



Brussels, 5.10.2017
COM(2017) 582 final

ANNEX 1

ANNEX

to the

Proposal for a Council Decision

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

(Union's Preparatory Action on Defence Research)

DECISION OF THE EEA JOINT COMMITTEE No .../2017

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 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 EFTA States in the activities related to this preparatory action and 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, organizations 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 to 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, organizations and nationals of the EU Member States provided that this Decision enters 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 the 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 to 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.../2017 of ... [this Decision] enters into force before the end of the preparatory action.

- (d) Iceland and Liechtenstein shall not participate in this 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 1 January 2017.

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 President*

*The Secretaries
to the EEA Joint Committee*

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

