

EUROPEAN FREE TRADE ASSOCIATION ASSOCIATION EUROPEENNE DE LIBRE-ECHANGE

8 September 2003 S/00/I/073

Mr Rocco Buttiglione Minister for Community Policies

Dear Minister Buttiglione,

As partners in the Internal Market, and taking great interest in its continued development, the EEA EFTA States were pleased to see that the new Internal Market Strategy tackles issues that are essential to the markets proper functioning. The "fresh impetus to eliminate remaining weaknesses" will become all the more important when the European Economic Area enlarges to 28 members. In the form of a ten-point action plan, the strategy is clear and pragmatic, and should be a positive step towards achieving the overall economic, social, and environmental goals of the Lisbon Strategy. I would like to draw your attention to the following initial comments, pointing to issues of immediate interest to the EEA EFTA States, and where we could contribute to further development of the strategy's initiatives.

Free Movement of Goods

Full application of the core principle of mutual recognition remains vital to ensure the free movement of goods. Many businesses still encounter problems when trying to sell goods to other EEA countries. National practices can cause problems in the harmonized areas as well. Several businesses have reported that their products have to undergo expensive and time-consuming national certification procedures and mandatory tests, even though they are produced according to EU directives. The EEA EFTA States are ready to offer input to the proposed study on national voluntary marking which may fragment the Internal Market. Increasing confidence in CE marking remains important, and the EEA EFTA States propose that joint efforts be made to provide more information to authorities and the market. Greater national efforts to bolster market surveillance are necessary to ensure consumer trust and fair competition. The EEA EFTA States will, for their part, promote administrative cooperation at the European level to ensure the integrity of CE marking throughout the entire enlarged Internal Market. The EEA EFTA States follow with interest the idea of a Common Base Directive covering issues common to all New Approach Directives, and suggest analysis of consequences for all stakeholders, including authorities and consumers.

Integrated Services Market

The proposed Directive on Services in the Internal Market will help to promote free trade in this sector. The EEA EFTA States are of the view that the directive should be general in scope, with as few sector-specific exemptions as possible. A useful point of departure for liberating trade in services could be the principles laid down in Article 13 of the EEA Agreement, and Article 30 of

the TEC, allowing member states to protect public interest, but not to disguise trade restrictions as protection of national and public interest.

Public Procurement

The EEA EFTA States note with interest the suggestion that member states should appoint a national authority to monitor compliance of procurement legislation by contracting entities, with the possibility to bring infringements before the courts. Analysis of the pros and cons of various solutions is important, and the EEA EFTA States could share their own experiences in the enforcement of procurement procedures.

Services of General Interest

The EEA EFTA States have with interest noted the recently published Green Paper on Services of General Interest and are looking forward to the publication of a Green Paper on public-private partnership. With these publications the Commission has launched a debate on many important issues that concern the "network industries". The EEA EFTA States anticipate contributing to this debate.

Information about the Internal Market and the EEA

Information is essential, but even more important than increasing the quantity of information about the Internal Market, is to target information concerning rights and responsibilities to the appropriate recipients. Well-targeted information about the Internal Market will contribute to the success of EEA enlargement, and the EEA EFTA States will continue to contribute to this effort.

Transposition, problem solving and better regulation initiatives

Timely transposition is essential to ensure that common rules are applied throughout the Internal Market. The EEA EFTA States commit themselves to further reduction of transposition deficits and could share their experiences from prior and ongoing efforts to this end. The EEA EFTA States will follow with interest the results of the Commission study on different options for improving the enforcement of Internal Market law, particularly its possible relevance for the EEA. Problem solving is vital to make the Internal Market work. Although SOLVIT is a major improvement in this direction, further steps are necessary.

The EEA EFTA States look forward to continuing their close cooperation with the EU on improving the Internal Market, and will in due course present input on more specific initiatives in the Strategy. At this point, we offer our support for the Strategy in general terms, as an important step towards realising the full potential of the Internal Market.

Yours sincerely,

Hansjörg Frick Minister for Economic Affairs

This letter is also being sent to your colleague, Minister Marzano

CC: Commissioner Bolkestein, EU Commission