Animal or vegetable fats and oils

Source: Eurostat (COMEXT), excluding EFTA intra trade

Fig. 22 – EFTA States' top 5 trading commodities 2021 (in %)

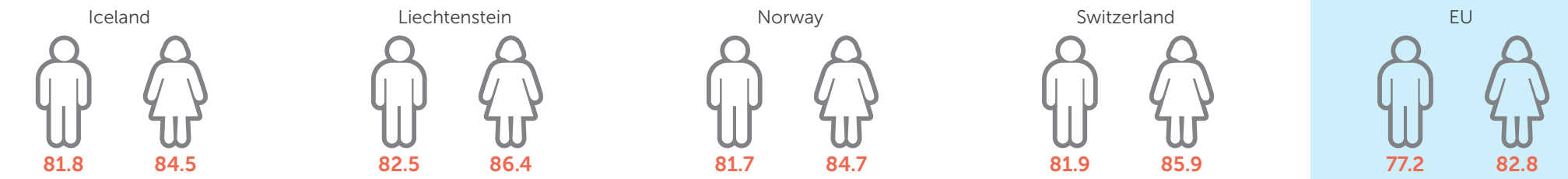
		Import	
		Commodity	Share
Iceland		Machinery and mechanical appliances, electrical equipment	22.3%
		Vehicles, aircraft etc	15.5%
		Product of the chemical or allied industry	8.7%
		Mineral products	7.4%
		Chemical products	7.2%
		Total	60.9%
Liechtenstein		Machinery and mechanical appliances, electrical equipment	27.4%
		Base metals and articles of base metals	22.6%
		Articles of stone, plaster, cement and ceramic products	11.4%
		Vehicles, aircraft etc	7.6%
		Optical, photographic, cinematographic and instruments	6.3%
		Total	75.3%
Norway		Machinery and mechanical appliances, electrical equipment	21.8%
		Vehicles, aircraft etc	16.7%
		Base metals and articles of base metals	10.7%
		Chemical products	6.6%
		Mineral products	6.6%
		Total	62.4%
Switzerland		Articles of stone, plaster, cement and ceramic products	35.1%
		Chemical products	15.1%
		Machinery and mechanical appliances, electrical equipment	11.8%
		Vehicles, aircraft etc	6.0%
		Base metals and articles of base metals	4.6%
		Total	72.6%
EFTA		Articles of stone, plaster, cement and ceramic products	26.7%
		Machinery and mechanical appliances, electrical equipment	14.3%
		Chemical products	13.0%
		Vehicles, aircraft etc	8.6%
		Base metals and articles of base metals	6.1%
		Total	68.8%

		Export	
		Commodity	Share
		Base metals and articles of base metals	42.5%
		Live animals and animal products	39.6%
		Prepared foodstuff, beverage etc	5.0%
		Machinery and mechanical appliances, electrical equipment	2.6%
		Optical, photographic, cinematographic and instruments	2.1%
		Total	91.8%
		Machinery and mechanical appliances, electrical equipment	24.3%
		Base metals and articles of base metals	19.7%
		Chemical products	11.9%
		Optical, photographic, cinematographic and instruments	11.7%
		Vehicles, aircraft etc	10.2%
		Total	77.9%
		Mineral products	66.1%
		Live animals and animal products	8.3%
		Base metals and articles of base metals	6.2%
		Machinery and mechanical appliances, electrical equipment	4.6%
		Arms and ammunition, miscellaneous products	4.4%
		Total	89.6%
		Chemical products	29.1%
		Articles of stone, plaster, cement and ceramic products	28.3%
		Optical, photographic, cinematographic and instruments	11.5%
		Machinery and mechanical appliances, electrical equipment	10.0%
		Product of the chemical or allied industry	8.0%
		Total	86.7%
		Chemical products	20.6%
		Mineral products	20.2%
		Articles of stone, plaster, cement and ceramic products	19.8%
		Machinery and mechanical appliances, electrical equipment	8.4%
		Optical, photographic, cinematographic and instruments	8.3%
		Total	77.3%

Source: Eurostat (COMEXT)

Fig. 23 – Social indicators

Life expectancy at birth – 2021 (in years)



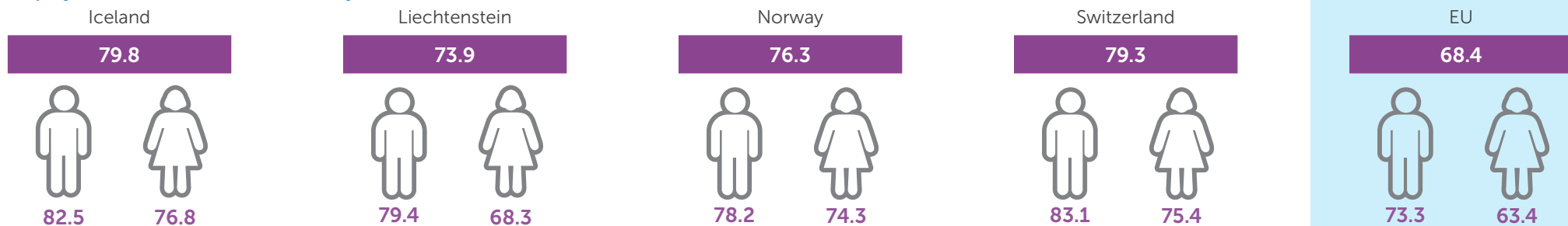
Infant mortality rate (per 1000 live births), 2020



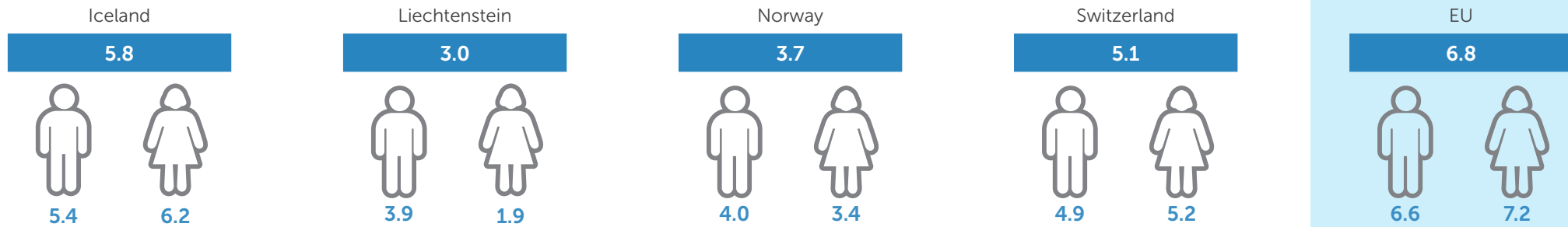
Population Growth Rate, 2021 – 2022 (in %)



Employment rate, 2021 (from 20 to 64 years) ^[1] (in %)



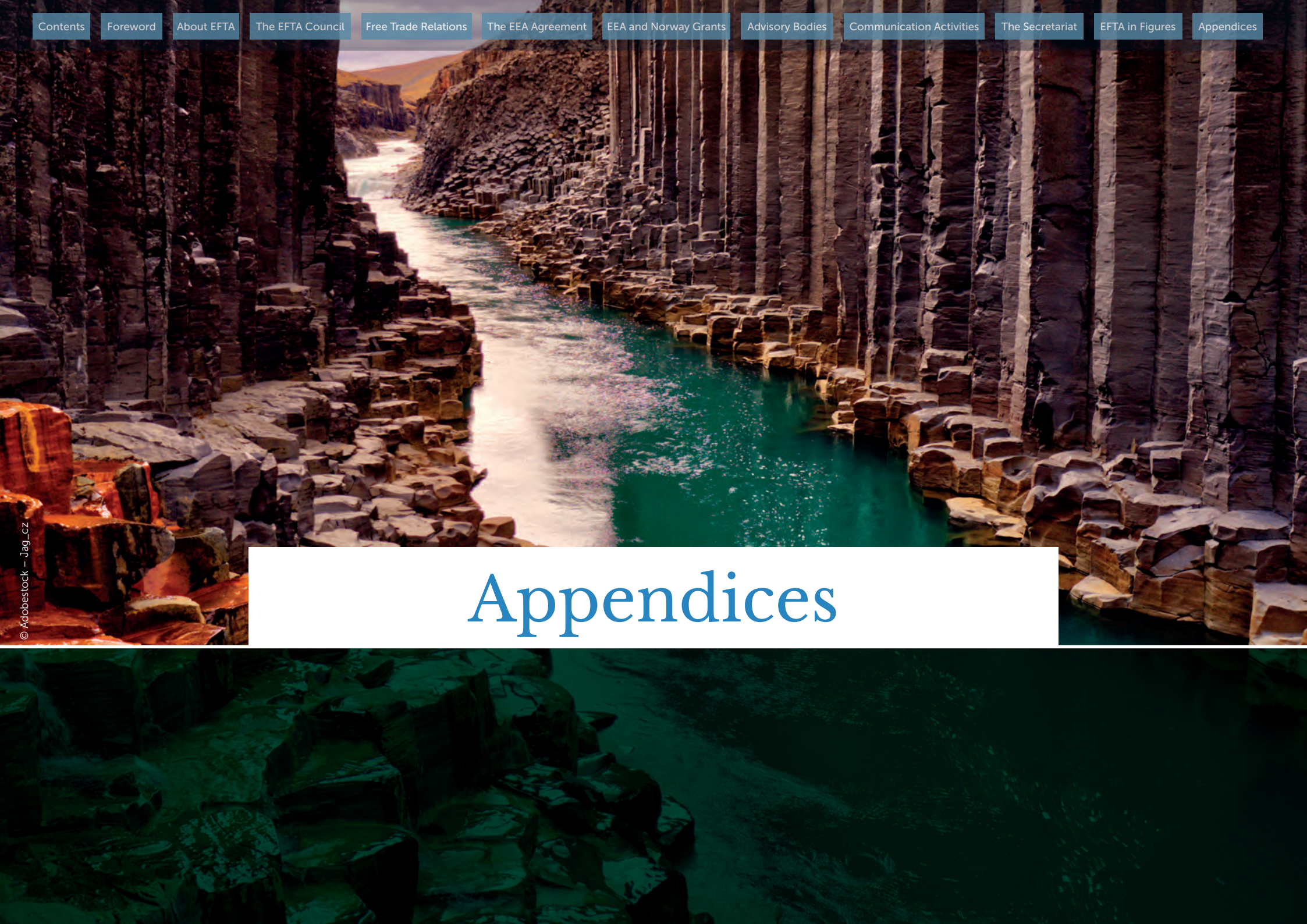
Unemployment rate, 2021 (from 20 to 64 years) ^[2] (in %)



Sources: Eurostat and national statistical offices

[1] Total Employment (resident population concept - Labour Force Survey)

[2] Percentage of active population



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Appendices

EFTA' Worldwide Network (Status as of 31 December 2022)

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Free Trade Agreements (FTA) in force

	Date of signature	2022 total import numbers (in EUR millions)	2022 total export numbers (in EUR millions)
Albania	17 December 2009	37	68
Gulf Cooperation Council (GCC)	22 June 2009	2 183	7 982
Bosnia and Herzegovina	24 June 2013	206	136
Southern African Customs Union (SACU)	26 June 2006	855	772
Canada	26 January 2008	3 788	5 034
Chile	26 June 2003	310	537
Colombia	25 November 2008	754	613
Costa Rica (Central American States)	24 June 2013	212	254
Ecuador	25 June 2018	129	129
Egypt	27 January 2007	116	1 669
Georgia	27 June 2016	21	105
Guatemala (Central American States)	24 June 2013	93	72
Hong Kong	21 June 2011	1 212	4 457
Indonesia	16 December 2018	876	667
Israel	17 September 1992	488	1 380
Jordan	21 June 2001	28	251
Lebanon	24 June 2004	12	169
Mexico	27 November 2000	1 353	1 923
Montenegro	14 November 2011	4.1	43
Morocco	19 June 1997	527	447
North Macedonia	19 June 2000	101	80
Palestine	30 November 1998	1.4	75
Panama (Central American States)	24 June 2013	22	238
Peru	24 June 2010	437	154
Philippines	28 April 2016	356	433
Republic of Korea	15 December 2005	3 008	5 127
Serbia	17 December 2009	347	578
Singapore	26 June 2002	5 011	6 406
Tunisia	17 December 2004	304	182
Türkiye	10 December 1991	2 845	3 044
Ukraine	24 June 2010	223	622

Ongoing FTA negotiations

	Ongoing negotiations since
Mercosur (Argentina, Brazil, Paraguay and Uruguay)	2017
India	2008
Kosovo	2022
Malaysia	2014
Moldova	2021
Thailand	2022
Vietnam	2012

FTA negotiations suspended or on hold

Algeria	Negotiations on hold since 2008
Russia / Belarus / Kazakhstan	Negotiations suspended since 2014
Honduras (Central American States)	Negotiations on hold since 2014

Joint Declarations on Cooperation

	Date of signature
Mauritius	9 June 2009
Mongolia	28 June 2007
Myanmar	24 June 2013
Nigeria	12 December 2017
Pakistan	12 November 2012

FTA relations of individual EFTA States

Faroe Islands	FTAs with Iceland, Norway and Switzerland
China	FTAs with Iceland and Switzerland; FTA negotiations with Norway
Japan	FTA with Switzerland
United Kingdom	FTA with Switzerland and FTA with the EEA EFTA States

Members of the EFTA Parliamentary Committee 2022

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Iceland

Ms Ingibjörg Ólöf Isaksen, Chair	Progressive Party
Ms Þorgerður Katrín Gunnarsdóttir	Liberal Reform
Ms Diljá Mist Einarsdóttir	Independence Party
Ms Bjarkey Olsen Gunnarsdóttir	Left-Green Movement
Mr Gísli Rafn Ólafsson	Pirate Party

Alternate members

Mr Stefán Vagn Stefánsson	Progressive Party
Mr Sigmar Guðmundsson	Liberal Reform
Mr Birgir Þórarinnsson	Independence Party
Ms Jódís Skúladóttir	Left-Green Movement
Ms Arndís Anna Kristínardóttir Gunnarsdóttir	Pirate Party

Liechtenstein

Mr Daniel Seger	Progressive Citizens' Party
Mr Gunter Vogt	Patriotic Union (MPS Chair)

Alternate members

Mr Hubert Büchel	Patriotic Union
Ms Karin Zech-Hopp	Progressive Citizens' Party

Norway

Ms Heidi Nordby Lunde	Conservative Party
Mr Per Olaf Lundteigen	Centre Party
Ms Trine Lise Sundnes	Labour Party
Sivert Bjørnstad	Progress Party
Runar Sjøstad	Labour Party
Torgeir Knag Fylkesnes	Socialist Left Party

Alternate members

Nikolai Astrup	Conservative Party
Åsmund Aukrust	Labour Party
Sigbjørn Gjelsvik	Centre Party
Terje Halleland	Progress Party
Mani Hussaini	Labour Party
Mímir Kristjánsson	Red Party
Sveinung Rótevatn	Liberal Party
Per Martin Sandtrøen	Centre Party
Jan Tore Sanner	Conservative Party
Solveig Vitanza	Labour Party

Switzerland (observer in the MPS)

Mr Thomas Aeschi	Swiss People's Party
Mr Hans-Peter Portmann	FDP. The Liberals
Mr Benedikt Würth	The Centre
Mr Hannes Germann	Swiss People's Party
Mr Eric Nussbaumer (Chair)	Social Democratic Party

Alternate members

Mr Carlo Sommaruga	Social Democratic Party
Mr Thomas Matter	Swiss People's Party
Mr Damian Müller	FDP. The Liberals
Ms Elisabeth Schneider- Schneiter	Christian Democratic Party
Mr Nicolas Walder	Green Party

Members of the EFTA Consultative Committee 2022

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Iceland

Ms Björg Ásta Þórðardóttir (Vice Chair)	Federation of Icelandic Industries (SI)
Ms Dagný Aradóttir Pind	Federation of State and Municipal Employees (BSRB)
Mr Halldór Árnason	Confederation of Icelandic Employers (SA)
Mr Halldór Oddsson	Icelandic Confederation of Labour (ASÍ)

Liechtenstein

Ms Brigitte Haas (Bureau Member)	Liechtenstein Chamber of Commerce and Industry (LCCI)
Mr Sigi Langenbahn	Liechtenstein Employees Association

Norway

Mr Robert Renè Hansen	Norwegian Confederation of Trade Unions (LO) (Vice Chair)
Mr Jarle Hammerstad	Federation of Norwegian Commercial and Service Enterprises (Virke)
Ms Liz Helgesen	Norwegian Confederation of Unions for Professionals (UNIO) Chair
Ms Thea Forsberg	Norwegian Association of Local and Regional Authorities (KS)
Mr Bjarte Rørmark	Norwegian Association of Local and Regional Authorities (KS)
Ms Kristin Hansen	Confederation of Norwegian Enterprise (NHO)
Ms Lin Andrea Gudbrandsen	Norwegian Confederation of Vocational Unions (YS)

Switzerland

Mr Jan Atteslander (Chair)	economiesuisse
Mr Hans-Ulrich Bigler	Swiss Association of Small and Medium-sized Enterprises
Ms Catherine Lance Pasquier	Fédération des Entreprises Romande Genève (FER Genève)
Mr Reto Wyss	Swiss Trade Union Confederation (USS)
Mr Denis Torche	Swiss Workers' Federation
Mr Marco Taddei	Swiss Union of Employers
Permanent observers	
Mr Óttar Freyr Gíslason	Icelandic Association of Local Authorities
Ms Anne-Margrethe Lund	BusinessEurope
Ms Liina Carr	European Trade Union Confederation (ETUC)

Members of the EEA EFTA Forum of Elected Representatives of Local and Regional Authorities 2022

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Members of the Forum

Iceland

Ms Guðveig A. Eyglóardóttir, President of the Regional Municipal Federation of West Iceland

Ms Jóhanna Ösp Einarsdóttir, President of the Regional Municipal Federation of the Westfjords

Mr Guðmundur Haukur Jakobsson, President of the Regional Municipal Federation of North-West Iceland

Ms Regína Ásvaldsdóttir, President of the Association of Municipalities in the Capital Area

Ms Rósa Guðbjartsdóttir, Mayor and board member of the Icelandic Association of Local Authorities

Ms Þórdís Lóa Þórhallsdóttir, Deputy-Mayor, Reykjavík City

Norway

Members

Ms Kari-Anne Opsal, Mayor, Harstad municipality

Mr Petter Sortland, Mayor, Høyanger municipality

Ms Beate Marie Dahl Eide, Mayor, Seljord municipality

Ms Gunhild Berge Stang, Member of the municipal council, Fjaler municipality

Ms Hilde Onarheim, Member of the city council, Bergen municipality

Ms Tom Myrvold, Member of the municipal council, Ørland municipality

Substitutes

Mr Ådne Naper, Member of the county council, Vestfold and Telemark county

Mr Svein Larsen, Member of the city council, Sarpsborg

Mr Arne Bergsvåg, Deputy Mayor of Rogaland county

Mr Nils A. Røhne, Mayor of Stange municipality

Mr Hallstein Bjercke, Member of the city council, Oslo municipality

Ms Gunn Marit Helgesen, Member of the county council, Vestfold and Telemark county

Mr Tore Opdal Hansen, Member of the county council, Viken county

Switzerland (Observer)

Mr David Eray, Canton of Jura

Mr Didier Castella, Canton of Fribourg

Statement on the occasion of the EEA Council meeting on 23 May 2022

Iceland, Liechtenstein and Norway reiterate the importance they attach to the European Economic Area (EEA) Agreement, which establishes a solid basis for a privileged relationship between the EEA EFTA States and the European Union. While it was regrettably not possible to adopt formal EEA Council conclusions in today's meeting, we underline the good functioning of the EEA Agreement and the high quality of our cooperation, all of which were the object of an in-depth stock-taking and confirmation at our meeting.

This relationship is based on proximity, long-standing common values and European identity. It constitutes a vibrant contribution to the construction of a Europe based on peace, democracy and human rights. In these tragic times where war has returned to Europe, the EEA EFTA States are the closest of partners of the EU and stand in solidarity with Ukraine and its neighbouring states. As demonstrated by the response to the COVID pandemic, the EEA Agreement provides a robust and flexible framework for our cooperation. This continues to prove essential for the ongoing response to the pandemic with exchange of data, experience and views in relevant fora.

Through the EEA Agreement, the EEA EFTA States – Iceland, Liechtenstein and Norway – and the EU are equal partners in the internal market. A well-functioning Internal Market is important for the prosperity and wellbeing of its citizens and for the global competitiveness and resilience of Europe. It is also key to ensuring a strong recovery and achieving a green and digital transition which is fair. The Internal Market should be further strengthened, rules should be applied, and new barriers should be prevented.

At today's EEA Council, it was underlined that many initiatives related to the twin green and digital transition are supported by EEA-relevant proposals and that it is essential to ensure an active involvement of the EEA EFTA States in their design and implementation. In this context, the EEA EFTA States welcome the European Commission's "Fit-for-55" and the Hydrogen and Decarbonised Gas packages. 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.

We recognise the importance of strengthening the EU's health security response capacity and better equipping authorities to prevent and address future pandemics in a coordinated manner. We look forward to the continued close involvement of the EEA EFTA States to further enhance cooperation on these matters.

The incorporation of the EU programme regulations into the EEA Agreement last year marked an important milestone to deepen further our collaboration in areas of common interest. It is recognised that this cooperation will represent a substantial financial commitment from the EEA EFTA States and that the EEA Agreement guarantees equal rights and obligations when participating in these programmes.

Greater knowledge of the EEA Agreement throughout the EEA at all levels is in the interest of all Contracting Parties and the good functioning of the Internal Market. The EEA EFTA States underline the need to further strengthen communication efforts on the EEA Agreement and its benefits for citizens and businesses. This was also recalled at today's EEA Council.

Statement on the occasion of the EEA Council meeting on 23 November 2022

Iceland, Liechtenstein and Norway reiterate the importance they attach to the European Economic Area (EEA) Agreement, which establishes a solid basis for a privileged relationship between the EEA EFTA States and the European Union. While formal EEA Council conclusions were regrettably not adopted at today's meeting, we underline the good functioning of the EEA Agreement, which was the subject of an in-depth stocktaking and confirmation at our meeting.

At the core of our cooperation with the EU under the EEA Agreement lies a strong commitment to a Europe built on peace, democracy, and the rule of law. These values are threatened by Russia's unlawful invasion of Ukraine. In these tragic times, the EEA EFTA States remain the closest of partners of the EU and are aligned with the EU's sanctions against Russia. Together we stand united in solidarity with Ukraine. This is a fundamental premise upon which our strong and robust collaboration with the EU rests.

The EEA Agreement brings together the EEA EFTA States – Iceland, Liechtenstein and Norway – and the EU as equal partners in the Internal Market. A well-functioning Internal

Market is important for the prosperity and wellbeing of its citizens and for the resilience of Europe in a more crisis-prone world. The high quality of our cooperation in finding common solutions to challenges as they arise remains an important part of this.

The EEA EFTA States' close work with EU partners plays a key role in the transition to a climate-neutral and environmentally-friendly future. At today's EEA Council meeting, the EEA EFTA States underlined the need for the energy transition and energy security to go hand in hand and recognised the objectives of the REPower EU plan. It was also underlined that many current initiatives related to the green transition can benefit from diverse cooperation and implementation of best available technical solutions.

We are furthermore determined to work with the EU to speed up the digitalisation of industry and create a safe digital space, in line with the objectives of Europe's Digital Decade. Many initiatives related to the digital transition are supported by EEA-relevant proposals and it is essential to ensure the active involvement of the EEA EFTA States in their design and implementation.

In today's EEA Council meeting, the EEA EFTA States underlined the need for active involvement of the EEA EFTA States in measures to improve cybersecurity, especially in highly interconnected critical infrastructures. We look forward to the continued close involvement of the EEA EFTA States to further enhance cooperation on these matters.

Greater knowledge of the EEA Agreement throughout the EEA at all levels is in the interest of all Contracting Parties and of the good functioning of the Internal Market. The EEA EFTA States underline the need to further strengthen communication efforts on the EEA Agreement and its benefits for citizens and businesses. This was also recalled at today's EEA Council which was the first to take place at EFTA House.

Work Programmes of the EFTA Standing Committee for 2022

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Priorities of the Liechtenstein Chair of the Standing Committee

First half of 2022

Liechtenstein will chair the Standing Committee of the EFTA States during the first half of 2022. In addition to the Liechtenstein priorities outlined below, the EFTA Subcommittees and Working Groups establish supplementing work programmes.

Introduction

A common understanding of the principles of the EEA is a core foundation for the good functioning and homogeneity of the Agreement. The EEA EFTA States are committed to promoting the EEA, increasing its visibility and ultimately enhancing knowledge of the EEA with the objective to safeguard the common interests of the members of the Internal Market. Against this background, Liechtenstein will particularly focus on:

Timely incorporation of EEA-relevant legal acts

Ensure the timely incorporation of new EEA-relevant EU acts to maintain a level playing field across the EEA. This includes ensuring the swift incorporation of COVID-19 related acts and other critical acts such as the review of the Regulations for the European Financial Supervisory Authorities (The ESAs review), the Taxonomy and Sustainable Finance Disclosure file, as well as processing older files.

Further build on the initiative launched by the Norwegian Chair in the second half of 2021 to further streamline work among EEA EFTA States and assess with the EU institutions processing procedures with the aim of reducing the processing time for the incorporation of EU legal acts.

Monitor the transfer of the EEA file from the EEAS to the European Commission with a view to facilitating a smooth transition to safeguard the good functioning of the EEA.

Enhancing knowledge of the EEA – EEA Outreach

Use the new EFTA House as a dynamic platform for outreach activities to enhance knowledge and understanding of the EEA Agreement among main interlocutors. This includes organising tailor-made EFTA House study visits for European officials.

Launch a social media visibility campaign under the slogan “We are the EEA” with the involvement of EFTA, ESA, and key EU institutions aiming at promoting the core foundations of the EEA and raising awareness of the value of the Agreement for citizens in the EEA.

Assess the feasibility of using the EFTA House as a venue for an EEA Council meeting in 2022.

Decision shaping

Assess at an early stage possible two-pillar and other horizontal issues related to major pieces of new legislation.

Provide input to EEA-relevant EU legislation and measures in the pre-pipeline stages with emphasis on the European Green Deal including the Fit for 55 package, Europe’s Digital Decade, the European Health Union, the European Pillar of Social Rights and the Action Plan on Anti-Money Laundering.

Issue EEA EFTA Comments in areas of key importance and actively follow-up with EU institutions.

EU programme participation

Ensure that EEA EFTA States’ participation in relevant EU programmes under the new programming period 2021-2027 is based on the rights and obligations specified in the EEA Agreement.

Other activities – Financial Mechanisms

Promote a continuous and balanced strengthening of trade and economic relations, in line with article 115 of the EEA Agreement and work towards launching negotiations on a future financial contribution of the EEA EFTA States to social and economic cohesion in the EEA.

Priorities of the Icelandic Chair

Second half of 2022

The purpose of this overview is to highlight the priorities of the Icelandic Chair of the EFTA Standing Committee during the second half of 2022. The priorities are supplemented by work programmes prepared for Subcommittees I-IV and selected EFTA Working Groups.

Incorporation of EEA-relevant acts

Timely incorporation of EEA-relevant EU legislation into the EEA Agreement is crucial to ensure a level playing field throughout the EEA. Prioritise efforts to reduce the backlog and ensure that the EFTA side deliver a meaningful number of draft Joint Committee decisions on a continuous basis to the EU side.

A particular focus will be on the incorporation of acts in the fields of energy, financial services, transport, statistics and wine and spirits. Specific efforts will be placed on exhausting all possibilities to tackle the acts outstanding within the framework of the current EEA incorporation procedures.

Strive to reduce the number of Joint Committee decisions where entry into force is pending due to constitutional requirements, particularly for Joint Committee decisions where more than six months have passed since adoption. Follow closely Ukraine-related acts and ensure swift incorporation into the EEA Agreement when EEA relevant.

Work Programmes of the EFTA Standing Committee for 2022 (continued)

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Decision shaping

Continue to identify and provide input to the EU on EEA-relevant initiatives and encourage EEA EFTA Comments when appropriate and possible.

Being half-way through the term of the current Commission, emphasis is placed on providing input on relevant proposals being discussed in the Council and the European Parliament falling under the European Green Deal including the whole fit for 55 package and including the ETS and aviation and the Refuel EU Aviation Initiative, a Europe fit for the Digital Age including the proposals on cybersecurity and artificial intelligence, an Economy that works for People including the Anti-Money Laundering Package (AML) and sustainable and digital finance matters and Promoting a European Way of Life including the proposal on minimum wages and the forthcoming revision of pharmaceutical legislation.

For all initiatives, it is particularly important to identify at an early stage possible two-pillar issues related to major pieces of new EEA-relevant legislation including on the proposal for an AML authority and the recently adopted Digital Markets Act.

EEA outreach to ensure the good functioning of the EEA Agreement

Continue to strengthen the knowledge of the EEA Agreement and the Financial Mechanisms and make full use of the available tools and the EFTA House to disseminate information on the EEA. The EEA Council will be hosted for the first time in the EFTA House in November of this year.

In addition to the biannual EEA seminars, a special event on energy and energy security will be organised. Renewables is the way forward and this could be a sustainable, green and cost-effective way to address the current energy situation. The aim is inter alia to showcase the potential of utilising geothermal energy for district heating as well as other solutions from the EEA EFTA States.

Continue outreach activities undertaken by the Secretariat within the framework of the EFTA Working Groups and invite EU counterparts to the EFTA House.

Participation in EU programmes

Continue to ensure that EEA EFTA States' participation in relevant EU programmes for the current programme period 2021-2027 is based on the rights and obligations set out in the EEA Agreement.

Synergies between the three EFTA House organisations

Continue work to enhance the synergies between the three EFTA House organisations.

Other activities – Financial Mechanism

Negotiations on our financial contributions to the social economic cohesion in the EEA were kicked off on 16 June. Ensure efficiency and continuity on the new fund and parallel processes on trade-related issues with a view to promoting a continuous and balanced strengthening of trade and economic relations in line with article 115 of the Agreement.

Meetings held by the EEA Coordination Division and the Internal Market Division and EU Acts incorporated in 2022

	Number of meetings in 2022	Number of acts incorporated in 2022
EEA Joint Committee	8	628
Standing Committee of the EFTA States	8	-
SUBCOMMITTEE I-IV	8 ¹	-

Meetings under Subcommittee I	-> Back to section	26	387
Working Groups			
Competition Policy		2 ²	0
Customs Matters		1	0
Customs Security Measures		1	0
Energy Matters		3	2
Fisheries		0	0
Food Chain ³		3	187 ⁴
Intellectual Property Rights		4	1
Processed Agricultural Products		0	0
Public Procurement		0	5
State Aid		2 ⁵	1
Technical Barriers to Trade (TBT)		3	0

1 In November 2009, the Standing Committee approved the practical merger of Subcommittees I, II, III and IV.

2 Including internal WG meetings and ad hoc meetings.

3 Food Chain encompasses veterinary matters, animal feed, phytosanitary matters and foodstuffs.

4 In addition, 109 acts were implemented through the simplified procedure.

5 Including ad hoc meetings.

Meetings held by the EEA Coordination Division and the Internal Market Division and EU Acts incorporated in 2022 (continued)

	Number of meetings in 2022	Number of acts incorporated in 2022
Expert Groups under TBT		
Agricultural and Forestry Tractors	0	1
Appliances Burning Liquid or Gaseous Fuels	0	0
Chemicals	0	46
Plant Protection Products	0	21
Construction	0	4
Cosmetics	0	5
Electrical Equipment	0	0
Explosives	0	0
Fertilisers	1	0
Machinery	0	1
Marine Equipment	0	1
Maximum Residue Levels (MRLs)	0	1
Measuring Instruments	0	0
Medicinal Products and Medical Devices	3	19
Motor Vehicles	0	30
Personal Protective Equipment	0	0
Pressure Equipment	0	0
Product Safety and Market Surveillance	3	0
Recreational Crafts	0	0
Telecommunications Equipment	0	1
Tobacco	0	11
Wine and Spirit Drinks	0	50

Meetings held by the EEA Coordination Division and the Internal Market Division and EU Acts incorporated in 2022 (continued)

	Number of meetings in 2022	Number of acts incorporated in 2022
Meetings under Subcommittee II -> Back to section	21	134
Working Groups		
Company Law	0	4
Electronic Communication, Audiovisual Services and Information Society	3	10
Data Protection Expert Group	2	4
Financial Services ⁶	12	83
Postal Services	0	0
Transport	4	33
Meetings under Subcommittee III -> Back to section	4	5
Working Groups		
Free Movement of Persons, Employment and Social Policy	1	0
Recognition of Professional Qualifications	1	2
Social Security	2	3

⁶ Three WGFS meetings, six regular Task Force meetings and three ad hoc Task Force meetings.

Meetings held by the EEA Coordination Division and the Internal Market Division and EU Acts incorporated in 2022 (continued)

	Number of meetings in 2022	Number of acts incorporated in 2022
Meetings under Subcommittee IV -> Back to section	21	102
Working Groups		
Budgetary Matters	2	1
Civil Protection	2 ⁷	0
Consumer Affairs	3	0
Cultural Affairs	0	0
Education, Training and Youth	3	1
Enterprise Policy and Internal Market Affairs	2	2
Environment	2	43
Gender Equality, Anti-Discrimination and Family Policy	2	0
Heads of National Statistical Institutes	1	16
Health and Safety at Work and Labour Law	2	4
Public Health	0	35
Research and Innovation	2	0
SUBCOMMITTEE V -> Back to section	4	0

7 One ad hoc meeting and one WG meeting

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