



EUROPEAN FREE TRADE ASSOCIATION
ASSOCIATION EUROPEENNE DE LIBRE-ECHANGE

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Final Draft

His Excellency
Prime Minister Constantine Simitis
President of the European Council
Athens

Dear Prime Minister,

On behalf of the EEA EFTA States, Iceland, Liechtenstein and Norway, I would like to comment on the Lisbon strategy in the run-up to the 2003 spring summit. Through the EEA Agreement and our participation in the Internal Market, we are involved in many initiatives related to this strategy. We therefore follow its overall political development with great interest.

We welcome the Greek Presidency's approach of pursuing a comprehensive strategy to nurture European growth and competitiveness. Policies should stimulate economic growth, safeguard the environment and promote employment, social welfare and equal opportunities. We are following the use of instruments such as benchmarking and the open method of coordination with great interest, and were pleased to be included in the Structural Indicators for the first time this year.

Short-term priorities

An efficient and well-functioning Internal Market is essential for achieving the Lisbon objectives. The EEA EFTA States will do their utmost to meet the transposition target set at the Barcelona spring summit, and hope to be joined in this effort by all EEA partners. We hope to see the rapid adoption of legislative measures that are important for the proper functioning of the Internal Market, not least the proposals on public procurement, energy, transport and telecommunications, the removal of barriers to the Internal Market in services and the prompt adoption of outstanding measures of the Financial Services Action Plan. Establishing an efficient system for mutual recognition of professional qualifications is important to ensure free movement of workers and services. To obtain a level playing field it is vital to implement existing rules and reduce remaining barriers. It is of common interest to improve the application of the principle of mutual recognition also concerning the free movement of goods. To this end, the use of voluntary certification marks, which have the potential to fragment the Internal Market, should be assessed.

Sustainable long-term growth

It is essential to stimulate entrepreneurship and innovation if the European economy is to thrive. This will help to make Europe a more efficient and profitable market for commercialising innovations. Framework conditions for promoting innovation and entrepreneurship should be improved, should accommodate the needs of both genders, and should go hand-in-hand with the development of lifelong learning and job opportunities for a qualified workforce.

Facilitating the establishment and running of enterprises is of decisive importance for unlocking Europe's future growth potential. We have a deep interest in the work of simplifying and improving the regulatory environment for businesses. As most companies in the EEA are SMEs, we advocate thinking small in the first place when introducing legislation, instead of relying on exemptions for SMEs. The results of the Business Test Panels should be considered when reviewing proposals for new legislation that will affect the business environment.

It is essential to strengthen links throughout the EEA between industry, academia, research and financial institutions. It is important to create a less challenging environment for risk-takers, to enlist entrepreneurs in education, and to optimize the use of incubators, science parks, business angel networks, and clustering. Fostering innovation can also result in the development of cleaner production techniques and more sustainable use of resources from the sea, land and air. Innovations that tackle environmental problems will translate into employment and export opportunities. A comprehensive innovation strategy needs to be linked with sustainability.

The EEA EFTA states welcome the 6th Framework Programme and support renewed emphasis on education and research. We appreciate the general focus on investment in human resources. This should lead to economic growth and job opportunities. The new programme will contribute to the realisation of a European Area for Research and Innovation. We are pleased to see increased support for networks of excellence and improved mobility schemes for scientists and researchers. We support and participate in the activities related to lifelong learning opportunities and measures to make education and training in Europe more coherent, compatible and attractive.

Balancing the pillars

The EEA EFTA States are very pleased that both the Greek Presidency and the European Commission have suggested priorities that reinforce the balance between economic, social and environmental development. Efforts to decouple economic growth from increased environmental stresses must be made throughout an enlarged EEA, and beyond. Cooperating on follow-up to Johannesburg should be a joint goal for the EU and EEA EFTA States. In line with the Cardiff strategy for sector integration, there is an increasing need for sustainable policies, particularly in key sectors such as energy, transport, agriculture and fisheries. We support the 6th Environmental Action Programme

and look forward to new, effective policies in areas such as climate change and chemicals.

The European Employment Strategy has had a positive impact on combating structural unemployment, and demonstrates how the open method of coordination can lead to overall improvements. The strategy deals with issues that also represent challenges for the EEA EFTA States and serves as an important tool for promoting participation and more inclusive labour markets, not least with regard to women, young people and older employees. Establishing good Early Childhood services should be a part of this co-ordinated policy. Addressing the gender pay gap is also important.

Rapid economic, technological and demographic changes have increased the need to modernise the social protection systems in Europe. We are also concerned about the future of our social protection systems, and have aligned ourselves with the efforts to combat poverty and social exclusion, and to maintain adequate pensions and access to quality healthcare for our citizens.

The EEA EFTA States value the close cooperation with the EU. We are pleased to have the opportunity to present these comments to the Brussels summit, and look forward to identifying further means of cooperation to achieve the important objectives of the Lisbon Strategy.

Yours sincerely,

Kjell Magne Bondevik