

EUROPEAN ECONOMIC AREA

FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Ref. 19-1656

NINETEENTH MEETING OF THE FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Hurdal

27 June 2019 13:00 - 18:00

28 June 2019, 9:00 - 13:00

DRAFT AGENDA

Wednesday 26 June

Arrival of some participants

Day 1 – Thursday 27 June

10:00 Pre-meetings at Hurdalsjøen Hotel

11:30 Lunch at Hurdalsjøen Hotel

12:45 Transfer to Hurdal Town Hall, Minneåsvegen 3, Hurdal

13:00 Opening of meeting – Hurdal Town Hall

1. Approval of draft agenda

2. Approval of minutes from the eighteenth meeting of the Forum, Brussels, 6-7 December 2018.

3. Roundtable on current affairs

Current local/regional affairs in Iceland, Norway and Switzerland

4. Recent developments in the EEA

Finn Denstad, Officer - EEA Coordination Division, EFTA Secretariat

5. Ethics guidelines for trustworthy Artificial Intelligence

Presentation by Robindra Prabhu, NAV - Norwegian Labour and Welfare Administration

Viewpoints from members

Presentation by the rapporteur and adoption of opinion

16:00 Coffee/tea and sandwiches

6. Excursion

16:30 Visits to Hurdal Verk and Hurdal Eco Village

18:00 *End of Day 1*

19:00 *Dinner*

Day 2 – Friday 28 June

9:00 *Meeting resumes*

7. Towards a Sustainable Europe by 2030

Presentation by Roger Ryberg, County Mayor Buskerud county, Norway

Viewpoints from members

Presentation by the rapporteur and adoption of opinion

10:15-10:30 *Coffee break*

8. Cooperation with the Committee of the Regions

Report by President Mr Nils Røhne

9. Developments regarding topics discussed by the Forum

Whistle blower directive

Participation by the EFTA States in EU Programmes 2021-2027

10. Election of Chair and Vice-Chair

11. Next meeting

Brussels

12. Any other business

13:00 *Closing of meeting and lunch*

EUROPEAN ECONOMIC AREA

FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Ref. 19-2181

NINETEENTH MEETING OF THE FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Hurdal

27-28 June 2019

Background paper for discussion under Agenda Item 5: **Ethics guidelines for trustworthy Artificial Intelligence.**

INTRODUCTION

Artificial intelligence (AI) is already part of our daily lives. From using a virtual personal assistant to organise our working day, to travelling in a self-driving vehicle, to our phones suggesting songs or restaurants that we might like, AI is a reality.

Beyond making our lives easier, AI is helping us to solve some of the world's biggest challenges: from treating chronic diseases or reducing fatality rates in traffic accidents to fighting climate change or anticipating cybersecurity threats. For example, in Denmark, AI is helping save lives by allowing emergency services to diagnose cardiac arrests based on the sound of a caller's voice and in Austria it is helping radiologists detect tumours more accurately by instantly comparing x-rays with a large amount of other medical data. Many farms across Europe are already using AI to monitor the movement, temperature and feed consumption of their animals. The AI system can then automatically adapt the heating and feeding machinery to help farmers monitor their animals' welfare and to free them up for other tasks.

These are some of the many examples of what we know AI can do across all sectors, from energy to education, from financial services to construction. Countless more examples that cannot be imagined today will emerge over the coming years. Like the steam engine or electricity in the past, AI is transforming our world, our society and our industry. Growth in computing power, availability of data and progress in algorithms have turned AI into one of the most strategic technologies of the 21st century. The stakes could not be higher. The way we approach AI will define the world we live in.

What is artificial intelligence? AI refers to systems that display intelligent behaviour by analysing their environment and taking actions - with some degree of autonomy - to achieve specific goals.

AI based systems can be purely software-based, acting in the virtual world (voice assistants, image analysis, search engines, speech and face recognition) or AI can be embedded in hardware devices (advanced robots, autonomous cars or drones).

We are using AI on a daily basis, e.g. to translate languages, generate subtitles in videos or to block email spam. Many AI technologies require data to improve their performance. Once they perform well, they can help improve and automate decision making. For example, an AI system is trained and then used to spot cyberattacks on the basis of data from the concerned network.

AI will also play a key role in renewing and improving the public sector in Europe. This was for example highlighted by the Norwegian Association of Local and Regional Authorities in its Strategy for Digitalisation in municipalities and counties. The demographic changes necessitate major restructuring. Increased automation of communication and procedures in and between public services, and between public services, citizens and business, can be an important step. The use of welfare technology can alleviate the need for manual assistance to the elderly and the needy and contribute to increased quality of life for the individual.

Technology development and digitalisation is a driving force for how the municipal sector organises, develops and delivers services. The municipal sector must plan for comprehensive and coherent digital services to meet the needs of the citizens and the business community and to be able to utilise digital data in the planning and follow-up of their own services.

A EUROPEAN APPROACH TO ARTIFICIAL INTELLIGENCE

Artificial intelligence has become an area of strategic importance for the EU and a key driver of economic development in Europe. It is bringing forward solutions to many societal challenges from treating diseases to minimising the environmental impact of farming. However, social, economic, legal and ethical impacts must be carefully addressed.

In its Communication from April 2018 the European Commission put forward a European approach to artificial intelligence. The aim is to ensure that Europe is at the forefront of the AI technological revolution and thereby ensure that Europe retains its competitiveness and ability to shape future conditions for AI development and use.

The European Commission approach is based on three pillars:

Pillar 1: Being ahead of technological developments and encouraging uptake by the public and private sectors.

Investment levels for artificial intelligence in the EU are low and fragmented, compared with other parts of the world such as the US and China. The European Commission foresees increased coordination of European investments, leading to higher synergies. This includes 20 billion Euros of public and private investments in AI research and innovation from 2018 until the end of 2020 and more than 20 billion Euros per year from public and private investments over the following decade.

To complement national investments in AI, the European Commission will be investing 1.5 billion Euros by 2020 through Horizon 2020. This is a 70% increase compared to 2014-2017. For the next long-term EU budget (2021-2027) the EU has proposed to invest at least 7 billion Euros in AI through Horizon Europe and the Digital Europe Programme.

This plan also proposes a more joint approach to ensure closer and more efficient cooperation between EU Member States, the EFTA States and the European Commission in four key areas:

- Increasing investment;
- Making more data available;
- Fostering talent;
- Ensuring trust.

Pillar 2: Prepare for socio-economic changes brought about by AI.

To support the efforts of the EU Member States which are responsible for labour and education policies, the European Commission is proposing the following:

- Support business-education partnerships to attract and keep more AI talent in Europe;
- Set up dedicated training and retraining schemes for professionals;
- Foresee changes in the labour market and skills mismatch;
- Support digital skills and competences in science, technology, engineering, mathematics, entrepreneurship and creativity;
- Encourage EU Members States to modernise their education and training systems.

Pillar 3: Ensure an appropriate ethical and legal framework

Some AI applications may raise new ethical and legal questions relating to liability or fairness of decision-making. The EU Data Protection Regulation is considered a major step for building trust in AI technology and the European Commission is preparing the next steps by ensuring the legal and ethical clarity for AI based applications.

One of those steps is the 2019 Ethics Guidelines for Trustworthy Artificial Intelligence prepared by the High-Level Group on Artificial Intelligence and published on 8 April 2019. The European Commission will also develop and make available guidance on the interpretation of the Product Liability Directive.

The European Commission invites all Member States to implement the coordinated plan, including the development of national AI strategies by mid-2019, outlining investment levels and implementation measures.

LEGAL & ETHICAL QUESTIONS IN RELATION TO ARTIFICIAL INTELLIGENCE

An environment of trust and accountability around the development and use of AI is needed. In Europe there is a robust regulatory framework for the rights of our citizens and it is important to build on this when setting up a global standard for a sustainable approach to this new technology.

An important part of a robust European AI regulatory framework is the EU Data Protection Regulation. The aim of the regulation is to ensure a high standard of personal data protection. It also guarantees the free flow of personal data, and it contains provisions on decision-making based solely on automated processing, including profiling. In such cases, data subjects have the right to be provided with information about the logic involved in such

decisions. The regulation also gives individuals the right not to be subject solely to automated decision-making, except in certain situations.

The European Commission has plans to follow the regulation's application in the context of AI and has called on the national data protection authorities and the European Data Protection Board to do the same. The European Commission has also put forward a series of proposals under the Digital Single Market strategy that will be a key enabler for the development of AI, such as the Regulation on the Free Flow of Non-Personal Data, the ePrivacy Regulation and the Cybersecurity Act.

To further strengthen trust, people also need to understand how AI technology works. This is important in order to increase transparency and minimise the risk of bias or error. AI systems need to be developed in a manner which allows people to understand the basis of their actions. Like every technology or tool, AI can be used to positive but also to malicious ends. Whilst AI clearly generates new opportunities, it also poses challenges and risks, for example in the areas of safety and liability, security, bias and discrimination.

Increased use of AI technology raises many ethical questions. This includes issues such as fairness, safety, security, social inclusion and algorithmic transparency. These issues need to be considered in broad terms, including the impact on fundamental rights such as privacy, dignity, consumer protection and non-discrimination.

Safety and liability are an important factor when it comes to the use of AI. The emergence of AI requires a reflection about the suitability of some of the established rules on safety and liability. This is in particular the case with regard to features such as autonomous decision-making. For instance, advanced robots and internet products empowered by AI may act in ways that were not envisaged at the time when the systems were first put into operation. Given AI's already widespread use, both horizontal and sectoral rules will need to be reviewed.

Consumer rights is another area of concern. The large-scale use of AI-enabled tools in business-to-consumer transactions need to be fair, transparent and compliant with consumer legislation. Consumers need to receive clear information on the use, features and properties of AI-enabled products. Individuals need to be able to control the data generated by using these tools and should know whether they are communicating with a machine or another human. This includes informing consumers on how to reach a human if needed, and how to ensure that a system's decisions can be checked or corrected. Also, while there are reasons to be concerned, empowering individuals and consumers to make the most of AI is also essential for European societies.

The European Commission published in April 2019 ethical guidelines in relation to the use of AI technology. According to the guidelines, trustworthy AI should be:

- Lawful - respecting all applicable laws and regulations;
- Ethical - respecting ethical principles and values
- Robust - both from a technical and social perspective.

In addition to this, the guidelines put forward a set of 7 key requirements that AI systems should meet in order to be deemed trustworthy.

Human agency and oversight: AI systems should empower human beings, allowing them to make informed decisions and fostering their fundamental rights. At the same time, proper oversight mechanisms need to be ensured.

Technical robustness and safety: AI systems need to be resilient and secure. They need to be safe, ensuring a fall-back plan in case something goes wrong, as well as being accurate, reliable and reproducible.

Privacy and data governance: Besides ensuring full respect for privacy and data protection, adequate data governance mechanisms must also be ensured, taking into account the quality and integrity of the data, and ensuring legitimised access to data.

Transparency: The data, system and AI business models should be transparent. Moreover, AI systems and their decisions should be explained in a manner adapted to the stakeholder concerned. Humans need to be aware that they are interacting with an AI system, and must be informed of the system's capabilities and limitations.

Diversity, non-discrimination and fairness: Unfair bias must be avoided, as it could have multiple negative implications, from the marginalisation of vulnerable groups, to the exacerbation of prejudice and discrimination.

Societal and environmental wellbeing: AI systems should benefit all human beings, including future generations. It must hence be ensured that they are sustainable and environmentally friendly.

Accountability: Mechanisms should be put in place to ensure responsibility and accountability for AI systems and their outcomes.

The ethical guidelines also consist of a checklist that is intended to operationalize the ethical requirements ("Trustworthy AI Assessment List"). An evaluation of how the guidelines have been received and put into practice will be published in early 2020. This will form the basis for the European Commission's further work in the area.

In parallel to this work, the European Commission is planning to open up a dialogue on ethical issues relating to the use of AI technology with their international partners. The close cooperation that the EFTA countries have with the EU is likely to result in increased discussion on AI related issues within the framework of the EEA Agreement and the bilateral agreements that Switzerland has with the EU.

The Nordic Council of Ministers introduced digitalisation as a new policy area in 2017. The goal is to turn the Nordic/Baltic region into a coherent and integrated digital region. Working together provides benefits for the people, businesses and public sectors of the Nordic and Baltic countries. A Report will be available early autumn 2019, focusing on how Nordic municipalities apply AI, and how AI could interact with good management in the Nordic countries.

DISCUSSIONS ON AI IN ICELAND, NORWAY AND SWITZERLAND

Iceland

In Iceland work on AI related issues is just starting. In February 2019 the Government published a report, *Iceland and the 4th industrial revolution*, where AI is among the main topics. The report investigates how new technology, including AI, will affect our societies and how important it is that the public and private sectors, along with the science community, work together to ensure that this new technology is benefitting us all.

The report highlights that the advancement of AI technology will dramatically change many aspects of Icelandic society. The effects are already being felt in many sectors of the economy where AI technology is already in use. The report stresses that this trend will continue and have even bigger impact as AI technology evolves.

The report also highlights that AI technology will play a key role in renewing and improving the public sector in Iceland. This will also affect how municipalities will be organising and delivering services for their citizens in the coming years. The City of Reykjavik is in the forefront of Icelandic municipalities in adapting to this new reality. For example, as a part of *Smart Cities*, the City of Reykjavik is now preparing for the use of AI technology when calculating financial assistance.

Increased use of AI technology will provide new solutions, new services and new jobs, but it will also drastically change the composition of the work force in Iceland. Based on calculations from the OECD, the report concludes that there is a high probability that almost 30% of the Icelandic labour market will undergo significant changes, or that jobs will disappear due to this new technology. This is a similar result as seen in studies for other Nordic countries. The report also concludes that almost 60% of the labour market in Iceland will undergo some changes due to this new technology, while only 14% will envisage small or no changes.

This underlines that all levels of government must work together, including municipalities, and in close cooperation with the private sector and the science community. The approach needs to be based on fundamental values and rights of our citizens, where education is the key and where it creates sustainable jobs and services for all.

Norway

Norway is engaged in several international fora working with development of strategies and guidelines for AI, among others the EU, OECD and the Nordic Council of Ministers. In April 2018, Norway signed the EC Declaration of Cooperation on AI, together with 24 other European countries, and has participated in the development of the EC Coordinated Plan on Artificial Intelligence. The Government is developing a Strategy for AI to be finalised by the end of the year. The Strategy will include considerations on ethics and privacy.

Norway has also participated in the OECD's development of a recommendation on AI, which is expected to be finalised during spring 2019, cooperation with Estonia "Digital North", and with the Nordic-Baltic cooperation on eGovernment, the Tallin Declaration.

In January 2019 a new Minister for Digitalisation was introduced at the Ministry of Local Government and Modernisation (KMD).

The Government has made previous initiatives on ICT/digitalisation:

- "Digital Agenda for Norway" – White paper (2015-2016) to the Storting – with the purpose to present the Government's policy on how Norway can exploit ICT in the best interests of society.
- The development of a National Digitalisation Strategy for the public sector, to implement the "Digital Agenda", was initiated in 2018.
- A National Strategy for Digital Security was published in January 2019.

Research and development hubs on AI are established. The Telenor-NTNU (the Norwegian University for Science and Technology) AI lab in Trondheim, and House of CAIR (Center for Artificial Research) at the University in Agder (UiA), Grimstad, should be mentioned.

As referred to in the introduction, KS developed a Strategy for Digitalisation in Municipalities and Counties 2017-2020, as a follow-up to the National Digital Agenda, and has established a department for digitalisation, research and innovation in KS.

Switzerland

The Federal Government wants Switzerland to exploit the opportunities of digitalisation to the full. It adopted therefore in September 2018 a "Digital Switzerland" strategy for the next 2 years. The strategy provides the guidelines for government action and indicates where and how authorities, academia, the private sector, civil society and politics must work together in order to shape the transformation process for the benefit of everyone in Switzerland. The implementation activities in relation to the strategy are published in an action plan, updated annually.

The action plan includes a chapter on "Data, digital content and artificial intelligence". According to the Federal Government, basic conditions in these fields "must be shaped in such a way that algorithmic decision-making systems are transparent and verifiable, that responsibilities are regulated and that the systems in use respect the prevailing values and legislation".

Within the framework of the "Digital Switzerland" strategy, a working group on artificial intelligence and support initiatives in relation to *Smart Cities* has been established under the lead of the State Secretariat for Education, Research and Innovation. Its report, expected in the autumn, should list existing measures regarding AI and explain where new ones should be taken if needed. The question of establishing a competence centre for AI within the federal administration will also be looked at in this context.

E U R O P E A N E C O N O M I C A R E A

FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Ref. 19-2180

NINETEENTH MEETING OF THE FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Hurdal

27-28 June 2019

OPINION ON THE ETHICS GUIDELINES FOR TRUSTWORTHY ARTIFICIAL INTELLIGENCE

Rapporteur: Þórdís Lóa Þórhallsdóttir

The EEA EFTA Forum of Local and Regional Authorities:

- A. Having regard to the European Commission Communication from April 2018 on a European approach to Artificial Intelligence;
 - B. Noting the Opinion of the Committee of the Regions from February 2019 on Artificial Intelligence for Europe;
 - C. Noting the Opinion of the European Economic and Social Committee from May 2019 on the Coordinated Plan on Artificial Intelligence;
 - D. Having regard to the European Commission Ethics Guidelines for Trustworthy Artificial Intelligence from April 2019;
 - E. Having regard to the Sustainable Development Agenda 2030 goals in general, and in particular goals 8 and 9, regarding decent work and economic growth, and innovation and infrastructure;
 - F. Noting the reinforced subsidiarity principle set out in the Lisbon Treaty and its explicit reference to the local and regional dimension and self-government;
 - G. Noting the role of the Forum as a body in the EFTA structure;
 - H. Acknowledging the impact of EU legislation on local and regional authorities in the EEA EFTA States through the EEA Agreement;
 - I. Recognising that initiatives from the EU in relation to Artificial Intelligence are likely to impact the way the EEA EFTA States will be addressing the issue;
1. Takes note of the European Commission communication from April 2018 on a European approach to Artificial Intelligence.

2. Welcomes the European Commission Communication, and fully supports a common European approach in order to boost investment, prepare for socio-economic changes, and increase legal certainty in relation to artificial intelligence;
3. Believes that the only way to influence the development of services provided by multinational companies such as Google, Facebook and Amazon is to stand together as a European market;
4. Supports the view of the Committee of the Regions that local and regional authorities should contribute to setting the conditions for artificial intelligence, and that these measures should be coordinated at national and European level in order to empower Europeans to become both producers and consumers of artificial intelligence innovations;
5. Emphasises that the EU's and the EEA's various policy measures and programmes must be better harmonised in order to advance artificial intelligence and calls for a clear vision on this matter;
6. Welcomes the European Commission Ethics Guidelines for Trustworthy Artificial Intelligence and fully agrees that this needs to be considered on broad terms, including the impact on fundamental rights such as privacy, dignity, consumer protection and non-discrimination;
7. Calls on the EEA EFTA States to strengthen their work on artificial intelligence. Whilst artificial intelligence clearly generates new opportunities, it also poses challenges and risks, for example in the areas of safety and liability, security, bias and discrimination;
8. Calls on the EEA EFTA States to take the framework of sustainable development as a guiding approach for future AI developments;
9. Asks the EFTA Secretariat to forward the opinion to the Standing Committee of the EFTA States.

EUROPEAN ECONOMIC AREA

FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Ref. 19-2148

NINETEENTH MEETING OF THE FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Hurdal

27-28 June 2019

Background paper for discussion under Agenda Item 7: **European Commission's Reflection Paper Towards a Sustainable Europe by 2030.**

INTRODUCTION

In a United Nations (UN) summit in 2015, 193 heads of states and governments adopted Agenda 2030 with 17 Sustainable Development Goals. The countries thereby committed to implementing the goals, and their additional 169 sub-goals, by 2030. The aim, to make the world more environmentally, socially and economically sustainable. Although not a UN member, the European Union has, on behalf of the EU Member States, taken the lead in preparing and implementing the EU 2030 Agenda for Sustainable Development (Agenda 2030).



In 2017 the European Commission initiated a process to devise a roadmap towards a more united, democratic and stronger union entitled Future of Europe¹. The European Council, in its informal meeting in Sibiu on 9 May 2019, renewed the union's commitment to work with issues of particular interest and concern to European citizens. Following the EU's commitment to the SDGs, the roadmap builds on six reflection papers in strategic areas, including a sustainable future for Europe². This process was open and inclusive with wide citizens' participation.

THE EUROPEAN COMMISSION'S PROPOSAL

Work to implement Agenda 2030 can only benefit from the commitment and leadership of a major actor such as the European Union.

Not a signatory to Agenda 2030 in its own right, the EU only commits its member states in policy areas common to all EU Member States. Climate change mitigation and adaptation; transitioning to low emission societies; trade, growth and just competition; social security and citizens' rights; are key common policy areas when addressing environmental, social and economic sustainability.

In the European Commission Reflection Paper Towards a Sustainable Europe by 2030, the EU acknowledges the advantage of a multi-level governance, based on the principles of subsidiarity and autonomy, as a requirement for a successful delivery of the SDGs. The EU also acknowledges that municipalities and regions can make substantial contributions to Agenda 2030.

When it comes to Agenda 2030, the European Commission promotes a holistic approach by analysing tasks from different angles. It scrutinises how all EU policy areas can contribute to SDG attainment. Furthermore, it establishes why the SDGs are of importance to Member States, to the EU and to the world and assesses the efficiency of current policies. A reflection of gaps in current policies; possible need for a shift in emphasise; and complementing action for more efficient SDG implementation, is on the other hand not included.

Sustainable Development Goal 8 on Decent Work and Economic Growth will determine how the EU will conclude future trade agreements with third countries.

EU will also need to decide which of the following strategic implementation models to pursue:

- Joint and shared EU and Member State action;
- Inclusion of SDG relevance and consequence in all EU policy without mandatory implementation in areas of national competency;
- Limit EU action to efforts supporting SDG implementation in partner countries.

¹ https://ec.europa.eu/commission/future-europe_en

² https://ec.europa.eu/commission/future-europe/white-paper-future-europe-and-way-forward_en

RELEVANCE FOR THE EEA EFTA STATES

The Sustainable Development Goals offer a three-dimensional (environment, society and economy) framework for any policy area. In its Reflection Paper, the European Commission links all its policies to the 17 SDGs offering comprehensive causality between policy areas, thus demonstrating interconnectivity between them.

Because of the EEA Agreement, EU policy impacts the agenda setting and the decisions made at local and regional level in the EFTA States. What and how the EU chooses will predetermine local and regional governments' room for action. Thinking and directions suggested in the European Commission Reflection Paper will find their way into new policy, future directives and the next EU programme cycle. A clear understanding of choices and priorities opens for meaningful participation in work leading up to decision in European institutions, when enacting corresponding legislation in the EEA States and when implementing new regulations.

Many challenge preconditions for SDG attainment, such as rule based international cooperation; global trade; trust in public institutions and democracy. Local and regional political leaders can contribute to clarifying how global considerations affect local choices and how current preferences precondition the life style of future generations. The European Commission Reflection Paper helps understand how to communicate such complex issues.

REACTION TO THE PROPOSAL

All EEA States have committed to promote national implementation of the Sustainable Development Goals. National efforts can only benefit from the commitment and leadership of a major actor like the European Union, itself not a signatory to Agenda 2030 in its own right.

The EU emphasises partnership as a precondition for success and acknowledges the advantages of a multi-level governance, based on the principles of subsidiarity and autonomy, as a requirement for successful delivery of the SDGs.

The Sustainable Development Goals offers a three-dimensional (environment, society and economy) framework for any policy area. The European Commission, in its Reflection Paper, offers comprehensible causality between policy areas thus demonstrating interconnectivity between them. It helps understand how to communicate such complex issues.

A reflection of gaps in current policies; possible need for a shift in emphasis; and complementing action for more efficient SDG implementation, is not included in the Reflection Paper which is limited to assessing SDG relevance and achievement of policy implemented by the current European Commission.

Achievements are assessed according to level of government (international; EU wide; Member States; regions and municipalities) and interaction with stakeholders from business

and civil society. Few EEA States demonstrate the importance of multi-level governance when assessing progress and reporting on SDG implementation. In its Reflection Paper the European Commission highlights the role and task of local and regional governments in implementing Agenda 2030.

The European Political Strategy Centre, in its publication “Europe’s Sustainability Puzzle”³, suggests moving the debate from “business as usual” to “opportunities ahead”. The report identifies seven major areas where the EU may use the SDGs as a tool for profound economic and social transformation:

- Decouple growth from fossil fuel dependency, carbon emission, growing inequality and unsustainable use of resources;
- Transition towards a climate-compatible sustainable economy considering associated socio-economic cost;
- Reinventing the social contract to accommodate new and often precarious work forms;
- Reforming pensions to reduce the burden of a greying European population with safeguarding income through transforming tax systems from tax on labour to tax on capital;
- Curbing outsourcing of unsustainable practice to poor countries with a shift to consumer-based accounting of pollution;
- Creating acceptable incitements for sustainable personal consumption choices; and
- Preventing innovation from drive obsolescence acceleration.

For each area, the report explores policy responses needed from the local level to the national and EU level and beyond. It argues the need for consistent leadership and oversight at the EU level for the desired transformation to happen.

The European Committee of the Regions has opened a consultation in order to outline recommendations on how to integrate the SDGs into the future work of the EU transition:

- From linear to circular economy;
- Sustainability from farm to fork;
- Future-proof energy, building and mobility;
- Ensuring a socially fair transition.

³ https://ec.europa.eu/epsc/publications/other-publications/europes-sustainability-puzzle_en

DISCUSSIONS ON THE SDGS IN ICELAND, NORWAY AND SWITZERLAND

Iceland

Iceland is committed to the implementation of the SDGs. In June 2018 the Icelandic government published its SDG implementation plan, which prioritises 65 of the 169 sub-goals.

Implementation of the Icelandic SDG plan is the responsibility of an inter-ministerial working group led by the Prime Minister's Office. The working group includes representatives from all ministries, as well as Statistics Iceland and the Icelandic Association of Local Authorities. Representatives from the Icelandic Youth Council and the Icelandic UN Association participate as observers.

The main task of the working group is to analyse the work on the SDGs in Iceland and prepare progress reports to the government with recommendations on the prioritisation of targets and future procedures to implement the SDGs goals. The working group also supervises the promotion of the SDGs in Iceland.

Iceland has no SDG implementation plan specifically directed towards municipalities, but several municipalities are taking steps towards including the SDGs in their work programmes. In February 2019 the Icelandic Association of Local Authorities organised a workshop on the SDGs and the role of municipalities when it comes to their implementation. Following that, several municipalities are now mapping which SDGs are a priority for them and looking into how to implement them, how to set up SDG targets and how to measure progress. The Icelandic Association of Local Authorities is now establishing a working group where interested municipalities can work together on the preparation and implementation of the SDGs at a local level. The first meeting of the working group takes place in June 2019.

Norway

Norway is committed to implementing the SDGs. There is no national implementation plan. Implementation, however, links to the annual budget cycle with yearly reporting to parliament. The Government has opted for line ministries coordinating attainment of individual goals of relevance to own sector with no central coordination body.

Norwegian local and regional authorities must in conformity with the Local Government Act and the Building and Planning Act promote sustainability. The Government, moreover, expects the 17 SDGs to be central to all regional and local planning thus encouraging local and regional governments to take part in national SDG implementation.

An Asplan Viak report (KS FoU Prosjekt 1840111) on goals in mandatory municipal and county council planning requirements indicates that documents adopted after 2015 tend to promote the SDGs: as a basis of planning; as important focus areas; or indicate where plans address individual SDG.

The Norwegian Institute of Urban and Regional Research (NIBR), moreover, documents (NIBR 2015:19) that approximately half of agenda items in municipal or county council meetings are directly determined by Norway's attachment to the EU via the EEA Agreement.

Agenda 2030 is thus important both in national policy and in interaction between Norway and the EU. The EU, moreover, underlines relevance and importance of local and regional action for SDG attainment. Surveys show a large number of Norwegian municipalities and county councils are responding to the SDG and find them helpful in devising future action. KS is exploring how best to sign off members' requirement for support and tools in order to fully take part in implementation of SDGs of high local relevance.

Of particular interest is the space given to sustainable development in the updated and restructured programme offering training to all local and regional councillors following 9 September 2019 local elections. Local and regional political leaders can contribute to clarifying how global considerations impact on local choices and how current preferences precondition the life style of future generations thus upholding trust and a vibrant democracy.

Switzerland

Switzerland has been a driving force behind the 2030 Agenda and its 17 SDGs from the outset. Immediately after its adoption in 2015, the Federal Government commissioned a comprehensive baseline assessment and gap analysis of the implementation status at federal level. The analysis concerned all 169 targets and covered both Switzerland's domestic and international contributions.

The national-level system of monitoring existing since 1997 was expanded for the 2030 Agenda. The gap analysis indicates that, among the chosen 85 indicators, 39 show a positive trend, 12 show no significant evolution, 14 show a negative trend, while for 20 no assessment was possible.

However, the baseline assessment identifies areas where efforts at national and international level beyond existing policies are needed in order to achieve the SDGs. Consumption of natural resources (SDG 12), for example, is increasing overall. Use of resources from within Switzerland for consumption by its population is decreasing but use of resources from abroad is increasing in an unsustainable way.

The analysis provides a good starting point for tackling the challenges in a targeted and focused manner. They will mainly be addressed within the framework of existing sectoral policies which exploit synergies where possible, observing the principles of effectiveness and efficiency, both nationally and internationally.

The 2030 Agenda is implemented at federal, cantonal and communal levels. Many cantons and municipalities have defined their own strategies for sustainable development. The Canton of Jura, for example, is aiming in the long term towards independence of energy supply. To achieve this goal, the Government is targeting a policy based on the phasing out of nuclear power and a maximal energy autonomy. This policy is based on a Cantonal Planning for

Energy. Its objectives are a supply autonomy of 65 % for electricity as well as 65 % for heat energy by 2035. This implies a reduction of roughly 30 % of present consumption. Energy savings should be realized mainly through improving performance of buildings and efficiency in the industrial sector. Local production of energy will be improved by exploiting wind and solar resources, cogeneration from renewable sources, extraction from shallow and deep ground geothermal energy and harvesting of the forest resource.

Switzerland's private sector, NGOs and scientific community have also been committed to sustainable development for a long time. An advisory group composed of interested non-state actors has identified what it considers to be the country's priority challenges. It provides a platform for further dialogue with the Federal Government and for partnerships for implementing the 2030 Agenda.

Switzerland continues to support the follow-up and review process of the 2030 Agenda, which has become an important element of its strategic cycle on sustainable development. To effectively address the challenges and opportunities, the Federal Government has set up a 2030 Agenda steering committee in December 2018. Its tasks include monitoring the SDGs, preparing the national report to the UN, setting priorities and national targets, coordinating appropriate measures and cooperating with the cantons, municipalities and non-state actors. Two delegates have been nominated this spring to coordinate the operational aspects of the efforts. They must report annually on the implementation of the 2030 Agenda. Their first report is due in January 2020.

At national level, the 2030 Agenda will in future be implemented primarily through Switzerland's Sustainable Development Strategy (SDS). This will be realigned to cover the period 2020–2030 to ensure longer-term planning security and continuity. The SDS Action Plan will continue to be updated along with the new legislative programme every four years.

EUROPEAN ECONOMIC AREA

FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Ref. 19-2149

NINETEENTH MEETING OF THE FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Hurdal

27-28 June 2019

OPINION ON THE EUROPEAN COMMISSION'S REFLECTION PAPER ON A SUSTAINABLE EUROPE BY 2030

Rapporteur: Runar Bålsrud

The EEA EFTA Forum on Local and Regional Authorities:

- A. Having regard to the European Commission's Reflection Paper Towards a Sustainable Europe by 2030;
 - B. Noting that an important purpose of the Reflection Paper is to inspire a roadmap towards a more united, stronger and more democratic union;
 - C. Noting that the European Council, in its informal meeting in Sibiu on 9 May 2019, renewed the union's commitment to work with issues of particular interest and concern to European citizens;
 - D. Acknowledging the need for consistent leadership and oversight when confronting transformative risks as argued by the European Political Strategy Centre in its report "Europe's Sustainability Puzzle";
 - E. Noting the ongoing work on an opinion on the European Commission's Reflection Paper Towards a Sustainable Europe by 2030 by the European Committee of the Regions;
 - F. Noting the global commitment to the Sustainable Development Goals;
 - G. Noting the reinforced subsidiarity principle set out in the Lisbon Treaty and its explicit reference to local and regional dimension and self-government;
 - H. Noting the role of the Forum as a body in the EFTA structure;
1. Acknowledge that implementing Agenda 2030 needs the commitment and leadership of a major actor such as the European Union;
 2. Welcomes the EU's support for multi-level governance based on the principles of subsidiarity and autonomy when delivering on the Sustainable Development Goals;

3. Underlines that the European Commission offers comprehensive causality between policy areas in a three-dimensional (environment, society and economy) framework;
4. Emphasises that this approach is helpful for municipalities and regions when fulfilling their obligations to their citizens;
5. Understands that the Reflection Paper is limited to assessing the SDG's relevance and achievement of the policy implemented by the current Commission;
6. Recognises the lack of discussion of gaps in current policy; possible need for a shift in emphasis; and requirements for complementing action for more efficient SDG implementation;
7. Understands the importance of the Reflection Paper for future trade agreements;
8. Takes note of risks when leading and overseeing transformation of society;
9. Understands the crucial role of local governments as regulators and providers of public good in making bold transformative choices;
10. Calls on the EEA EFTA States to encourage joint and shared EEA and EFTA action for the SDGs;
11. Calls on the EFTA States to facilitate and promote local and regional action for the SDGs with due local and regional inclusion when reporting achievements;
12. Understands the importance of SDG concerns in new EU policy and new programmes as well as in future trade relations;
13. Encourages the EFTA States to consult with local and regional governments on SDGs when assessing EEA relevance, integrating EU directives and implementing EEA policy;
14. Appreciates the opportunity to use the Reflection Paper when local and regional political leaders clarify how global considerations impact on local choices and how current preferences precondition the lifestyle of future generations;
15. Asks the EFTA Secretariat to forward the opinion to the Standing Committee of the EFTA States.

EUROPEAN ECONOMIC AREA

FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Restricted

Ref. 19-2228

NINETEENTH MEETING OF THE FORUM OF LOCAL AND REGIONAL AUTHORITIES OF THE EEA EFTA STATES

Hurdal, Norway

27 – 28 June 2019

DRAFT LIST OF PARTICIPANTS

ICELAND

Elected representatives

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| Ms Rakel ÓSKARSDÓTTIR (Vice-Chair) | Councillor, Akraneskaupstaður Town Council,
Member of the board of the Icelandic Association of
Local Authorities |
| Ms Þórdís Lóa ÞÓRHALLSDÓTTIR | Deputy Mayor, Reykjavíkurborg, Member of the
board of the Icelandic Association of Local
Authorities |
| Ms Rósa GUÐBJARTSDÓTTIR | Mayor, Hafnarfjarðarbær, President of the Regional
Municipal Federation of the Capital Area |
| Mr Eggert KJARTANSSON | President, Eyja- og Miklaholtshreppur Municipal
Council, President of the Regional Municipal
Federation of Western Iceland |
| Mr Sigurður HREINSSON | Councillor, Ísafjarðarbær, Vice-President of the
Regional Municipal Federation of the Westfjords |
| Mr Þorleifur Karl EGGERTSSON | President, Húnaþing vestra Municipal Council,
President of the Regional Municipal Federation of
North West Iceland |

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| Ms Anna Guðrún BJÖRNSDÓTTIR | Director, Icelandic Association of Local Authorities |
| Mr Óttar F. GÍSLASON | Head of Brussels Office, Icelandic Association of
Local Authorities |

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NORWAY

Elected representatives

Ms Hilde ONARHEIM	Member, Bergen City Council, Norwegian Association of Local and Regional Authorities
Mr Jon ASKELAND	Mayor, Radøy Municipality, Norwegian Association of Local and Regional Authorities
Mr Runar BÅLSRUD	Mayor, Hurdal Municipality, Norwegian Association of Local and Regional Authorities
Mr Nils A. RØHNE (Chair)	Mayor, Stange Municipality, Norwegian Association of Local and Regional Authorities
Ms Isabelle-Louise AABEL	Member, Kristiansand City Council, Norwegian Association of Local and Regional Authorities

Mr Frode M. LINDTVEDT	Director, Department of Local Democracy, European Politics and International Affairs, Norwegian Association of Local and Regional Authorities
Ms Åse ERDAL	Director, KS Brussels Office, Norwegian Association of Local and Regional Authorities
Mr Bjørn RONGEVÆR	Senior Adviser, Norwegian Association of Local and Regional Authorities

SWITZERLAND

Elected representative – observer

Mr David ERAY	Minister of the Environment, Canton of Jura, Swiss Cantons
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Mr Roland KRIMM	Representative of the Swiss Cantons, Mission of Switzerland to the European Union
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SPEAKERS

Mr Finn DENSTAD	Officer, EFTA Secretariat
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Mr Robindra PRABHU

Data Scientist, Norwegian Labour and Welfare
Administration

Ms Roger RYBERG

Mayor, Buskerud County

OBSERVERS

Mr Odd GODAL

Counsellor for Regional and Local Affairs, Mission
of Norway to the European Union

