



EUROPEAN UNION

Delegation of the European Commission to Switzerland and the Principality of Lichtenstein

Statement at the 34th meeting of the EEA Joint Parliamentary Committee

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**Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort**

**Mr. Chairman, Mr. Vice-chairman,
Distinguished Parliamentarians,
Ladies and Gentlemen,**

It is for me a great pleasure to address you on behalf of the European Union on the occasion of this 34th meeting of the EEA Joint Parliamentary Committee.

As you all know, the Union is in the process of reorganising its external representation following the entry into force of the Lisbon Treaty. Pending final decisions on the modalities of representation of the Union in EEA matters, the European Union is - according to current arrangements - represented in this meeting by the EU Delegation for Switzerland and Liechtenstein. The Head of the EU Delegation, Ambassador Michael *REITERER*, who was to represent the European Union at this meeting, but is unable to attend due to other commitments, has asked me to convey to you his best wishes for a very fruitful meeting. Personally, I should like to add my thanks to the Principality of Liechtenstein for hosting this meeting, and my congratulations to the 15th anniversary of its EEA membership which you will celebrate on the 1st of May, in about a month's time.

These half-yearly meetings of the Joint Parliamentary Committee provide an excellent opportunity to assess the overall functioning and recent developments of the European Economic Area Agreement and the relations between the European Union and the EEA EFTA States.

In the past, it was customary for the EU Presidency-in-office to inform you on the outcome and conclusions of the preceding EEA Council. This year, the Joint Parliamentary Committee will meet before the EEA Council scheduled for 10 May. Accordingly, allow me to focus my intervention on anticipating our expectations with regard to the forthcoming EEA Council meeting, highlighting in particular post-crisis measures of importance for the EU as well as the EEA EFTA States.

The economic and financial crisis of the last two years has hit our countries badly. Supervision and regulation deficits in the banking sector, rising unemployment and heavy public debt needed to be addressed and strategies for economic recovery developed without delay.

On 10 May, the EEA Council is expected to take note of the efforts made to restore global growth and to rebuild confidence in the financial markets. It will certainly underline the particular need for coordinated and timely action among governments with regard to exit strategies, in order to secure the medium- and long-term sustainability of public finances.

Furthermore, the EEA Council will refer to the importance of safeguarding the good functioning of the internal market. In this context, we expect that our Ministers will welcome the initiative of the EU to deal with cross-border crisis management within the banking sector. They will underline that enhanced cooperation on the European level and worldwide is vital in order to strengthen financial supervision and to improve the regulation of financial services - an area in which much progress has been made. The EEA Council will welcome the agreement in the ECOFIN Council meeting of October 2009 on the European Systemic Risk Board (ESRB). The creation of this Board corresponds to the need to strengthen macro-prudential oversight of the European financial system. Our Ministers will also welcome at the EEA Council meeting the European System of Financial Supervision (ESFS) agreed by the ECOFIN Council in

December 2009 - a system based on decentralised supervision with strengthened cooperation. They will certainly underline the significance of the EEA EFTA Member States participating in these new structures once they have been established. In addition, Ministers are expected to confirm their support for the EU regulatory initiatives.

The EEA Council will put special emphasis on the Europe 2020 Strategy of the EU, in which the EEA EFTA States have also shown a particular interest. It will be the subject of the orientation debate at the meeting of 10 May.

On 16 March, the EU Council adopted conclusions on the Europe 2020 Strategy, in order to respond, in the aftermath of the crisis, to the challenge of reorienting policies away from crisis management towards the introduction of medium- to longer-term reforms that promote the sustainability of public finances and enhance potential growth. The Strategy is aimed at "smart, sustainable and inclusive growth" and contains a number of "flagship initiatives" such as (i) re-focusing R&D and innovation policy, (ii) enhancing the attractiveness of Europe's higher education institutions and (iii) developing a Single Digital Market. This Strategy should be an agenda for

all EU Member States, taking into account different starting positions and the specific situation of each country. It shall also contribute to supporting economic, social and territorial cohesion in the EU - a subject of importance also for the EEA EFTA States, who have recently expressed their willingness to continue their financial contribution to the reduction of social and economic disparities in the EEA for another 5-years-period.

In its conclusions, the EEA Council is expected to take note of the Commission Communication on the Europe 2020 Strategy and to welcome the contribution of the EEA EFTA States to the Strategy. It will also highlight that the EEA EFTA States are closely following the development of the Strategy, with a view to participating in relevant parts.

The EEA Council will of course also take stock of the progress achieved in the last six month with regard to the incorporation of important new EU-legislation into the EEA Agreement. As on the EU-side it is the Commission, who is principally in charge of following the day-to-day developments with regard to the EEA Agreement, I would rather leave it to the

Representative of the European Commission to give you a more detailed report of the progress achieved.

Allow me, however, to say a few words concerning the recent successful conclusion of negotiations between our countries.

Our Ministers will welcome at the EEA Council meeting not only the initialling of agreed minutes concerning the continuation of a financial cohesion contribution of the EEA EFTA for the period 2009-2014, but also the conclusion of bilateral negotiations between the Commission and Iceland and Norway concerning the review of the quota levels for certain fish and fishery products. In addition, the EEA Council will welcome the successful conclusion of negotiations between the Commission and Norway on further liberalisation of trade in agricultural products according to Article 19 of the EEA Agreement. Even though negotiations may sometimes take longer than wished for, these developments prove the will of the EEA members to compromise in order to find a common way ahead and to strengthen their relationship.

With regard to future negotiations, we are looking forward to the opening of accession negotiations with Iceland, following the recommendation of the European Commission to the EU

Council to that effect. Once all Member States have completed their internal parliamentary proceedings, the decision on the opening of negotiations is expected to be taken in one of the next meeting of the General Affairs Council or, at the latest, at the European Council meeting in June.

Concerning the regular Political Dialogue in the margins of the EEA Council meetings, I would like to inform you that on the day of the EEA Council, a Political Dialogue will be held, focusing on the Middle-East, Iran and Russia.

Last, but not least, the EEA Council will certainly take note of the Resolutions, which will be adopted in the framework of this 34th meeting of the EEA Joint Parliamentary Committee.

Allow me to conclude by wishing you an interesting and successful meeting and by thanking the Honourable Members of the National Parliaments of the EEA EFTA States and of the European Parliament for their continuous interest and support with regard to the development of the European Economic Area.

Thank you.
