COUNCIL DECISION

of 7 November 2014

on the position to be adopted, on behalf of the European Union, within the EEA Joint Committee concerning an amendment to Protocol 31 to the EEA Agreement, on cooperation in specific fields outside the four freedoms (Budget Lines 02.03.01 and 12.02.01)

(2014/784/EU)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 in conjunction with Article 218(9) thereof,

Having regard to Council Regulation (EC) No 2894/94 of 28 November 1994 concerning arrangements for implementing the Agreement on the European Economic Area [1], and in particular Article 1(3) thereof,

Having regard to the proposal from the European Commission,

Whereas:

(1) The Agreement on the European Economic Area [2] ('the EEA Agreement') entered into force on 1 January 1994.

(2) Pursuant to Article 98 of the EEA Agreement, the EEA Joint Committee may decide to amend, inter alia, Protocol 31 to the EEA Agreement.

(3) Protocol 31 to the EEA Agreement contains provisions and arrangements concerning cooperation in specific fields outside the four freedoms.

(4) It is appropriate to continue the cooperation of the Contracting Parties to the EEA Agreement in actions funded from the general budget of the Union concerning 'Operation and development of the internal market, particularly in the fields of notification, certification and sectoral approximation' and 'Implementation and development of the internal market'.

(5) It is appropriate that, pursuant to Article 1(8) of Protocol 32 to the EEA Agreement, the cooperation among the Parties should continue beyond 31 December 2013, irrespective of when the EEA Joint Committee Decision annexed to this Decision is adopted or whether the fulfilment of constitutional requirements for this EEA Joint Committee decision, if any, is notified after 10 July 2014.

(6) Entities established in the EFTA States should be entitled to participate in activities which start before the entry into force of the EEA Joint Committee Decision annexed to this Decision. The costs incurred for such activities, the implementation of which starts after 1 January 2014, may be considered eligible under the same conditions as those applicable to costs incurred by entities established in the Union Member States provided that the EEA Joint Committee Decision enters into force before the end of the action concerned.

(7) Protocol 31 to the EEA Agreement should therefore be amended, in order to allow for this extended cooperation to continue beyond 31 December 2013.

(8) The position of the Union within the EEA Joint Committee should be based on the attached draft decision,

HAS ADOPTED THIS DECISION:

Article 1

The position to be adopted, on behalf of the European Union, within the EEA Joint Committee on the proposed amendment to Protocol 31 to the EEA Agreement, on cooperation in specific fields outside the four freedoms, shall be based on the draft decision of the EEA Joint Committee attached to this Decision.

[1] OJ L 305, 30.11.1994, p. 6.
[2] OJ L 1, 3.1.1994, p. 3.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, 7 November 2014.

For the Council
The President
P. C. PADOAN

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DECISION OF THE EEA JOINT COMMITTEE No …/2014

of

amending Protocol 31 to the EEA Agreement, on cooperation in specific fields outside the four freedoms

THE EEA JOINT COMMITTEE,

Having regard to the Agreement on the European Economic Area ('the EEA Agreement'), and in particular Articles 86 and 98 thereof,

Whereas:

(1) It is appropriate to continue the cooperation of the Contracting Parties to the EEA Agreement in Union actions funded from the general budget of the European Union regarding the implementation, operation and development of the Internal Market.

(2) It is appropriate that this cooperation should continue beyond 31 December 2013, irrespective of when this Decision is adopted or whether the fulfilment of constitutional requirements for this Decision, if any, is notified after 10 July 2014.

(3) Entities established in the EFTA States should be entitled to participate in activities which start before the entry into force of this Decision. The costs incurred for such activities, the implementation of which starts after 1 January 2014, may be considered eligible under the same conditions as those applicable to costs incurred by entities established in the EU Member States provided that this Decision enters into force before the end of the action concerned.

(4) Protocol 31 to the EEA Agreement should therefore be amended in order to allow for this extended cooperation to continue beyond 31 December 2013,

HAS ADOPTED THIS DECISION:

Article 1

Article 7 of Protocol 31 to the EEA Agreement shall be amended as follows:

1. The following paragraph is inserted after paragraph 8:

'9. The EFTA States shall, as from 1 January 2014, participate in the Union actions related to the following budget lines, entered into the general budget of the European Union for the financial year 2014:

— **Budget line 02.03.01**: "Operation and development of the internal market, particularly in the fields of notification, certification and sectoral approximation",

— **Budget line 12.02.01**: "Implementation and development of the internal market".

The costs incurred for activities the implementation of which starts after 1 January 2014, may be considered eligible as from the beginning of the action under the grant agreement or the grant decision concerned provided that Decision of the EEA Joint Committee No …/2014 of … enters into force before the end of the action.'

2. The words 'paragraphs 5, 6, 7 and 8' in paragraphs 3 and 4 are replaced by the words 'paragraphs 5 to 9'.

Article 2

This Decision shall enter into force on the day following the last notification under Article 103(1) of the EEA Agreement (*).

It shall apply from 1 January 2014.

(*) [No constitutional requirements indicated.] [Constitutional requirements indicated.]

Article 3

This Decision shall be published in the EEA Section of, and in the EEA Supplement to, the *Official Journal of the European Union*.

Done at Brussels,

For the EEA Joint Committee	*The Secretaries*
The President	*to the EEA Joint Committee*