Establishment of an advisory committee for local and regional elected representatives in EFTA

"Transparency, expertise and participation are vital if we are to succeed."

White paper nr. 23 (2005-2006) Action plan for the implementation of Norway's European policy
Recommendation

To bolster the democratic and political legitimacy of EFTA and/or the EEA, foster knowledge about and encourage commitment towards European policy at the local and regional level, and thereby increase the opportunities for looking after Norwegian interests in the EEA, KS recommends that:

- an EFTA Committee of Local and Regional Authorities be set up;
- up to six locally and/or regionally elected representatives from each of EFTA's four Member States be appointed to sit on that committee;
- the committee be set up as an advisory body, authorised to comment and issue statements about EFTA and/or EEA issues of special relevance to local and regional authorities;
- the EFTA Committee of Local and Regional Authorities should strive to establish some form of informal cooperation with the EU's Committee of the Regions without setting up any formal forum within the EEA structure.

An EFTA Committee of Local and Regional Authorities would complete the institutional parallels between EFTA and the EU – 'two-pillar' structure – and enhance the opportunities to attend to Norwegian interests in conjunction with the EU.

The translation of the quotes used in this report is unofficial.
Introduction

The EEA Agreement governs Norway's relations with the EU and makes Norway an integral part of the EU's internal market. Since the mid-1990s, the agreement has gained in importance as a framework condition for activities undertaken in Norway at the local (kommune) and regional (fylkeskommune) levels. The EEA Agreement not only presents opportunities in the form of involvement in various EU programmes and participation in cooperation projects across EFTA and/or EU Member States, but also brings with it various legal obligations and sets clear boundaries to guide local authorities in discharging their duties. For virtually all roles played by these authorities, whether acting as employers, developers of local communities, service providers, owners, protectors of the environment or bodies acting on consumers' behalf, the EEA Agreement provides administrative guidelines and serves as a framework for the fulfilment of local and regional authorities' duties.

From the Norwegian viewpoint, the possibilities for exerting and increasing influence on the development of new EU and/or EEA regulations are extremely limited. For local authorities, the means of exerting influence are limited to taking part in any hearings held when adopted EU regulations are to be incorporated into Norwegian legislation. Several studies have shown that this is too late a stage to actually affect the shaping of EEA rules.

Since the EU's Committee of the Regions (CoR) was set up as an advisory body back in 1992, local and regional authorities in the EU Member States have gained greater recognition and come to assume a more prominent role in the EU's decision-making processes, both as bodies entitled to have their say and through dialogue regarding the development of new policy.

The absence of a corresponding body within EFTA creates a self-induced democratic deficit and leaves local and regional governments unable to influence the EFTA Member States' joint decision-making processes. This is one of several reasons why EFTA and/or the EEA may sometimes be regarded as distant and not of any great relevance.

"Putting words into action requires focused and targeted efforts. Successful implementation depends on the political leadership and the public administration pulling in the same direction, and on society as a whole taking its share of the responsibility. We must adapt our perspective and consider together how we can optimise our efforts."

St.meld. nr. 23 (2005-2006) Action plan for the implementation of Norway's European policy

The Norwegian Association of Local and Regional Authorities (KS) agrees with this statement by the Storting (Norwegian parliament) and maintains that the establishment of an EFTA Committee of Local and Regional Authorities will not only help to enhance the possibilities of Norwegian interests being taken on board by the EU, but also promote their democratic legitimacy vis-à-vis EFTA and/or the EEA. KS is of the opinion that setting up an EFTA Committee of Local and Regional Authorities would help to achieve the government's objective of conducting an active, clear and open European policy.

Such a committee would:
- bolster the democratic and political legitimacy of EFTA and/or the EEA;
- increase the opportunities for attending to Norwegian interests;
- reinforce the commitment to European policy at both local and regional level.

This report looks in depth at why such a committee ought to be set up, what purpose it would serve (section 1), its possible composition and how it might function (section 2). It also provides a brief overview of EFTA's structure and the work done within the EEA (section 3) and, finally, runs through the role and function of the Regional Committee in EU decision-making processes (section 4).
1. Why set up an advisory EFTA Committee of Local and Regional Authorities?

It was back in 2001 that KS first proposed that an EFTA Committee of Local and Regional Authorities be set up, in connection with the drafting of the Bondevik II government's European policy platform. Subsequently, the proposal was taken up in several reports and committees, amongst other things by the Local Democracy Commission, which issued the following recommendation in its report:

"The Local Democracy Commission believes an advisory local and regional committee ought to be set up in EFTA. Such a move would involve local and regional authorities in EFTA's work on EEA business and could simultaneously serve to develop cooperation with the EU's regional committee".

The idea has also been discussed at local and regional authority level. Back in 2001, some members of Bergen's municipal council at the time, including Anne-Grete Strøm-Erichsen, asked the Bondevik II government to gain Norwegian local and regional authorities a foothold in the CoR. Today, the suggestion about setting up an EFTA Committee of Local and Regional Authorities is supported by the Association of Icelandic Local Authorities, the Icelandic government, the EEA Consultative Committee, EEA Joint Parliamentary Committee (EEA JPC), the Council of European Municipalities and Regions (CEMR) and CoR representatives. The most important documents are attached.

1.1 Boosting EFTA's and/or the EEA's democratic and political legitimacy

The EEA is the framework in which the EFTA Member States have chosen to cooperate with the EU. It's also the main framework used by the EU in its consultations with EFTA Member States. To handle the EEA Agreement, EFTA has set up an institutional structure that reflects that of the EU's bodies, namely the so-called 'two-pillar' structure.

**Institutions within the EEA structure**

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1. St. meld. nr.27 - 2001-2002
2. NOU 2005:06
3. Bergen is one of the largest municipalities in Norway
EFTA’s Consultative Committee and Parliamentary Committee are part of the EEA’s official management structure. Of the two advisory bodies, only EFTA’s Parliamentary Committee makes a democratic contribution through having representatives elected by the public. No EFTA body numbers local and regional elected representatives amongst its members. Unlike national MPs and the social partners, local and regional elected representatives in the EFTA Member States have no joint forum for dialogue and cooperation on EFTA and/or EEA issues.

"The Government will maintain a focus on the institutional development of the EU, both with regard to general institutional reforms and the development of administrative policy in the EU. In particular, we will follow the efforts to develop new forms of management in the EU, including initiatives to improve forms of regulation, more flexible means of implementation, impact assessments and early rounds of consultation through extended consultation mechanisms."
St.meld.nr. 23 (2005-2006) Action plan for the implementation of Norway's European policy

Whilst local and regional authorities in the EU take part in the Union's decision-making processes both directly and indirectly, i.e. both via the CoR and their own national authorities, in EFTA and/or the EEA, local and regional authorities face a democratic deficit. The absence of any local and regional committee in EFTA means that EFTA’s local and regional authorities lack a platform for contact and dialogue about EU policy and regulations with their colleagues on the Regional Committee. This lack is often referred to as a 'hole' in EFTA's administrative structure.

Even though the EFTA Member States are free to change the organisation's administrative structure, so far they have neglected to follow the EU’s development in this area. Bearing in mind the EU’s greater consideration of local and regional interests in forming a new set of rules and regulations, a corresponding acknowledgement of such local and regional interests in EFTA could enhance the EFTA Member States’ influence in the EEA.

EFTA itself decides whether the organisation should have an advisory committee for local and regional elected representatives. Were such a committee to be accorded the same official status in the EEA as the Parliamentary Committee and the Consultative Committee, this would prompt the renegotiation of the EEA Agreement, which is not an appropriate path to pursue. In EFTA, the Committee of Local and Regional Authorities ought to be based on informal cooperation with the CoR, without any official joint body being set up at EEA level.

1.2 Greater emphasis on local and regional channels in EU structures is becoming important to EFTA

Since its establishment back in 1992, the EU’s Committee of the Regions has gained in influence, both thanks to the wider range of topics it considers (see section 4.4), and via the establishment of the structured dialogue with the European Commission (see section 4.8). If the proposal in the EU Constitution to grant the CoR status as a legal guardian of the principle of subsidiarity is adopted (see section 4.6), it will further enhance the CoR's influence within the EU. The principle of subsidiarity entails continuous assessment within the EU of which decisions should be made at Community level rather than at national and regional level. If the CoR adopts such a 'guardian role', this will be significant for determining which legal documents are incorporated into the EEA Agreement and thereby increase the importance of contacts and cooperation between EFTA and the CoR.

Over the past few years, besides stepping up its contacts with the Commission, the CoR has actively endeavoured to strengthen and formalise its cooperation with the European
Parliament and the Council of the European Union (hereafter referred to as the Council of Ministers). In the draft Constitutional Treaty, the European Parliament and the Council of Ministers, which are the EU's lawmakers, are attributed greater influence in EU legislative processes at the cost of the Commission. If the Constitutional Treaty is ultimately adopted, it may be useful to launch a dialogue and cooperation between EFTA and the CoR as an indirect way of EFTA influencing the European Parliament and the Council of Ministers.

1.3 Enhancing possibilities for looking after Norwegian interests

As bodies responsible for implementing and observing a large proportion of EEA regulations, local and regional authorities have first-hand knowledge of the practical consequences of their regulations. Amongst other things, EEA regulations affect how purchases are made, how cooperation between different authorities is organised and run, how industry is developed, how property is bought and sold and how the energy market works. Applying this knowledge when the rules and regulations are still at the embryonic stage could help both to strengthen Norwegian interests and lead to more appropriate, better suited EEA regulations.

A survey conducted by Statskonsult and IRIS on behalf of The Norwegian Association of Local and Regional Authorities showed that the municipalities find the national governmental level less interested in their points of view. The municipalities ask for a stronger influence on the national decision-making in international matters. Today, the decisions often seem to be taken without local influence.

"Both the EEA Agreement and the Schengen Agreement specify how obligations under the agreements are to be implemented in Norwegian law. The central, local and regional authorities are all responsible for applying the provisions of these agreements. It is often at the local and the regional level that the users of public services meet the practical consequences of these obligations." St.meld.nr. 23 (2005-2006) Action plan for the implementation of Norway's European policy

If Norwegian interests are to gain ground at European level, it will be useful to know about the situation in the other EFTA Member States and use that knowledge to put forward joint positions. If EFTA had a joint forum, local and regional elected representatives could exchange their experiences, views on future possibilities and opinions regarding regulations and in that way gain a deeper insight into the EEA's genuine room for manoeuvre. This would enhance knowledge and not only leave elected representatives better equipped to make certain choices regarding the potential and limitations of EEA regulations, but also lead to better local and regional government and enforcement.

According to representatives from EFTA's Consultative Committee and also its Parliamentary Committee, the possibility of representing four countries as opposed to one is one of the positive effects of being represented at EFTA level. At the same time, having an EFTA Committee of Local and Regional Authorities should provide a

5 The EEA Agreement and the leeway open to Norwegian authorities, Statskonsult and IRIS 2006
representative, joint overview of the interests of local and regional authorities in the EFTA Member States vis-à-vis the EU.

1.4 Strengthening the commitment to European policy at local and regional level

Regional and local authorities and local businesses use umbrella and sectoral organisations at European level to gain information at an early stage and convey their views to the EU. Many Norwegian regional and local authorities are members of the five European organisations that are fixed participants in the structured dialogue with the European Commission.

**CPMR:** Conference of Peripheral Maritime Regions – Members include all Norwegian regional authorities except for Akershus, Hedmark, Oppland and Oslo.

**AER:** Assembly of European Regions – 11 regional authorities are members: Akershus, Buskerud, Hedmark, Hordaland, Nordland, Oppland, Oslo, Telemark, Troms, Østfold, and Vestfold.

**BSSSC:** Baltic SeaStates Subregional Co-operation – All the regional authorities are members.

**EURO-CITIES:** Oslo and Bergen are members.

**CEMR:** Council of European Municipalities and Regions – KS is a member.

**CEEP:** European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest – KS is represented by the CEEP member KS Bedrift.

Norwegian membership of European umbrella organisations is a useful channel for those regional and local authorities that are affiliated to them to gain information at an early
stage and wield influence. Norwegian regional politicians occupy leading positions in some of the organisations in question. KS has had an office in Brussels since 1992, and over the past few years all the regional authorities and many local authorities have become co-owners of a regional office there too. These offices are important listening posts and pass valuable information between the EU and their owners in Norway.

These Norwegian regional offices, KS’s Brussels office and the authorities’ membership of European organisations open up possibilities for establishing contacts and exercising political influence for those local and regional authorities actively involved in such work. However, since there is no more representative body for involvement in EFTA, EFTA and/or the EEA remain political arenas that can easily be deemed remote and of little relevance to local and regional authorities. This is unfortunate, since local and regional authorities are affected by EFTA and/or the EEA in various domains all the time.

“Local and regional governments are responsible for the implementation and enforcement of a substantial part of EEA legislation, i.e. water, energy, waste and wastewater, environmental supervision, food, agricultural and veterinary supervision, public procurement, supervision in the transport sector, culture, and business development” (5): Joint Parliamentary Committee (2004): Towards participatory democracy: The role of local and regional authorities in the EU and the EEA

An EFTA Committee of Local and Regional Authorities would represent all Norwegian authorities together and thereby enjoy broader, representative, democratic legitimacy. An EFTA committee for local and regional elected representatives could help to boost Norwegian interests in European organisations, and could also open up the way for direct involvement by EFTA Member States in the associated structured dialogue. An EFTA committee could also become an effective platform for information, dialogue and influence vis-à-vis the EU and/or the EEA.

1.5 An active, clear and open European policy

The Norwegian Ministry of Foreign Affairs and Norwegian Auditors’ Office have highlighted the need to shore up EEA-related work, and each new government that has taken office since the EEA Agreement was concluded has advocated the need to do more, as reflected in various statements about European policy.

"The core objective of all the efforts made in the EEA domain is to attend to Norwegian interests and try to secure the greatest possible influence over the development of EU rules and regulations that affect Norway either directly or indirectly via the EEA Agreement. This requires the effective use of all channels during all phases of development of those rules and regulations”. The European policy platform of the coalition government,”Challenges, goals and how to do them justice”, Oslo, 21 February 2002

Meanwhile, various studies have shown that the main focus in the administration's EEA-related work has been on ensuring that the obligations set out in the agreement have been complied with. This means that implementing EEA rules and regulations in Norwegian law and jurisprudence has been given priority over active lobbying. Several of these studies have concluded that there is a need to develop better strategies and routines for handling EEA work, to systematically acquire 'European know-how' and to communicate with and ascertain the views of the parties concerned at an early stage. Yet in the past, most of the work geared towards attaining these objectives has focussed on the state authorities' own collaboration with the EEA.

The lion's share of dialogue between the levels of political government in Norway about EU- and EEA-related matters takes place within the framework of the European Policy
Forum for national, local and regional authorities, plus the Sameting (which represents the interests of the Sami minority). The European Policy Forum established in 2003 meets up twice a year and is headed by the parliamentary secretaries to the Norwegian Ministry of Foreign Affairs (UD) and Ministry of Local Government and Regional Development (KRD). The content of the dialogue is determined on an ad hoc basis, in keeping with current developments in Europe and the EU. The main target with the forum is to be an arena for mutual information and dialogue, and for knowledge and understanding about how the EU and EEA work at the local, regional and national levels.

The European Policy Forum may be useful, but is not sufficient for developing know-how and commitment to European policy issues at the local and regional levels. So whenever dialogue on EFTA and/or EEA issues takes place with local and regional elected representatives, usually within national frameworks, local and regional actors fail to benefit from a timely exchange of information and an understanding of European processes.

In St.meld. nr. 23 (2005-2006) Action plan for the implementation of Norway's European policy, the government set out a proposal for an action plan that is meant to contribute towards a clear and open European policy. The Norwegian administration is currently stepping up its efforts with regard to EEA affairs. In this connection, a new forum for dialogue and debate about European challenges and opportunities has recently been set up. At national level, the European Forum comprises representatives from various quarters, including MPs, members of local and regional authorities, lobbying organisations and researchers. The objective is to exchange knowledge, experience and opinions about important problems of relevance to Norway. Until now, the Forum has convened one meeting, and whilst being a useful initiative, it is not enough to shore up the involvement of local and regional elected representatives in work on European policy.

Over the next few years, Norway intends to implement an administrative reform that establishes a new regional government comprising elected representatives. As set out in St.meld. nr. 12 (2006-2007) "Regional priority – regional future", the regions will find themselves faced with greater demands and expectations as drivers of regional development.

Most policy domains have some European policy dimension, and greater responsibility at home also entails a need for knowledge about policy developments elsewhere. In practically all areas, an extended portfolio of tasks will generate a need to monitor developments in Europe. An EFTA committee could help to seize any opportunities arising and exploit the leeway offered by the EEA Agreement, in terms of both interaction and knowledge that could benefit citizens and boost employment.

This view is supported by KS's national executive (Landsstyre), which at a meeting held on 3 March 2005 discussed the issue of "strong regions with elected representatives – contents and classification" (agenda item 01/2005). From the resolution that was adopted at that meeting we cite the following:

The regions' responsibility for environmental protection and resource management must be exercised within the framework of a global, national policy that also takes account of our international obligations. Within this policy domain there will be a special need for early mediation of national interests and objectives, and own government and reporting systems ought to be developed.

Ultimately, regions must have a special responsibility for coordination with respect to the implementation of stronger regional planning, work aimed at improving public health and regional development work.
Representatives from EFTA’s Consultative Committee and Parliamentary Committee stress that gaining timely knowledge of the European policy agenda is one of the advantages of being represented at EFTA level. Correspondingly, local and regional elected representatives belonging to an EFTA Committee of Local and Regional Authorities would have a chance to follow political developments in the EU on an ongoing basis. Moreover, such a committee may prove to be a competent, well-informed cooperation partner for work involving national authorities within EFTA and/or the EEA.
2. Some practical matters regarding an EFTA Committee of Local and Regional Authorities

2.1 Mandate
En EFTA Committee of Local and Regional Authorities ought to be an advisory body based on the model of EFTA's Consultative Committee and Parliamentary Committee. It should consist of local and regional elected representatives from EFTA's four Member States.

The committee's mandate could be as follows:

- to help boost knowledge, understanding and debate about European issues amongst local and regional elected representatives;
- to aid EFTA's Council and Standing Committee in their work on developing policies and regulations of relevance to the local and regional levels;
- to defend local and regional authorities' interests in EFTA's decision-making processes.

Like the two existing EFTA advisory bodies, an EFTA Committee of Local and Regional Authorities ought to draft statements and draw up reports for EFTA's Council and Standing Committee on issues impacting on the local and regional level or on which its members have specialist knowledge.

If a solid dialogue is to be established between the committee and local and regional assemblies in the EFTA Member States, the committee must be set up in such a way that its agenda, minutes, reports and statements are open and accessible to these stakeholders.

Furthermore, an EFTA Committee of Local and Regional Authorities would constitute a good starting point for cooperation with the EU's Committee of the Regions, within topics such as the rules and regulations governing the internal market, i.e. namely areas where the EEA Agreement has an impact on the everyday activities of local and regional authorities. Discussions and an exchange of experience on how the rules are interpreted and viewed in the various countries concerned would help to generally enhance people's understanding. And in addition to scheduled meetings, it would be important to organise joint seminars on key issues.

Experience of cooperation between EFTA's two existing committees and their cooperation partners in the EU has also shown that it leads to broader knowledge and understanding of the EEA on the part of the EU. One example is the work done by Diana Wallis, chairwoman of the delegation for relations with the EFTA countries, on enhancing knowledge about the EEA in the European Parliament.

2.2 Composition and appointment
The existing EFTA and EEA advisory committees are composed as follows (see also section 3.2):
**EFTA Parliamentary Committee**

The committee, whose members are the four EFTA Member States, was set up in 1977 and has held informal meetings with the European Parliament since 1981. The committee consists of up to 16 representatives from the national parliaments, with a maximum of five from each country.

**EFTA's Parliamentary Committee**

The committee was set up under the EEA Agreement in 1992. Its members are as follows: six from Norway, four from Iceland and two from Liechtenstein. Switzerland can send observers to the meetings (no number has been fixed). In practice, the two parliamentary committees function as a single entity.

**EEA Joint Parliamentary Committee**

This committee consists of 12 votes each from EFTA and the EU. In practice all 20 MPs belonging to EFTA's Parliamentary Committee attend all three sessions, but the list of participants includes a number of 'permanent representatives' and 'observers'.

**EFTA Consultative Committee**

This committee comprises a maximum of six representatives from each of the four EFTA Member States (whereby not all the countries in question fill their quota). The members represent the Social partners in the EFTA countries.

**EEA Consultative Committee**

This committee comprises nine representatives from EFTA and nine from the EU's Economic and Social Committee.

KS recommends that an EFTA Committee of Local and Regional Authorities be set up, comprising the same number of representatives as EFTA's Consultative Committee, i.e. up to six local and/or regional elected representatives from each of the four countries involved.

One way of appointing these representatives would be for the respective national organisations of local and regional authorities in the respective country nominating candidates. The relevant governmental department in each country would then be responsible for making actual, official appointments.

It is important that the candidates should all be representatives elected to either a regional or a local assembly in their home country. Should a representative lose his or her seat as an elected representative back home during the election period for seats on EFTA's Committee of Local and Regional Authorities, they should automatically be replaced. Delegations from each individual country should be representative both geographically and in political terms, with both genders equally represented.

**2.3 Organisation of the work**

Like EFTA's Consultative Committee and Parliamentary Committee, its Committee of Local and Regional Authorities should be convened once every quarter. Meetings with the other EFTA bodies would come on top of this. As practised today, these meetings could be organised in such a way that the committees' meetings are bunched together.

One goal ought to be to develop informal cooperation between an EFTA Committee of Local and Regional Authorities and the CoR.
According to the practice with EFTA’s other two advisory committees, the EFTA Secretariat in Brussels should help the organisation’s Committee of Local and Regional Authorities to discharge its duties and prepare for meetings. As happens with EFTA’s Consultative Committee, the Norwegian Ministry of Foreign Affairs ought to cover the representatives’ travel expenses and accommodation costs incurred in connection with the committee’s meetings.

National organisations for local and regional authorities could also help the representatives with the committee’s work and aid their development of national views on issues that are to be discussed by the committee. Moreover, the organisations in question can help to spread information about the committees’ work. That work ought to be viewed in conjunction with the organisation’s other activities and should initially be covered by the organisation itself.
3. The EEA Agreement, EFTA's structure and Europe's internal market

The EEA Agreement gives the EFTA Member States Iceland, Liechtenstein and Norway access to the EU's internal market. In return, the aforementioned countries undertake to continue incorporating rules adopted by the EU for that internal market into the EEA Member States’ national legislation. That entails joint rules concerning the four fundamental market freedoms (free movement of goods, services, people and capital), joint rules on competition, and cooperation in areas of relevance to the development of the internal market, such as education, environmental protection and social policy.

The EEA Agreement gives national authorities in EFTA Member States limited possibilities for influencing the EU's work on rules governing the internal market. Though barred from taking part in EU decision-making processes, through their involvement in working groups and groups of experts run by the Commission, Norwegian authorities are given an opportunity to influence future regulations at the drafting stage. National authorities also have limited possibilities to adapt EEA rules to their domestic situation when they are incorporated into the country's legislation.

3.1 EFTA and EU interaction

The institutional apparatus set up to handle the EEA Agreement is based on parallel EU and EFTA structures, the so-called 'two-pillar' structure (see the figure in section 1.1). This structure, whereby EFTA's bodies mirror those of the EU, is justified by the EEA Agreement's international status. However, there is now one exception to the parallel nature of their structures: the EU has opted to include the levels of local and regional government in the Member States in its decision-making processes, but these levels are excluded from the EFTA pillar. As a result, the EFTA Member States allow local and regional authorities in the EU to have their say by expressing local and regional interests in the EFTA Member States when the EU consults the CoR in connection with legislation concerning the internal market. Consequently, the balance between the EU and EFTA is skewed.

3.2 Cooperation within the framework of EFTA

EFTA has two advisory bodies; its Parliamentary Committee and Consultative Committee (see the box in section 2.2). These committees issue statements to EFTA's Council of Ministers (ministers from EFTA Member States who are responsible for the EEA Agreement) and EFTA's Standing Committee (EFTA ambassadors to the EU), and are involved, via the EEA, in cooperation with their respective EU counterparts, namely the European Parliament and the Economic and Social Committee, or ECOSOC) respectively. EFTA's advisory bodies also hold regular meetings with each other.

_EFTA's Parliamentary Committee_ (set up in 1977) is a political body comprising representatives from the national parliaments of the EFTA Member States. The committee serves as an arena for political debate and democratic control, and opens up possibilities for contacts between politicians in the EFTA Member States. The committee meets in plenary session four times a year and attends two annual meetings with EFTA's Council and one with EFTA's Consultative Committee. On top of this, the committee meets up twice a year in the EEA's Joint Parliamentary Committee, where it discusses issues of relevance to the internal market with members of the European Parliament (MEPs) and issues statements to the remaining EEA bodies.
The members of EFTA's Parliamentary Committee and the European Parliament are also free to attend each other's meetings.

_EFTA's Consultative Committee_ (set up in 1961) represents the social partners and holds between three and five plenary meetings a year, like the Parliamentary Committee. On top of this come the meetings with the EFTA Council of Ministers, with EFTA's Standing Committee, the ECOSOC within the framework of the EEA's Consultative Committee, and participation in informal consultations with the working groups reporting to EFTA's Standing Committee. The committee also takes initiatives to organise conferences, often in conjunction with the Parliamentary Committee. Through the years, extensive informal cooperation between EFTA's Consultative Committee and the ECOSOC has developed, which is commonly referred to as the OSMOSIS cooperation. Both parties are free to take part in each other's work and have developed a good joint understanding accordingly. This cooperation has proved to be especially useful by contributing towards greater consideration of the EFTA Member States' views in ECOSOC statements. This, in turn, increases the likelihood of the EFTA Member States being heard by EU decision-makers.

EFTA's Parliamentary Committee and Consultative Committee have proved to make a positive contribution when it comes to securing the EFTA Member States' political influence in the EU's efforts to develop the internal market. The committees' cooperation with their EU counterparts guarantees a sound understanding of the EFTA Member States' interests, complementing other EFTA bodies' opportunities for wielding influence. Both committees help to increase openness and involvement in work done by EFTA and/or the EEA and give the respective parties in EFTA Member States a chance to regularly exchange their experiences and views on European policy issues.
4. The EU's Committee of the Regions (CoR) and its role in EU decision-making processes

4.1 Why the CoR was set up
The decision taken in the Maastricht Treaty in 1992 to officially include local and regional authorities in EU decision-making processes is intimately linked to the Single European Act (SEA) of 1986 and the establishment of the EU's internal market. The SEA resulted in local and regional authorities being more strongly affected by the EU, but left them without any official means of influencing EU decision-making processes. As a result, local and regional authorities were quick to demand their say. At the same time, it dawned on the EU that close cooperation with local and regional authorities was necessary not only to enable the social and economic objectives underlying the internal market to be achieved, but also to bolster the EU's democratic legitimacy. All this resulted in the establishment of the CoR, an advisory body for local and regional authorities, in 1992.

4.2 The CoR's mandate
The Maastricht Treaty assigned the CoR a split mandate:

- firstly to assist the Commission and the Council of Ministers in drawing up EU legislation;
- and secondly to serve as a direct link between Brussels and European citizens.

In fulfilling its mandate, the CoR is supposed both to enhance the EU's access to expertise on the shaping of legislation that affects the local and regional levels of government, and to serve as a body representing local and regional authorities, meaning regions, municipalities and local authorities in EU Member States. In this way the CoR is meant to help achieve the aims set out in the Maastricht Treaty of bringing the EU closer to its citizens and making it more inclusive. Thus, the CoR is supposed both to make sure that local and regional interests are taken on board in EU decision-making processes and convey information about the EU to Europe's citizens. In other words, the CoR was not primarily set up to look after EU regional policy issues.

4.3 The CoR's internal organisation
The CoR is structured as an autonomous political body with five annual plenary meetings, which serve as the committee's forum for political debate and an arena for voting. In the wake of the EU's enlargement in January 2007, the committee now comprises 344 representatives, with the breakdown between the Member States being determined by a key based on the size of the respective countries' populations. Amended rules adopted in 2004 governing the weighting of votes under the Treaty of Nice (2001), stipulate that the members of the CoR have to be elected representatives from a local or regional assembly or be politically responsible for such an assembly in their respective home country. This means that at the same time as doing political work in the CoR, the representatives in question are in close touch with developments back home at the local and regional levels. Representatives are nominated by the Member States' national organisations for local and regional authorities before being officially elected by a vote in the Council of Ministers. Their term of office is four years.

CoR representatives are organised into political and national groups, which like to meet up before votes are taken in a plenary meeting. In addition to the plenary meetings the
representatives have one or at the most two seats on one of the CoRs subcommittees. These subcommittees are divided up to cover the areas for which the CoR is politically responsible and they prepare the issues to be discussed and decided on plenary meetings. Since March 2000 annual meetings have been held between the members of the political groups in the CoR and the European Parliament.

4.4 Domains where the CoR has a right to be heard

In keeping with the introduction of the principle of subsidiarity in the Maastricht Treaty, the Council of Ministers and the European Commission have an obligation to hear what the CoR has to say about any draft legislation affecting the local and regional levels of government. Five such domains have been defined:

- economic and social cohesion;
- public health;
- trans-European networks in the transport, energy and telecom sectors;
- education and youth;
- culture.

These areas were joined by five more after the Treaty of Amsterdam in 1997:

- employment policy;
- social policy;
- the environment;
- vocational training;
- transport.

Together these 10 areas of consultation cover most EU legislation. Indeed, local and regional authorities are responsible for implementing some three-quarters of EU regulations. The Treaty of Amsterdam also enabled the European Parliament to call on the CoR as an advisory body, just like the Council of Ministers and European Commission before it.

4.5 The CoR's role and function in EU decision-making

The CoR's most important means of influencing EU decision-making consists of opinions on proposed legislation on which the European Commission, Council of Ministers or European Parliament consult it. In such opinions, the CoR says which items it agrees with in the proposed legislation and where and how it would like to see changes made. The EU's decision-making bodies then decide themselves whether or not to comply with the amendments proposed by the CoR. The CoR can also, on its own initiative, submit reports on domains and issues falling within its remit. These are then sent to the EU's decision-making bodies and give the CoR a chance to influence the EU's agenda.

In 2001 the Commission and the CoR concluded a cooperation agreement aimed at increasing the role played by the CoR's local and regional expertise in the Commission's decision-making processes. That agreement has prompted in closer, more continuous dialogue between the Commission and the CoR, among other things through the issuing of mutual invitations to attend each other's meetings and actual participation. The Commission presents its work programme and an expected plan for those specialist areas where it intends to include the CoR in its work. The Commission can also turn to the CoR to request so-called outlook or impact reports.

Outlook reports are reports that the Commission requests with a view to improving its knowledge of a specialist area so that it can start working on new proposed legislation.
Thus, an outlook report is an in-depth analysis of a domain that the Commission deems important and which the CoR has said it is willing to draw up. Outlook reports entail the CoR being brought into the legislative process early on, and provide a unique opportunity to wield greater political influence. Impact reports are analyses requested by the Commission in order to help it assess how EU legislation has impacted on the situation of local and regional communities. Consequently, they are reports drawn up in the wake of new legislation.

At present, work is being done on establishing closer cooperation between the Council of Ministers and the CoR. One of the proposals made enhances a more systematic, ongoing dialogue between the CoR and the EU Presidency.

4.6 New forms of governance in the EU

In 2001, the EU began work on its 'New European Governance'. Extended political cooperation and the incorporation of 10 new Member States in 2004 prompted a debate about the future of the EU. In summer 2003, the Convention on the Future of Europe (set up in December 2001) submitted a proposal for a new Constitutional Treaty. Starting out from a list of some 50 questions about the EU's future, the Convention drew up a model for a more democratic, efficient EU. The CoR had six seats on the Convention and therefore actively contributed to the work done on drafting the Constitutional Treaty as well as to the work on the EU's New European Governance.

The draft Constitutional Treaty makes the CoR the legal guardian of the principle of subsidiarity. If the Constitutional Treaty is ratified, that role will mean that sub-national levels of government will be entitled to lodge complaints with the European Court of Justice (ECJ) in cases where EU legislation 'steamrollers' local and regional decision-making authorities. This will step up the pressure on the EU's legislative bodies to take on board the CoR's opinions and thereby indirectly help to enhance the CoR's political influence. The CoR's guardian role also implies the legal recognition of sub-national governments' position in the EU's governance structure.

4.7 Network building and exchanging experience

The CoR has developed into an active arena for exchanges of experience and network building by local and regional authorities in the EU. One example of this is the holding of various meetings in connection with the committee's plenary meetings. These meetings involve local and regional actors from the Member States and preferably take the form of exchanges of 'best practice', i.e. where the respective actors present their proposed solutions to political challenges. Representatives from the European Commission and other EU bodies like to attend these meetings, which thus help to teach and foster an exchange of experiences between local and regional actors and to promote local and regional interests vis-à-vis the EU's decision-making bodies.

One special initiative by the CoR is its 'Open Day', a yearly event held in Brussels for local and regional authorities and jointly organised by the CoR, the commissioner responsible for regional policy and European organisations representing local and regional authorities. The European Parliament is also a key partner in this cooperation. The event gives the respective actors a chance to discuss a wide range of issues of central importance to the EU agenda in the light of local and regional considerations. Since these Open Days were launched in 2003, they have been a great success, attracting growing numbers of participants and resulting in larger numbers of meetings. One of the aims of Open Days is to foster broad debate, including outside Brussels. Agreement has been
reached to stage a number of parallel events in the regions and arrange extensive media coverage.

### 4.8 Structured dialogue

In 2003 the European Commission adopted a Communication on structured dialogue between the Commission and local and regional elected representatives, in an initiative aimed at boosting hearings and consultation processes between the EU and local and regional authorities. The CoR plays a coordinating role in dialogue, which is initiated by the Commission prior to the decision-making process at EU level. This dialogue can handle issues at the Europe-wide or cross-sectoral level as well as sectoral issues.

In 2005, sectoral political dialogue meetings were held that covered the following issues:

- climate change in the light of progress towards the implementation of the Kyoto Protocol;
- the future of European maritime policy

Dialogue meetings held in 2006 covered the following areas:

- the new European communication policy and Plan D for Democracy, Dialogue and Debate;
- European policy on education and culture: its contribution to the success of the Lisbon Strategy – the role of regions and cities;
- the role of regional, national and EU budgets in the Economic and Monetary Union (EMU).

Following an assessment of their representativeness, five European umbrella organisations have been entitled to take part in this dialogue:

- The Council of European Municipalities and Regions (CEMR);
- The Conference of Peripheral Maritime Regions of Europe (CPMR);
- Eurocities;
- The Assembly of European Regions (AER);
- The Association of European Border Regions (AEBR).

Norwegian regional and local authorities are represented in all these organisations. In addition to the five aforementioned organisations, smaller organisations dealing with specialist issues can take part in the structured dialogue if they are especially well qualified to do so or if their members are particularly affected by the issue up for discussion. The dialogue meetings represent an opportunity for sub-national levels of government to play an active part in the EU's work on defining policy. They also strengthen the impression of decision-making processes characterised by dialogue and interaction between the levels of administration in the EU.

At a dialogue meeting held in December 2005, where Commission President José Manuel Barroso unveiled the Commission's work programme for 2006, he voiced the wish that local and regional levels should play a more prominent role in expert groups put together by the Commission. He also stressed the importance of an active, ongoing dialogue between the CoR and individual EU commissioners.

The EU has highlighted the regional and local levels of government as particularly important cooperation partners in the EU's efforts to boost employment and competitiveness, enhance social and economic cohesion, fuel public debate and improve the EU's democratic legitimacy.
Norwegian actors’ involvement via European umbrella organisations is important for building up knowledge of European policy that affects local and regional authorities. At the same time, these organisations are good arenas for lobbying work by Norwegian actors. However, having said that, there is also a need for Norway's municipalities to spread their roots further and show stronger commitment with respect to the contents of the EEA Agreement. Having an EFTA Committee of Local and Regional Authorities would help to bring about such a development.

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Afterword

This report by Karine Thorsell Hansen, who has a master's degree in political science from Oslo University, was commissioned by KS Europe and various international projects. It was written between July and October 2006.

Three individuals contacted on the basis of their experience of EFTA's Parliamentary Committee and EFTA's Consultative Committee to contribute towards the drafting of this report were:
- Svein Roald Hansen (Labour Party, Ap) – Norwegian MP and head of the Storting’s delegation to EFTA’s Parliamentary Committee and the EEA’s Joint Parliamentary Committee;
- Morten Høglund (Progress Party, FrP) – MP and former head (and currently deputy member) of the delegation to EFTA's Parliamentary Committee and the EEA's Joint Parliamentary Committee;
- Jon Vea (Confederation of Norwegian Business and Industry, NHO) – chairman of EFTA's Consultative Committee.

The author would like to thank these individuals for their input.
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RESOLUTIONS & RECOMMENDATION

Adopted at the 22nd meeting of the Joint Parliamentary Committee
in Vaduz, 27 April 2004

Resolution on the
Draft annual report on the functioning of the EEA Agreement in 2003
Co-rapporteurs: Mr Morten HØGLUND (Progressive Party, Norway) and
Ms Diana WALLIS (ELDR, United Kingdom)
adopted unanimously

Resolution on
Towards participatory democracy: the role of local and regional authorities in the EU and the EEA
Co-rapporteurs: Ms Erika MANN (PES, Germany) and
Ms Bryndis Hlöðversdóttir (Social Democratic Alliance, Iceland)
adopted unanimously.

Recommendation on the
EU ban of CO gas in the packaging of fresh meat
Draftsman: Mr Morten HØGLUND (Progressive Party, Norway)
adopted unanimously with four abstentions
RESOLUTION

On “Towards participatory democracy:
The role of local and regional authorities in the EU and the EEA”

The Joint Parliamentary Committee of the European Economic Area:

A. In accordance with its task laid out by the EEA Agreement
(Article 95, paragraph 4)

B. Having regard to the EEA Agreement and in particular Articles 95-96

C. Having regard to the Maastricht Treaty (Articles 263-265 EC) of 1991, establishing the EU Committee of the Regions

D. Having regard to the draft Treaty establishing a Constitution for Europe, prepared by the Convention on the Future of Europe

E. Having regard to the European Commission’s work on European Governance

F. Having regard to the Resolution on New Governance of the EU and its implications for the European Economic Area, adopted at the 17th meeting of the Joint Parliamentary Committee of the EEA in Brussels, 16 October 2001

G. Noting the result of the Convention and acknowledging the efforts to increase participatory democracy within the EU

H. Noting that local and regional governments in the EEA are responsible for the implementation and enforcement of a substantial part of EU and EEA legislation

I. Welcoming the increased number of representations for local and regional authorities, both from the EFTA and EU States, in Brussels

J. Regretting the lack of provisions in the EEA Agreement regarding cooperation between local and regional actors at EEA level

1. Calls on the associations of local and regional authorities in the EEA States to take active part in EU policy shaping through European interest organisations for the local and regional levels;

2. calls on the EFTA States to establish an EFTA Committee of the Regions, which would function as an advisory body representing local and regional representatives from the EFTA States;

3. calls for practical solutions in the EEA context to allow for informal cooperation between an EFTA Committee of the Regions and the EU’s Committee of the Regions, and requests the EEA Council to report to the EEA JPC at its next meeting on the possible modalities for such cooperation;

4. urges the EEA EFTA States to take part in the town-twinning scheme under the new Community action programme to promote active European citizenship.
We, the Policy Committee of CEMR:

Recalling the adoption of the European Economic Area Agreement (EEA) in 1992 (in force since 1st January 1994), by all EU Member States and the Member States of the European Free Trade Association (EFTA), creating one homogeneous market (the Single Market), governed by the same basic rules (the Acquis Communautaire),

Recognising the major and growing impact of EU/EEA legislation on local and regional authorities in the EFTA EEA states, and their responsibility for implementation and enforcement of this increasing body of EU/EEA policies and legislation,

Noting that the structures of the EFTA/EEA, which otherwise generally parallel those of the EU, lack an equivalent body reflecting the role and function of the Committee of the Regions (CoR), and representing the democratic local and regional spheres of government in the EFTA countries,

Drawing attention to the increased role of the Committee of the Regions and the growing importance and role of local and regional elected representatives in the EU decision making processes,

Having regard to the European Commission’s White Paper on European Governance (in particular its emphasis on the need to take better account of the local and regional contribution, and on ensuring good quality consultation), and the establishment of a structured dialogue between the EU Commission and local and regional government associations,

Emphasizing the need for the principles of subsidiarity, proportionality and proximity to be better taken into account within the EFTA framework, and in particular in relation to all legislative proposals, and underlining that the subsidiarity principle applies to the local and regional as well as central levels of government,

1. Support the initiatives taken by the Norwegian and Icelandic local and regional government associations to increase the role and participation of local and regional elected representatives in the EEA EFTA decision shaping processes,

2. Encourage and request the relevant governmental and inter-governmental authorities to establish a formal permanent advisory body comprising local and regional elected representatives in the EFTA structure, which would be consulted on all issues and proposals, in particular legislative proposals, that may significantly affect local and regional governments and their citizens

3. Support the development of a dialogue between such an advisory body within the EFTA institutional framework and the EU Committee of the Regions in order to communicate matters of mutual interest.