

E U R O P E A N F R E E T R A D E A S S O C I A T I O N

EFTA 3/2001
22 February 2001

Distribution List A

EFTA COMMENTS ON SPECIFIC EU INITIATIVES WITHIN THE LISBON STRATEGY

I. More and better jobs

1. The EFTA States are in the fortunate position of having low unemployment rates. At the same time, the EFTA States are confronted with many of the same problems as the EU Member States, e.g. concerning **lack of qualified labour** in many fields, **youth unemployment**, the **integration of women** in all parts and levels of working life, maintaining **older people in the workforce** for a longer time and the **reintegration of the disabled**.

2. The EFTA States being part of the Internal Market, put great emphasis on the European employment policy. The EEA Agreement covers aspects of the employment policy such as the free movement of workers, mutual recognition of diplomas, social security, health and safety at work, labour law and equal treatment of women and men. The **social partners** from the EEA EFTA States also take part in this work through their European organisations and by taking part in the European **social dialogue** at horizontal and sectoral level.

3. The EFTA States are of the opinion that one of the main challenges is to **limit early retirement** from the labour market and to keep the workforce active as long as possible. The legal retirement age in EFTA countries is rather high, ranging from 63 to 67 years. However, efforts are undertaken to encourage older workers to stay on longer as occupationally active.

4. The EFTA States support the view that **women's participation** in the labour market is a key issue. Labour participation rates for both men and women are high in the EFTA States, but women are still underrepresented in certain sectors and levels of working life. Increased efforts are necessary to ensure equal opportunities in all aspects of employment.

5. It is the intention of the Governments of the EEA EFTA States to actively participate and contribute to the development of a **European employment policy**. In particular, participation is foreseen in programmes supporting the implementation of the various aspects of the employment policy. The exchange of information and best practices will prove to be an important contribution for improving the level of employment and working conditions.

II. New European labour markets

6. The EFTA States acknowledge the importance of **mobility of the European workforce** as a means to combat unemployment. Increased efforts should be undertaken both at European and national level to reduce administrative obstacles to mobility, including a more uniform and transparent regime of **mutual recognition of diplomas**.

7. The **knowledge-based economy** can only be a reality if the workforce has high professional qualifications and skills. Increased efforts should be undertaken to ensure that the educational systems of Europe meet this need by offering relevant education of high quality. In this context, it is important to ensure the **recognition of education** taken in other European countries as part of the national curricula.

8. In the new economy, a company's most important capital will be its employees' skills. **Lifelong learning** is an important tool for making employees as suited as possible to face these developments.

III. Economic Reforms for goods and services

9. A well-functioning Internal Market is of great importance to economic development, i.a. creating **equal conditions for competition** in the whole European Economic Area. Hence, the EEA EFTA States give high priority to implementing all EEA relevant legislation.

10. The EEA EFTA States fully endorse the Commission's view that **completing the Internal Market** is the key means to reach the goals set out in the Lisbon Strategy. Furthermore, the Community actions aimed at improving the functioning of the product and capital markets clearly fall within the existing EEA framework.

11. Europe must create a dynamic, **friendly environment for entrepreneurship** to facilitate transition to the knowledge-based economy, and the process of reforms must be continued, deepened and accelerated.

12. In this regard the EFTA States give their support to the **Action Points for Stockholm in the Commission Communication of February 2001** and stress the need to achieve results in the various fields:

13. The EFTA States fully support the aim of achieving **fully integrated and liberalised telecommunications market** as early as possible. They, furthermore, closely monitor the discussions in the EU on the further liberalisation of the **postal services**.

14. The opening of **gas and electricity markets**, including effective cross-border energy markets is another priority to the EFTA States.

15. The EFTA States have, as the EU States, reaped the economic benefits of liberalisation in the **transport market** and will consider proposals for further structural changes in this sector with interest.

16. In order to equalise further conditions for competition of businesses in the EEA, the volume of **state aid** should be reduced. Moreover, publicly assessable state aid registers as well as a scoreboard, are needed. **Revised public procurement rules** should also be adopted and their implementation strengthened.

17. The EEA EFTA States are prepared to contribute actively to the Internal Market process through the ongoing EEA co-operation and would like to be more closely **linked to the Community follow-up of the Stockholm European Council** in this area.

IV. Integrated financial markets

18. The EFTA States share the view that it is high time to establish **a true internal market in financial services**. The EFTA States are thus committed to participate in the decision-shaping process of legal initiatives in this sector, and to rapidly integrate the new legislation into the EEA Agreement.

19. The present regulatory environment of financial services in the EEA does not adequately respond to the needs at a time of globalisation and increased competition. A special effort is needed not least in the field of the **securities markets**. The EFTA States therefore welcome proposals that would facilitate timely upgrading of the regulatory environment.

V. Simplification of the regulatory environment

20. The EEA EFTA States have at national level taken initiatives to **simplify the regulatory environment** and therefore welcome new measures to make the rules more efficient, as well as new means of developing new legal initiatives both at national and European level.

21. In this regard the EEA EFTA States have noted with appreciation that the Commission will present a co-ordinated strategy to simplify the regulatory environment during 2001. The EEA EFTA States will **continue national processes** to review, simplify and modernise regulation and are prepared to actively contribute to the discussions at European level on these issues.

VI. eEurope 2002

22. At the **EEA Council** meeting on 19 September 2000 the EFTA States expressed their interest and willingness to become involved in the eEurope Action Plan.

23. The EFTA States are pleased to note that the basic legislation, such as the **Directives on eCommerce** and on **Electronic Signatures**, which will facilitate transition to the “new economy”, has already been incorporated into the EEA Agreement. The EFTA States, furthermore, fully support the view that an early adoption of the **new regulatory package for Electronic Communications** should be a priority.

24. At the EEA Joint Committee meeting on 23 February 2001, the EU and the EEA EFTA States noted an EFTA Statement calling for all operators in all EEA countries to be able to use the **.eu top level domain name** once introduced. Such a measure would ensure that EEA EFTA States' participation in the Internal Market is not hampered by new technology and innovation.

VII. The IT skills gap

25. Like the EU Member States, the EFTA States also face the challenge of providing an **adequate number of professionals with IT skills**. For the EFTA States, with tight labour markets, the need for more employees with IT skills cannot only be solved by increasing the education capacity or by importing labour. There will be a need for measures that provide experience of how IT expertise can be developed during the whole working life. Lifelong learning aimed at training the workforce in the use of information technologies is a key element in this regard. The **eEurope action plan** and similar national plans should be actively used to promote this goal.

VIII. Research, innovation and enterprise

26. Research, development and innovation are fundamental elements in creating a knowledge-based sustainable economy that respects the environment and the social context. The EFTA States recognise the **need for increased spending on Research and Innovation**, both by the public and the private sector. However, in addition there is a need for further efforts aiming at strengthened international co-operation and more interdisciplinary research. In this context, the EFTA States welcome the initiative to **establish a European Research Area** to increase voluntary co-operation between European countries.

27. The EFTA States are pleased to note that **increased attention to the mobility of researchers** will be an essential element in the future European Research Area. Efforts to increase mobility should be further strengthened in the next Framework Programme by ways of more flexible and comprehensive grant and mobility schemes. There is also a need to further promote attractive **mobility schemes** between industry and academia. The EFTA States would also like to underline the importance of promoting **women** to scientific careers.

28. The EFTA States will follow-up on all the new initiatives undertaken and foreseen by the EU in the area of research, development and innovation. While appreciating the Commission's efforts to inform the EFTA States on the preparations and definitions of the ERA and the next Framework Programme (FP6), a **more direct involvement would be preferable**, in light of the EEA EFTA States' close cooperation with the EU in this area. In addition, **EEA EFTA R&D statistical information** available in EUROSTAT should be systematically included in Commission publications.

29. Increased competitiveness and stronger entrepreneurship in a business community facing an accelerating internationalisation of markets, is vital to secure further growth and welfare. The EEA EFTA States will actively use the **multi-annual**

programme for Enterprise and Entrepreneurship to contribute to the development of best practices and improved enterprise policies.

IX. Frontier technologies

30. The EFTA States agree to the importance of so-called frontier technologies. However, the development and use of these technologies must go hand in hand with a thorough **debate on ethical issues**, in particular when it comes to the exploitation of results from research in life sciences and biotechnology.

X. Effective social protection for an ageing population

31. In the field of social protection, the EEA EFTA States participate in most activities undertaken by the EU, including the coordination of social security systems. Issues such as **demography, pensions and discrimination constitute common challenges**. The EEA EFTA States examine participation in the new **EU programme against discrimination**. Participation in studies or conferences initiated by the EU and a link between the EEA EFTA States and the EU Social Protection Committee should be of mutual benefit to all parties.

32. It is of vital importance to make **pensions safe and reliable and pension systems sustainable**. The EFTA States are to some extent facing the same challenges as the EU Member States, i.e. the need to take into account the maturation of these systems and the demographic changes in the forthcoming decades.

33. The EFTA States favour measures aimed at an **enhanced and more equitable redistribution of income and welfare** between various social groups in the society, in order to improve the situation and living conditions for certain vulnerable and exposed groups and to combat social exclusion. The EFTA States would also stress the problem of **poverty among older women** who have had a low participation in the labour market.

XI. The sustainability dimension

34. The EFTA States support the initiative to complement the economic and social dimensions of the Lisbon Strategy by **integrating an environmental dimension** and a European strategy for sustainable development.
