



EUROPEAN
COMMISSION

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2014/0048 (NLE)

Proposal for a

COUNCIL DECISION

on the signing, on behalf of the European Union and its Member States, and provisional application of an Agreement on the participation of the Republic of Croatia in the European Economic Area and the related Protocol, to take account of the accession of the Republic of Croatia to the European Union

EXPLANATORY MEMORANDUM

The Agreement on the European Economic Area, hereinafter referred to as ‘the EEA Agreement’, was signed on 2 May 1992 and entered into force on 1 January 1994.

According to the Act of Accession of the Republic of Croatia, Croatia undertakes to accede, under the conditions laid down in the Act, to the Agreement on the European Economic Area, in accordance with Article 128 of that Agreement.

The attached proposal creates the legal instrument for the signature and provisional application of the Agreement on the participation of the Republic of Croatia in the European Economic Area (‘the Agreement’) and of the related Additional Protocol to the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2009-2014 consequent to the participation of the Republic of Croatia in the European Economic Area (‘the Protocol’) to take account of the accession of the Republic of Croatia to the European Union.

On 4 September 2012¹, the Council authorised the Commission to open negotiations with the Republic of Iceland, the Principality of Liechtenstein and the Kingdom of Norway to amend the EEA Agreement and the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2009-2014. The negotiations with Iceland, Liechtenstein and Norway were successfully concluded by the initialling of:

- (1) the Agreement;
- (2) the Protocol; and
- (3) two additional protocols, namely:
 - (a) the Additional Protocol to the Agreement between the European Economic Community and the Republic of Iceland consequent to the accession of the Republic of Croatia to the European Union; and
 - (b) the Additional Protocol to the Agreement between the European Economic Community and the Kingdom of Norway consequent to the accession of the Republic of Croatia to the European Union.

These two additional protocols are part of a package with the current Agreement and Protocol but are contained in two separate proposals.

The proposed Agreement makes the Republic of Croatia a contracting party to the EEA Agreement and commits the EU to providing an authentic version of the EEA Agreement in the new official language of the EU. The Protocol includes Croatia in the Norwegian Financial Mechanism.

The provisional application of the Agreement and the Protocol is envisaged as of the date stipulated by an exchange of letters between the Parties, pending the completion of the relevant procedures for its formal conclusion and entry into force.

The Commission has judged the results of the negotiations to be satisfactory and asks the Council to adopt the attached decision on the signature and provisional application of the Agreement.

¹ Council decision authorising the Commission to open negotiations for the adaptation of the Agreement on the European Economic Area and the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2009-2014, in view of the enlargement of the European Union to Croatia (Council doc. 12865/12 LIMITED).

Proposal for a

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on the signing, on behalf of the European Union and its Member States, and provisional application of an Agreement on the participation of the Republic of Croatia in the European Economic Area and the related Protocol, to take account of the accession of the Republic of Croatia to the European Union

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 217 in conjunction with Article 218(5) and the second subparagraph of Article 218(8) thereof,

Having regard to the Act of Accession of the Republic of Croatia, and in particular Articles 6(2) and 6(5) thereof,

Having regard to the proposal from the European Commission²,

Whereas:

- (1) The Agreement on the European Economic Area³ ('the EEA Agreement') was signed in Oporto on 2 May 1992.
- (2) The Republic of Croatia became a Member State of the European Union on 1 July 2013.
- (3) Under Article 6(5) of the Act of Accession of the Republic of Croatia, Croatia undertakes to accede, under the conditions laid down in the Act, to the Agreement on the European Economic Area, in accordance with Article 128 of that Agreement.
- (4) On 4 September 2012, the Council authorised the Commission to open negotiations with the Republic of Iceland, the Principality of Liechtenstein and the Kingdom of Norway to amend the EEA Agreement and the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2009-2014. The negotiations were successfully concluded by the initialling of the Agreement on the participation of the Republic of Croatia in the European Economic Area ('the Agreement'), and the related Additional Protocol to the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2009-2014 consequent to the participation of the Republic of Croatia in the European Economic Area ('the Protocol'), both attached to this decision.
- (5) Two related protocols have also been initialled, namely (a) the Additional Protocol to the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2009-2014 consequent to the participation of the Republic of Croatia in the European Economic Area and (b) the Additional Protocol to the Agreement between the European Economic Community

² OJ C , , p. .

³ OJ , , p. .

and the Republic of Iceland consequent to the accession of the Republic of Croatia to the European Union. These two protocols will be the object of separate Council decisions.

- (6) Pending the completion of the procedures required to bring them into force and in order to maintain the good functioning of the internal market within the European Economic Area, the said Agreement and Protocol should be applied on a provisional basis pursuant to Agreements in the form of an Exchange of Letters between the European Union and Iceland, the Principality of Liechtenstein and the Kingdom of Norway, respectively, from the day following the date on which the last of these Exchanges of Letters has been completed.
- (7) The Agreement and the related Protocol should be signed, subject to their conclusion at a later date, and applied on a provisional basis,

HAS ADOPTED THIS DECISION:

Article 1

The signing on behalf of the Union and its Member States of the Agreement on the participation of the Republic of Croatia in the European Economic Area and the related Additional Protocol to the Agreement between the Kingdom of Norway and the European Union on a Norwegian Financial Mechanism for the period 2009-2014 is hereby authorised, subject to the conclusion of the said Agreement and the related Protocol.

The text of the Agreement and the Protocol is attached to this Decision.

Article 2

The Council General Secretariat shall establish the instrument of full powers to sign the Agreement, subject to its conclusion, for the person(s) indicated by the negotiator.

Article 3

Subject to its conclusion at a later date and pending its entry into force, the Agreement and the Protocol shall be applied on a provisional basis pursuant to Agreements in the form of an Exchange of Letters has been completed from the day following the date on which these last of the Exchanges of Letters has been completed.

The text of the Agreements in the form of an Exchange of Letters is attached to this Decision.

Article 4

This Decision shall enter into force on

Done at Brussels,

*For the Council
The President*