

5. The safeguard measures taken shall be the subject of consultations in the EEA Joint Committee every three months from the date of their adoption with a view to their abolition before the date of expiry envisaged, or to the limitation of their scope of application.

Each Contracting Party may at any time request the EEA Joint Committee to review such measures.

Article 114

1. If a safeguard measure taken by a Contracting Party creates an imbalance between the rights and obligations under this Agreement, any other Contracting Party may towards that Contracting Party take such proportionate rebalancing measures as are strictly necessary to remedy the imbalance. Priority shall be given to such measures as will least disturb the functioning of the EEA.

2. The procedure under Article 113 shall apply.

PART VIII

FINANCIAL MECHANISM

Article 115

With a view to promoting a continuous and balanced strengthening of trade and economic relations between the Contracting Parties, as provided for in Article 1, the Contracting Parties agree on the need to reduce the economic and social disparities between their regions. They note in this regard the relevant provisions set out elsewhere in this Agreement and its related Protocols, including certain of the arrangements regarding agriculture and fisheries.

Article 116

A Financial Mechanism shall be established by the EFTA States to contribute, in the context of the EEA and in addition to the efforts already deployed by the Community in this regard, to the objectives laid down in Article 115.

Article 117

Provisions governing the Financial Mechanism are set out in Protocol 38.

PART IX

GENERAL AND FINAL PROVISIONS

Article 118

1. Where a Contracting Party considers that it would be useful in the interests of all the Contracting Parties to develop the relations established by this Agreement by extending them to fields not covered thereby, it shall submit a reasoned request to the other Contracting Parties within the EEA Council. The latter may instruct the EEA Joint Committee to examine all the aspects of this request and to issue a report.

The EEA Council may, where appropriate, take the political decisions with a view to opening negotiations between the Contracting Parties.

2. The agreements resulting from the negotiations referred to in paragraph 1 will be subject to ratification or approval by the Contracting Parties in accordance with their own procedures.

Article 119

The Annexes and the acts referred to therein as adapted for the purposes of this Agreement as well as the Protocols shall form an integral part of this Agreement.

Article 120

Unless otherwise provided in this Agreement and in particular in Protocols 41 and 43, the application of the provisions of this Agreement shall prevail over provisions in existing bilateral or multilateral agreements binding the European Economic Community, on the one hand, and one or more EFTA States, on the other, to the extent that the same subject matter is governed by this Agreement.⁶

Article 121

The provisions of this Agreement shall not preclude cooperation :

(a) within the framework of the Nordic cooperation to the extent that such cooperation does not impair the good functioning of this Agreement;

(b) within the framework of the regional union between Switzerland and Liechtenstein to the extent that the objectives of this union are not attained by the application of this Agreement and the good functioning of this Agreement is not impaired;

(c) within the framework of cooperation between Austria and Italy concerning Tyrol, Vorarlberg and Trentino –South Tyrol/Alto Adige, to the extent that such cooperation does not impair the good functioning of this Agreement.

Article 122

The representatives, delegates and experts of the Contracting Parties, as well as officials and other servants acting under this Agreement shall be required, even after their duties have ceased, not to disclose information of the kind covered by the obligation of professional secrecy, in particular information about undertakings, their business relations or their cost components.

Article 123

Nothing in this Agreement shall prevent a Contracting Party from taking any measures:

(a) which it considers necessary to prevent the disclosure of information contrary to its essential security interests;

(b) which relate to the production of, or trade in, arms, munitions and war materials or other products indispensable for defence purposes or to research, development or production indispensable for defence purposes, provided that such measures do not impair the conditions of competition in respect of products not intended for specifically military purposes;

(c) which it considers essential to its own security in the event of serious internal disturbances affecting the maintenance of law and order, in time of war or serious international tension constituting threat of war or in order to carry out obligations it has accepted for the purpose of maintaining peace and international security.

Article 124

The Contracting Parties shall accord nationals of EC Member States and EFTA States the same treatment as their own nationals as regards participation in the capital of companies or firms within the meaning of Article 34, without prejudice to the application of the other provisions of this Agreement.

Article 125

This Agreement shall in no way prejudice the rules of the Contracting Parties governing the system of property ownership.

Article 126

1. The Agreement shall apply to the territories to which the Treaty establishing the European Economic Community and the Treaty establishing the European Coal and Steel Community is applied and under the conditions laid down in those Treaties, and to the territories of the Republic of Austria, the Republic of Finland, the Republic of Iceland, the Principality of Liechtenstein, the Kingdom of Norway and the Kingdom of Sweden.⁷

2. Notwithstanding paragraph 1, this Agreement shall not apply to the Åland Islands. The Government of Finland may, however, give notice, by a declaration deposited when ratifying this Agreement with the Depositary, which shall transmit a certified copy thereof to the Contracting Parties, that the Agreement shall apply to those Islands under the same conditions as it applies to other parts of Finland subject to the following provisions :

(a) The provisions of this Agreement shall not preclude the application of the provisions in force at any given time on the Åland Islands on :

(i) restrictions on the right for natural persons who do not enjoy regional citizenship in Åland, and for legal persons, to acquire and hold real property on the Åland Islands without permission by the competent authorities of the Islands;

(ii) restrictions on the right of establishment and the right to provide services by natural persons who do not enjoy regional citizenship in Åland, or by any legal person, without permission by the competent authorities of the Åland Islands.

(b) The rights enjoyed by Ålanders in Finland shall not be affected by this Agreement.

(c) The authorities of the Åland Islands shall apply the same treatment to all natural and legal persons of the Contracting Parties.

Article 127

Each Contracting Party may withdraw from this Agreement provided it gives at least twelve months' notice in writing to the other Contracting Parties.

Immediately after the notification of the intended withdrawal, the other Contracting Parties shall convene a diplomatic conference in order to envisage the necessary modifications to bring to the Agreement.

Article 128

1. Any European State becoming a member of the Community shall, and the Swiss Confederation or any European State becoming a member of EFTA may, apply to become a party to this Agreement. It shall address its application to the EEA Council.⁸

2. The terms and conditions for such participation shall be the subject of an agreement between the Contracting Parties and the applicant State. That agreement shall be submitted for ratification or approval by all Contracting Parties in accordance with their own procedures.

Article 129

1. This Agreement is drawn up in a single original in the Danish, Dutch, English, Finnish, French, German, Greek, Icelandic, Italian, Norwegian, Portuguese, Spanish and Swedish languages, each of these texts being equally authentic.

The texts of the acts referred to in the Annexes are equally authentic in Danish, Dutch, English, French, German, Greek, Italian, Portuguese and Spanish as published in the Official Journal of the European Communities and shall for the authentication thereof be drawn up in the Finnish, Icelandic, Norwegian and Swedish languages.

2. This Agreement shall be ratified or approved by the Contracting Parties in accordance with their respective constitutional requirements.

It shall be deposited with the General Secretariat of the Council of the European Communities by which certified copies shall be transmitted to all other Contracting Parties.

The instruments of ratification or approval shall be deposited with the General Secretariat of the Council of the European Communities which shall notify all other Contracting Parties.

3. This Agreement shall enter into force on the date and under the conditions provided for in the Protocol Adjusting the Agreement on the European Economic Area.⁹

IN WITNESS WHEREOF the undersigned Plenipotentiaries have signed this Agreement.

DONE at Oporto on the second day of May in the year one thousand nine hundred and ninety-two.
