

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

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1 Annex

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EEA JOINT PARLIAMENTARY COMMITTEE

REPORT

on

The resolutions of the EEA JPC 1995-1999

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LIST OF CONTENTS

I	Introduction	p. 3
II	Institutional Background	p. 4
III	The nature and outcome of the EEA JPC Resolutions	p. 5
IV	An overview of type of resolutions by category	p. 12
V	An overview of institutions/bodies to which requests were directed	p. 13
VI	An assessment of the work carried out by the EEA JPC	p. 13
	Resolution	p. 16

I INTRODUCTION

1. The objective of the European Economic Area (EEA) Agreement is to create a single market in Europe consisting of 380 million citizens. Since the withdrawal from EFTA and the accession to the EU (on 1 January 1995) of Austria, Finland, and Sweden, the EEA now comprises the 15 EU Member States and remaining EFTA States Iceland, Liechtenstein¹ and Norway.

2. The main objective of the EEA Agreement is to boost the competitive position of the countries engaged under the agreement by removing barriers to the free movement of goods, persons, services, and capital, and thus to increase prosperity in the area. The EEA EFTA States also take part in a wide range of programmes and co-operative activities with the EU, forging links and establishing further relationships with partners in EU countries.

3. The task of the EEA Joint Parliamentary Committee (EEA JPC) is to contribute, through dialogue and debate, to a better understanding between the Community and the EFTA States in the fields covered by the EEA Agreement.

4. In order to ensure democratic parliamentary control, the President of the EEA Council, as well as the representatives of the EEA Joint Committee, are invited to participate actively in the work of the EEA JPC. The Bureau may invite any other person to attend meetings of the JPC.

5. All EC legislation applying to the EEA, as well as its implementation shall be subject to scrutiny by the EEA JPC and members of the EEA JPC have the right to put oral and written questions to the representatives of the EEA Council and the EEA Joint Committee.

6. The EEA JPC expresses views in the form of reports or resolutions, as appropriate. It shall, in particular, examine the Annual Report of the EEA Joint Committee, issued in accordance with Article 94(4) of the EEA Agreement, on the functioning and the development of the Agreement.

7. The aim of this report is to give an overview of status of JPC resolutions during the past five years, i.e. from 1 January 1995, after the accession of Sweden, Finland and Austria to the European Union. Although the JPC was set up in 1994, the rapporteurs have chosen to concentrate on the resolutions adopted by the current member states of EU and EEA-EFTA. The overview will focus on the nature of the resolutions and present developments answering to direct requests or recommendations made by the JPC.

¹

Liechtenstein joined the EEA on 1 May 1995 after resolving outstanding issues related to its custom union with Switzerland.

II INSTITUTIONAL BACKGROUND

8. From 1981 until the establishment of the EEA JPC, regular meetings took place between the European Parliament and the Committee of members of parliament of the EFTA countries.

9. In the late '80s, as moves towards the creation of the European Economic Area gained impetus, the European Parliament decided to reinforce its bilateral links with the parliaments of the EFTA countries by setting up individual bilateral delegations for relations with each of these. This tendency was reinforced by the successive decisions by Austria, Sweden, Finland and Norway, to apply for EC membership, with the subsequent upgrading of parliamentary relations with these countries to joint parliamentary committees.

10. The Agreement on the European Economic Area (EEA) was signed in Oporto on 2 May 1992, the European Parliament giving its assent² on 28 October 1992. The Agreement was then amended to take account of the Swiss decision³ not to enter the EEA, the Adjusting Protocols being signed in Brussels on 17 March 1993. The Agreement entered into force on 1 January 1994.

11. Under article 95 of the Agreement, an EEA Joint Parliamentary Committee was established, details of which were set out in Protocol 36 to the Agreement. The constituent meeting of the EEA JPC took place in Brussels on 24-25 January 1994, and was opened by EP President Egon Klepsch and Ms Kirsti Kolle Grøndahl, Speaker of Parliament, Stortinget. At this meeting, the EEA JPC adopted its Rules of Procedure⁴. The constituent meeting had been preceded by a "special meeting" of MEPs and EFTA MPs in Bergen in June 1993 to prepare for the setting-up of the EEA JPC.

12. The chairmanship of the EEA JPC rotates on a yearly basis between the EP and EFTA sides: The EEA JPC was chaired from 1993 - 1995 by Gary Titley (PSE - U.K.), and from March 1996 by Olli Rehn (ELDR - FIN).; the EP chaired the JPC in 1994 and 1996. In 1997 the EEA JPC was chaired by Vilhjálmur Egilsson (Independence Party - Iceland); in 1998 Sören Wibe (PSE - Sweden) held the chairmanship and currently Haakon Blankenborg (Labour - Norway) is chairing the JPC.

Subsequent EEA JPC meetings have taken place as follows:

2nd meeting : Helsinki, 26 - 27 April 1994

3rd meeting : Brussels, 13 October 1994

4th meeting : Brussels, 29 May 1995

² Voting 384, **in favour 351**, against 16, abstentions 17.

³ In a referendum on 6 December 1992, Switzerland decided, by double majority of population and cantons, not to join the EEA.

⁴ At its 6th meeting, the JPC adopted amendments to the Rules of Procedure designed to take account of established practice (see PE 218.364).

- 5th meeting : Triesenberg (FL), 20 November 1995
- 6th meeting : Akureyri (IS), 3 June 1996
- 7th meeting : Brussels, 7 October 1996
- 8th meeting: Oslo, 14 April 1997
- 9th meeting: Brussels, 27 - 28 October 1997
- 10th meeting: Vaduz, 25 - 26 May 1998
- 11th meeting: Luxembourg, 23 - 24 November 1998
- 12th meeting: Keflavik, 16 March 1999

13. Originally established as a 66-member body (33 MEPs and 33 EFTA MPs), it was agreed by mutual consent following the accession to the EU in January 1995 of Austria, Finland, and Sweden, to reduce the number of delegates to 24 members each, 12 from each side⁵. This change took effect with the 4th JPC meeting (Brussels, 29 May 1995).

14. At each meeting, the JPC has had discussions with representatives of the EEA Council of Ministers, the EEA Joint Committee, and the EFTA Surveillance Authority (ESA).

III THE NATURE AND OUTCOME OF THE EEA JPC RESOLUTIONS

15. Between 1995 and 1999 i.e. between the 4th and the 12th meeting, the JPC adopted 23 resolutions. Each resolution contains between 5 and 23 recommendations. Given the mandate of the JPC which is to contribute to a better understanding between the Community and the EFTA States, to ensure democratic parliamentary control and to scrutinise EC legislation applying to the EEA, the recommendations can be classified into three different categories. Each category corresponds to a specific "function" executed by the JPC, but is often overlapping. The categories are overlapping as the resolution both draws attention to a development or fact, while indirectly calling for an action. The categories can be classified as one of:

- 1) **Support** where the JPC contributes to and promotes a better understanding between the Community and the EFTA States
- 2) **Control** where the JPC ensures democratic parliamentary control and puts the implementation of the transposition of EC legislation into the EEA Agreement under scrutiny
- 3) **Direct request** where it is within the scope of the JPC to make requests/recommendations and to influence policy makers and institutions in a direct manner, thus going beyond mere control functions.

⁵

On 16 March 1995, the European Parliament took a decision setting-up a 12-member delegation to the EEA JPC.

16. The achievements or non-achievements related to a direct request cannot be attributed to the JPC solely, however by drawing attention to a specific issue, the JPC may have enhanced or influenced the outcome.

17. Where general political objectives are the basis of a resolution, members of the JPC should make their own evaluations of developments. This overview attempts to assess factual developments to specific requests by the JPC, i.e. where the JPC has clearly indicated a need for action or reply by an identified body or institution or Member State. The overview will also give an overview to which institutions, bodies or Member States the JPC requests have been directed.

18. In order to give an easy overview, the developments to the direct requests made by the JPC are written in *bold italics* immediately following the highlighted resolution. All adopted resolutions between 1995-1999 are found in Annex I.

19. At the **4th JPC meeting** (B - Brussels, 29 May 1995), the JPC adopted 2 resolutions on **the functioning of the EEA Agreement during its first year**, including comments on the EEA Joint Committee's annual report for 1994 and on **competition policy/state aid**.

20. In the **resolution on the EEA Agreement in 1994**, the JPC expressed its satisfaction with the functioning of the EEA Agreement, welcomed Liechtenstein as a new member of the EEA as from 1 May 1995 and welcomed the good co-operation and working relationship with the EEA Council, the EEA Joint Committee, the Commission and ESA. Direct requests were made 5 times where the JPC:

- requested the Commission to indicate clearly whether it considers its draft legislative proposals to be EEA relevant
this practice is continuously being implemented
- asked the EEA Joint Committee to provide a detailed review of EEA relevant EU acquis adopted in 1994 but still (at the time) not integrated into the Agreement
the EFTA Database on adopted and pipeline acquis is available since March 1998
- urged the EEA Council and the JC to provide written responses to the JPC's specific recommendations
this practice is continuously being done
- asked to have an exchange of views with the JPC Chairmanship
there are still no formal arenas for such an exchange of views
- requested that in the future the EEA Annual report should have annexed to it details of requests by one side of the Agreement to the other side for action to ensure full compliance with the Treaty
this is not considered practical by the Joint Committee.

21. In the resolution on **competition policy/state aid**, the JPC supported the call of the EP that the IGC in 1996 should decide to bring energy policy into the Community pillar, and one direct request was made when the JPC:

- urged the Member States to adopt the necessary implementing measures with the view to the single market in telecommunications
liberalisation in telecommunications occurred in most EEA states as from 1 January 1998.

22. At the **5th JPC meeting** (FL - Triesenberg, 20 November 1995) the JPC adopted 3 resolutions: on the **environment**, on **the freedom of movement of persons**

within the EEA in the light of recent developments and on **relations with the EEA Council and the Joint Committee**.

23. In the resolution on the **environment** the JPC drew attention to the inadequate directives in the field of genetically modified organisms. The JPC called for strong EFTA involvement in the decision shaping process, especially through active participation of EFTA experts in the various EU committees established in the field of environmental legislation. However, no specific requests were made in the resolution on the environment.

24. In the resolutions on **freedom of persons within the EEA**, the JPC made one direct request and:

- called upon the competent authorities within the EU to allow and facilitate the application in the EEA EFTA States of measures similar or identical to those foreseen in the Schengen Agreement
Norway and Iceland adhere to the Schengen Agreement as from 1998.

25. In its resolution on **relations with the EEA Council and the Joint Committee**, one specific request was made. The JPC:

- requested the EEA Council and Joint Committee to provide written responses in advance of the JPC meetings
these responses are continuously being provided.

26. At the 6th JPC meeting (IS - Akureyri, 3 June 1996) the JPC adopted 2 resolutions, one on **the Single Market in telecommunications** and one on **the functioning of the EEA Agreement in 1995**.

27. On the **Single Market in telecommunications** the JPC called upon those countries to which derogation from the 1998 deadline had been granted to join the Single Market in telecommunications as soon as possible. No specific requests were made.

28. On the **functioning of the EEA Agreement in 1995** the JPC made 4 direct requests and:

- urged the EEA EFTA States to undertake campaigns parallel to the Citizens First Initiative (later renamed: Dialogue with citizens and business)
efforts have been undertaken in Norway and Iceland, with information material and electronic linkages
- called for intensified efforts regarding Protocol 3
a solution regarding Protocol 3 is foreseen at the end of 1999
- called for efforts regarding maritime cabotage
the EC regulation regarding maritime cabotage was adopted by a Joint Committee Decision in September 1997
- called for efforts regarding veterinary matters
Annex 1 was adopted in 1998 and the additional package in 1999.

29. At the 7th JPC meeting (B - Brussels, 7 October 1996) the JPC adopted 2 resolutions on **competition policy** and on **pan-European cumulation**.

30. On **competition policy** the JPC expressed made one direct request and:

- called on the Commission and ESA to complete its examination of alcohol retail monopolies in Norway, Sweden, Finland and Iceland
examination completed, stating that alcohol retail monopoly for private consumption is not a violation of free movement.

31. On the **pan-European cumulation**, the JPC made no direct requests, but expressed its recognition of the difficulties involved in achieving total cumulation while insisting on the need to overcome these difficulties rapidly.

32. At the 8th JPC meeting (N - Oslo, 14 April 1997) the JPC adopted 3 resolutions on **the functioning of the EEA Agreement in 1996**, on **the Single Market in energy** and on **free movement of capital and services**.

33. The JPC stressed that **the functioning of the EEA in 1996** and the report from the Joint Committee had improved over the last year. The dialogue between the Joint Committee and the JPC had also improved although there were still room for progress. The JPC expressed concern about the backlog of implementation of EU- legislation.

34. The JPC made 8 direct requests and:

- called on both pillars to speed up decision-taking on both sides
the degree of decision taking and adoption of new acquis has increased since 1996
- stressed the importance to speed up implementation of new rules by national legislation
the implementation is an ongoing process, but still needs progress
- called on the contracting parties to ensure a decision on maritime cabotage before the summer of 1997
the regulation on maritime cabotage was adopted by a JC decision in September 1997
- called on the contracting parties to finalise protocol 3
the finalisation of Protocol 3 is expected by the end of 1999
- called on the parties to solve current problems in the European salmon market
the Salmon agreement between EU and Norway was signed in 1997
- called again on the EEA institutions to provide written responses to the JPC in advance of meetings
written responses are now being provided
- urged the Joint Committee to provide a systematic list on a regular basis of EEA relevant acquis
the EFTA database up and running from March 1998
- reiterated its request to provide regular, detailed briefings by the JC on problematic issues within the EEA context
possibly problematic issues are raised at JPC meetings.

35. In the resolution on **free movement of capital and services** the JPC made 2 direct requests and:

- called for a study of the impact of EMU on the EEA to be drawn up
a total of 8 papers, between 1996 and 1998, have been drafted on the implications of the EMU on the EEA Agreement. The impact has been identified step by step, and is constantly monitored
- urged that credit institutions of the EFTA States be allowed access to TARGET in the field of transactions at the advent of EMU
all EFTA States have identified their interest in gaining access to the Euro payment system TARGET. The Swiss Central Bank intended to set up a payment system for Euro, to be connected with TARGET at a later stage. However, only EU Member States have so far access to TARGET.

36. In the resolution on the **Single Market in energy**, the JPC made no direct requests. It urged however, all states generating nuclear power to become active members of the International Safety Convention and stressed that nuclear energy should not be viewed as an ecologically acceptable alternative to fossil fuels and called on the Commission and the EFTA/EEA States to consider unilateral commitment to reduce CO2 emissions.

37. At the **9th JPC meeting** (B - Brussels, 27-28 October 1997) the JPC adopted 2 resolutions on the **information society and the EEA** and on **the common European transport policy**.

38. In its resolution on the **information and the EEA**, the JPC made 3 direct requests and:

- called on Iceland to put into effect directives 96/2/EEC, 95/51/EEC and 96/19/EEC
the three directives came into force 18 December 1997
- called for the incorporation of the proposed multi-annual programme on the establishment of the Information Society into the Agreement during 1997
the programme Promise has been incorporated into the Agreement
- urged the EU and EFTA EEA States to reach agreement over the incorporation into the Agreement on the TEN-projects
the TEN-projects have been incorporated into the Agreement.

39. In its resolution on **the common European transport policy** the JPC made 2 direct requests and:

- called for EFTA participation in committees in the areas of road safety, access to air routes and co-ordination of European points of view towards international organisations dealing with safety at sea
EFTA states are invited to participate in these committees
- called for the EEA EFTA States to be invited to participate in the high-level working party of representatives of the governments of member states in the area of road safety
EFTA states are invited to this working party.

40. The JPC also called for a strengthened safety and environment policy in the maritime transport sector. The Committee also emphasised the importance of finalising the bilateral EU- Switzerland negotiations on transit transport, taking into account Switzerland's environmental problems.

41. At its **10th meeting** (FL - Vaduz, 25-26 May 1998), the JPC adopted 4 resolutions on **the outcome of the Kyoto summit and its implications for the EEA**, on the **free movement of workers in the EEA**, on **the Amsterdam Treaty and its implications for the EEA** and on **the functioning of the EEA Agreement in 1997**.

42. In its resolution on the **Amsterdam Treaty and its implications for the EEA**, the JPC called for further analysis of how the extended use of the co-decision procedure foreseen would effect the decision-shaping in the EEA. In this resolution, the JPC made 2 direct requests and:

- stressed that the EEA EFTA states should be consulted before common EU rules are introduced when change of visa requirements for citizens of the EFTA EEA countries and changes within the passport-free area among the Nordic countries
under the Schengen Agreement, a joint committee has been set up where Norway and Iceland are consulted on Schengen related matters
- requested that the Joint Committee elaborates an analysis as to which extent cooperation within the EEA Agreement would be affected on the entry into force of the Amsterdam Treaty
a paper on the possible impact of the Amsterdam Treaty on the EEA was presented to the JPC at the 11th JPC meeting.

43. In its resolution on the **outcome of the Kyoto Conference and its implications for the EEA** the JPC called on the EEA States to play an active and constructive role in order to pave the way for a successful outcome of the forthcoming Buenos Aires Conference. In the resolution on the Kyoto Summit, the JPC made no direct requests, however by executing its support function it welcomed the signing of the Kyoto protocol as a continuation of the Rio framework convention and it called on the EU-EEA Member States to live up to their responsibilities for world climate trends and called upon the EEA States to play an active role in the next Conference in Buenos Aires concerning emissions trading, elaboration of the Clean development Mechanism.

44. In its resolution on **free movement of workers in the EEA**, the JPC made 3 direct requests and:

- called on Liechtenstein and the Commission to find a solution of the free movement of persons and Liechtenstein
progress between the parties has been made, and a solution is expected within shortly
- called for the speedy incorporation of Directives 97/50/EC and 98/5/EC into the EEA Agreement
directive 97/50/EC concerning doctors has been cleared by the EFTA side, currently pending in the Commission, the directive 98/5/EC on the establishment of lawyers has not yet been cleared by the EFTA side i.e. Liechtenstein
- called on the Commission to provide a clear breakdown for migrating workers in the EEA of existing legal and fiscal consequences of emigration and its implications for social benefits and supplementary pension entitlements in the different EEA member states
- (???)

45. The JPC called for a study of the feasibility of setting up a system of "green cards", which would allow educational institutional institutions throughout the EEA, which fulfil minimum criteria for given professional qualifications, to issue such cards to graduates, who would then be allowed to work anywhere in the EEA without further recognition procedure.

46. Despite some backlog of acts to be incorporated into the EEA Agreement, the meeting agreed in its resolution on **the Annual Report on the functioning of the EEA Agreement (1997)** that the EEA was functioning well. The JPC made 6 direct requests and:

- urged the Joint Committee to develop the annual EEA report
the report was developed in 1998, and will be further developed in 1999
- called on the Joint Committee to eliminate backlog before the end of 1998
the backlog was reduced in 1998, but so has the rate of decision making
- called for EFTA comments to be distributed systematically to relevant EP committees

- not in place, however gradual contacts between desk officers in the EFTA Secretariat and counterparts in the EP are being developed*
- regretted the delay concerning Annex 1 and asked for a report in detail on Annex 1 *annex 1 was adopted in 1998, and briefings by the President in Office of the JC were provided*
 - called on the parties to finalise Protocol 3 *protocol 3 is expected to be finalised at the end of 1999*
 - called on the parties to reach an agreement on free movement for Liechtenstein *reports on this issue were made at the 11th and 12th JPC meetings by the President in Office of the JC, and a solution is foreseen within shortly.*

47. At its 11th meeting (L - Luxembourg 23-34 November 1998), the JPC discussed the draft report on the EU-enlargement and its effects on the and the draft report on food safety in the EEA. As a sufficient number of members of the European Parliament was not present to meet the demand for quorum requested in Rule 13 of the Rules of Procedure, the JPC decided to postpone the votes on the draft resolutions to the next ordinary JPC meeting.

48. At its 12th meeting (IS - Keflavik, 15-16 March 1999), the JPC adopted 5 resolutions on **the Annual Report on the functioning of the EEA in 1998, on homogeneity in the EEA, on consumer issues in the EEA, on the EU enlargement and its effects on the EEA and on food safety in the EEA**. The JPC will be receiving responses to these resolutions at its 13th meeting. As these are very recent resolutions, the rapporteurs will not discuss progress on them at this time. This will be a task for a future report. Here we will only give a brief overview of the substance of the resolutions.

49. In the resolution on **the functioning of the EEA in 1998**, the JPC agreed that the so called Financial Mechanism in the EEA Agreement, through which Iceland, Norway and Liechtenstein have been contributing to the promotion of social and economic cohesion within the EEA, expired on 31 December 1998. The called, however, on Iceland, Norway and Liechtenstein to take positive stance to participating financially in joint efforts to reduce social and economic disparities between the current 18 EEA Member States and the countries that will accede to the EU and the EEA.

50. The Financial Mechanism was agreed upon when the EU and Member States of the European Free Trade Association (EFTA) concluded the agreement on a European Economic Area (EEA). A sum to be paid for five years was fixed. Since some times, divergent opinions on what should happen to the Financial Mechanism after the 31 December 1998 had been expressed and the lack of consensus had certain adverse effects on the implementation of the EEA Agreement. The position of the EU was that the Financial Mechanism should be continued, providing assistance to the present beneficiaries within the EU, while the EFTA side was of the opinion that the Financial Mechanism had run its course. The EFTA side has, however, declared its willingness to contribute financially to new cohesion efforts in the context of enlargement.

51. The EEA JPC urged the contracting partners to find a quick solution as regards the Financial Mechanism to secure the continued food functioning of the EEA Agreement.

52. In general terms, the EEA was functioning well, the EEA JPC stated. It also pointed out that the role of the European Parliament in EU decision making will increase when the Amsterdam treaty enters into force. The EFTA side of the EEA should take this into account when participating in the shaping of future EEA legislation.

53. In its **resolution on the EU enlargement and its effects on the EEA**, the EEA JPC requested the EEA Joint Committee to present, as soon as feasible, a report on the effects of the enlargement on the EEA Agreement. Furthermore, it called upon all parties to ensure that the accession of new Member States to the EU does not have a negative impact on free trade and trade patterns between the EFTA States and their current free trade partners.

54. In its **resolution on consumer issues in the EEA**, the EEA JPC also requested that the EU, in cases of conflict concerning consumer protection and free movement of goods, to respect as far as possible stricter national legislation. It called on the EU and on EFTA/EEA States to defend consumers' interest in upcoming negotiations in the World Trade Organisation (WTO) and stressed the importance of preserving the particular features of national or regional food production, without jeopardising the overall hygienic objectives.

55. Developments concerning direct requests in these resolutions will be addressed at the 13th JPC meeting 6-7 December 1999.

IV AN OVERVIEW OF TYPE OF RESOLUTION BY CATEGORY

Table 1 - Resolutions by category (4th to 11th meeting)

Support	Control	Direct request
64	110	40

56. The EEA JPC expressed its support to developments and achievements within the EEA 64 times. However, the control aspect where the Committee urges, calls upon, underlines or regrets an action or development or action can be identified 110 times. A number of these, 40 in all, can be identified as direct requests for action. Again, one should keep in mind that the nature of a request is often overlapping, thus one specific recommendation or resolution may be found in more than one category.

V AN OVERVIEW OF INSTITUTIONS/BODIES TO WHICH REQUESTS WERE DIRECTED

Table 2 - Requests or recommendations directed to specific institutions or bodies (4th to 11th meeting)

EEA Council	Joint Com.	EU States	EEA - EFTA States	EU Commission	ESA	Single EEA Member States	JPC Bureau	Others
3	13	21	22	15	3	3	1	1

57. The JPC has called upon several institutions or government bodies in highlighting their resolutions, either in the form of a direct request or by drawing attention to a specific development to be considered by an identified actor. The EEA EFTA and EU Member States are the most frequently called upon, and so in the same resolution or request. The frequent requests directed to the Joint Committee and the European Commission is worth taking note of. Individual Member States, whether they are from EU or EEA EFTA, are rarely identified.

VI AN ASSESSMENT OF THE WORK CARRIED OUT BY THE EEA JPC

58. The EEA JPC has met twice a year during the period 1995 - 1999. An impressive 23 resolutions have been adopted. Only at the 11th meeting were no resolutions adopted. The cooperation between the rapporteurs has been smooth and stimulating. Most of the resolutions have been adopted by unanimity or by a large majority. The cooperation between the EEA EFTA delegations and the European Parliament delegation to the JPC has been constructive and fruitful and the rapporteurs find the cooperation conducive to a better understanding of the nature and scope of the EEA Agreement both in EFTA Parliaments and in the European Parliament. Recalling that the mandate of the EEA JPC can be seen as threefold, to promote a better understanding of the EEA Agreement, to perform democratic parliamentary control and to make direct requests or recommendations, a crucial part of the role of the EEA JPC has been carried out successfully.

59. The EEA JPC has adopted resolutions on a wide range of issues. The Committee gives its view of the overall functioning of the EEA Agreement on an annual basis. The EEA JPC has been supportive of the assessment by the EEA Joint Committee that the EEA Agreement is functioning well and that it is beneficial for both sides. However, the EEA JPC has been keen to underline certain shortcomings in the transposition of EC legislation into national legislation. By addressing certain Member States and calling on government institutions, the Committee puts the good functioning of the Agreement and the homogeneity of the Single Market under scrutiny and parliamentary control. This is a second part of the JPC's mandate, and the EEA JPC has been eager to be seen as an "EEA watchdog".

60. In the early stages of the EEA JPC, several resolutions dealt with relations to other EEA institutions, particularly the relationship to the EEA Joint Committee. It is the view of the EEA JPC that the cooperation with the EEA Joint Committee is functioning well, and the committee appreciates the written statements and written responses to specific recommendations provided by the President-in-Office of the Joint Committee at each EEA JPC meeting. The Committee has however, on a number of occasions, been calling for more and better assessment of the impact of EFTA comments in the EU legislative process.

61. The "four freedoms" were on the agenda in the early stages of the EEA JPC, including competition and state aid, free movement of persons and of capital and financial services and single market in telecommunications and in energy. As the Single Market is the core of the EEA Agreement, the concentration on these issues was essential to monitor and to ensure its implementation in all EEA States. A major point for the EEA JPC, which is reflected in its resolutions, has always been to ensure the homogeneity of the "four freedoms" in order to avoid distortions in the Single Market.

62. The EEA JPC has also addressed a variety of the "horizontal and flanking policies" of the EEA Agreement, in particular the environment and consumer protection. Through these resolutions, the EEA JPC goes beyond Single Market issues by drawing attention to and calling for measures to be taken to improve the quality of life of the EEA citizens, beyond the economic aspects. As such, the EEA JPC is in line with the spirit of the Amsterdam Treaty and the extended portfolio of the European Commission and the European Parliament.

63. The EEA JPC has been keen to monitor and scrutinize developments in the European Union. It was an obvious task for the Committee to assess the impact of the Amsterdam Treaty on the EEA Agreement. It was equally natural to consider the effects of the enlargement of the EU, and thus the EEA, on the EEA Agreement. As Justice and Home Affairs has been put high on the EU's agenda, a resolution on this issue is therefore the next logical step for the JPC.

64. The EEA JPC takes great interest in being informed on developments in the EU and to have an exchange of view on topical issues. It takes great pride in assessing recent developments, in analyzing the possible effects on the EEA Agreement, in ensuring the homogeneity of the Single Market, in ensuring that new developments are not detrimental to the continued good functioning of the Agreement. In a union which is about to expand, which introduces a single currency, which becomes more integrated and takes policy initiatives in fields previously not covered by the European Treaties, the EEA JPC will continue to monitor and assess development in the EEA, having bearing on the EEA Agreement.

65. Noting that the EEA JPC has three main functions, beyond the exchange of view with their parliamentary counterparts and representatives of joint EEA institutions, to execute a support function, a control function and to make direct requests, the rapporteurs are of the view that all functions are carried out with satisfaction. The Committee appreciates the statements provided by representatives of the EEA Council

and the EEA Joint Committee, answering to specific recommendations and requests. It believes that this practice will continue, and that note is taken of its resolutions in the appropriate bodies. As an advisory body, the EEA JPC sees itself as a vital contributor to the overall good functioning of the EEA Agreement. In an enlarged union, where attention will be shifted towards other areas of Europe, this role will be increasingly important to play.

RESOLUTION

On the resolutions of the EEA JPC 1995 - 1999

Recommendations for action of the EEA JPC itself:

- The JPC shall, in addition to the current recipients, send its resolutions specifically to the European Affairs Committees of the national parliaments and to the Committee on Industry, External Trade, Research and Energy of the European Parliament.
- While broad political goals are important, they are often difficult to assess objectively, especially when no time limits or concrete goals are mentioned. Therefore the JPC shall endeavor to make its resolution points more specific when pertaining to policy.
- The JPC shall look increasingly at how parliaments at the national and European level are influencing legislation.

The Joint Parliamentary Committee of the European Economic Area:

- A. monitoring developments in the EU and its institutions which might affect the EEA Agreement,
- B. underlining the fruitful cooperation between parliamentarians in the EEA, and the good relations between the JPC and the Joint Committee,
- C. mindful of its role as a contributor to a better understanding between the Community and EFTA States in the fields covered by the EEA Agreement, as having a democratic parliamentary control function, has having the right to scrutinize all EC legislation applying to the EEA as well as its implementation and to make direct recommendations,
- D. having adopted 23 resolutions between 1995 and the second half of 1999 on a wide variety of issues having bearing on the EEA Agreement and the functioning of the Single Market,
 - 1. Welcomes the note taken of the EEA JPC resolutions during the past five years by the appropriate bodies, and the written statements by the President-in-Office of the EEA Council and the Joint Committee which now are provided at every JPC meeting;
 - 2. Welcomes the progress made on many matters raised by the JPC;
 - 3. Expresses concern over lack of progress of some recommendations made repeatedly, namely the freedom of movement of persons and Liechtenstein;

4. Urges the Joint Committee to provide regular briefings on developments in the EU, and the possible impact of the EEA Agreement, in particular on possible effects of enlargement;
 5. Calls upon the contracting parties to ensure homogeneity in the EEA, especially in view of enlargement of the EEA;
 6. With reference to the enhanced role of the European Parliament in EU decision-making, calls on the EEA Council to confer more closely with the JPC on issues of particular concern in the EEA context.
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