

DECISION OF THE EEA JOINT COMMITTEE No 208/2017**of 27 October 2017****amending Protocol 31 to the EEA Agreement, on cooperation in specific fields outside the four freedoms [2019/1371]**

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 extend the cooperation of the Contracting Parties to the EEA Agreement to include the participation of the EFTA States in the Union's preparatory action on defence research which is funded from the general budget of the European Union.
- (2) It is appropriate that the participation of the EFTA States in the activities financed from budget line 02 04 77 03 commence from 11 April 2017 even if this Decision is adopted, or if the fulfilment of constitutional requirements for this Decision, if any, is notified, after 10 July 2017.
- (3) Institutions, undertakings, organisations and nationals of the EFTA States should be entitled to participate in activities which start before the entry into force of this Decision. The costs incurred for their participation in such activities, the implementation of which starts after 11 April 2017, should be considered eligible under the same conditions as those applicable to costs incurred by institutions, undertakings, organisations and nationals of the EU Member States, provided that this Decision has entered into force before the end of the preparatory action concerned.
- (4) Protocol 31 to the EEA Agreement should therefore be amended in order to allow for this extended cooperation to take place from 11 April 2017,

HAS ADOPTED THIS DECISION:

Article 1

The following paragraph is added in Article 1 of Protocol 31 to the EEA Agreement:

'13. (a) The EFTA States shall, as from 11 April 2017, participate in Union activities related to the following budget line, entered into the general budget of the European Union for the financial year 2017:

Budget line 02 04 77 03: "Preparatory action on defence research".

- (b) The EFTA States shall contribute financially to the activities referred to in point (a) in accordance with Article 82(1)(a) of the Agreement.
- (c) The costs incurred by institutions, undertakings, organizations and nationals of the EFTA States for their participation in the activities referred to in point (a), the implementation of which starts after 11 April 2017, shall be considered eligible as from the beginning of the action under the same conditions as those applicable to costs incurred by institutions, undertakings, organizations and nationals of the EU Member States and pursuant to the relevant grant agreement or grant decision, provided that Decision of the EEA Joint Committee No 208/2017 of 27 October 2017 has entered into force before the end of the preparatory action.
- (d) Iceland and Liechtenstein shall not participate in that preparatory action, and shall not financially contribute to the activities referred to in point (a).'

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 11 April 2017.

(*) No 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, 27 October 2017.

For the EEA Joint Committee

The President

Sabine MONAUNI

Declaration by the EFTA States to Decision No 208/2017 amending Protocol 31 to the EEA Agreement to extend the cooperation of the Contracting Parties to include the participation of the EFTA States in the Union's preparatory action on defence research

This Decision extends the cooperation of the Contracting Parties to include the participation of the EFTA States in the Union's preparatory action on defence research. The EFTA States consider that defence matters fall outside the scope of the EEA Agreement, and therefore that the adoption of this Decision does not extend the scope of the EEA Agreement to include defence matters beyond the participation of the EFTA States in that preparatory action. The EFTA States also stress that Iceland and Liechtenstein shall not participate in, and shall not financially contribute to, this preparatory action.
