

# EUROPEAN ECONOMIC AREA

## JOINT COMMITTEE

J/00/R/015  
3 Annexes  
27 January 2003

### ANNUAL REPORT OF THE JOINT COMMITTEE FOR THE YEAR 2002 ON THE FUNCTIONING OF THE EEA AGREEMENT

(ARTICLE 94(4))

#### General overview

1. The EEA Joint Committee met nine times in 2002 and adopted 168 decisions incorporating 324 acts, of which 61 were veterinary acts and 263 were in the non-veterinary field. In comparison, in the previous year, 401 acts were incorporated, of which 224 were veterinary and 177 were in the non-veterinary field. The Committee held consultations on a number of important issues.

2. This report makes a general assessment of the work in the EEA Joint Committee in 2002 by looking firstly at decision-making procedures and then at the decision-shaping process. A sector-by-sector review of activities under the EEA Joint Committee with particular reference to new legislation incorporated into the EEA Agreement is attached in Annex I.

#### Decision-making

##### *Rate of integration of EU acts*

3. The attached overview of decision-making in the EEA (Annexes II and III) shows the number of legal acts from their adoption on the EU side until they are fully integrated into the EEA Agreement. The figures establish that 175 Joint Committee Decisions were adopted in 2002. However, seven of these were left blank since they were withdrawn too late before the Joint Committee meetings to be taken off the list, making the real number 168. An average of 17 Decisions were adopted per working month, compared to 16 in 2001, 11 in 2000, 17 in 1999, and 11 in 1998. The average number of legal acts (non-veterinary) incorporated per working month was 26, compared to 18 in 2001, 22 in 2000, 24 in 1999 and 16 in 1998.

4. The overview of decision-making for 2002 shows that the number of EU acts considered by EFTA (the so-called backlog) was reduced by half, i.e., from 170 to 85. This is the result of successful reinforcement of organisational procedures in order to speed up the processing of new acts.

5. A list of Joint Committee Decisions adopted by the EEA Joint Committee in 2002 is attached at Annex III.

### *Homogeneity*

6. The Joint Committee adopted in January a Decision on the incorporation of the revised Eurovignette Directive into the Agreement and put an end to the dispute settlement mechanism invoked by the Commission in January 2001.

7. All long outstanding directives in the field of food additives, cereal-based foods and baby foods were integrated during 2002. Towards the end of the year, there was progress with regard to the preparation of the integration of the directive on patenting of biotechnological inventions. The Biocidals Directive (98/8/EC) was close to a solution at the end of the year.

8. On 27 March, the European Commission introduced temporary safeguard measures on certain steel products. The matter was discussed at many Joint Committee meetings and an extraordinary meeting of the Joint Committee was held on 6 May 2002. EFTA argued that the EEA Agreement prohibits the introduction of any new restrictions on trade within the EEA, while the Commission referred to WTO rules. An EU regulation on definitive measures was adopted on 27 September 2002. Although it does not address the matter of principle, it reduces the practical impact of the measures for EFTA.

9. The Joint Committee has since November 2001 discussed the issue of Supplementary Protection Certificates for Medicinal Products. At the Joint Committee meeting on 12 July 2002, Liechtenstein invoked the dispute settlement mechanism in Article 111. By the end of 2002, the Joint Committee had not yet reached a solution.

10. On 4 December 2001, the European Parliament and the Council adopted a directive on the prevention of the use of the financial system for the purpose of money laundering. The Commission at the Joint Committee on 27 September 2002 referred to the integration of this directive into the EEA Agreement and considered that it had triggered the six-month period mentioned in Article 102 (4). EFTA agreed on the EEA relevance of the directive and undertook preparations for an EEA Joint Committee Decision.

### *Transposition of new EEA legislation*

11. The EEA EFTA States reduced their transposition deficits severely between November 2001 and May 2002. In May 2002, the EFTA Surveillance Authority Scoreboard listed a strong performance by the EEA EFTA States, as Norway held 1<sup>st</sup> place, and Iceland 4<sup>th</sup> with Liechtenstein in the 10<sup>th</sup> place. However, their performance dropped slightly towards the end of the year as the November Scoreboard placed Norway in the 4<sup>th</sup> place, Iceland in the 6<sup>th</sup> and Liechtenstein in the 10<sup>th</sup> place.

*EEA EFTA participation in EU programmes*

12. The Joint Committee in November adopted the decision on EEA EFTA participation in the Sixth Framework Programme on Research. Other programmes that were adopted during the year were the Community action programme to combat social exclusion, the European Year of People with Disabilities 2003, and the Community mechanism for the coordination of civil protection intervention in the event of emergencies.

**Decision-shaping***EEA EFTA Comments*

13. As part of the EEA EFTA States' possibility to participate in shaping EC legislation, i.e., when the Commission draws up legislative proposals, EFTA hands over a number of comments on important policy issues. The comments are elaborated by working groups, cleared by relevant subcommittees, endorsed by the Standing Committee and officially noted by the Joint Committee after they have been sent to relevant services in the Commission and in the European Parliament.

14. In 2002, 22 EEA EFTA Comments were submitted, which is four more than in the year before. The comments from the EEA EFTA States were on:

- the proposed regulation on genetically modified food and feed
- the Commission's Green Paper on the review of Council Merger Regulation (EEC) No 4064/89
- the proposed regulation concerning the traceability and labelling of genetically modified organisms
- the proposal for a multi-annual programme for action in the field of energy "Intelligent Energy for Europe" (2003-2006)
- the Commission package of proposals for the internal market in electricity and natural gas (COM(2001) 125)
- the revised Commission package of proposals for the internal market in electricity and natural gas (COM(2002) 304)
- the review of the Community Pharmaceuticals legislation
- the Commission's White Paper "European Transport Policy for 2010: Time to decide"
- the proposed regulation of the European Parliament and of the Council establishing common rules in the field of Civil Aviation Security
- the proposed directive on market access to port services
- the Commissions' action plan for skills and mobility
- the Green Paper on European Union Consumer Protection
- the follow-up communication to the Green Paper on EU Consumer Protection
- the Commission's White Paper "A new impetus for European youth"
- a Communication from the Commission on "Working together for the future of European tourism"
- input to the Barcelona European Council, 15-16 March 2002
- the 2002 Review of the Internal Market Strategy
- the EU Strategy for a future Chemicals Policy
- the Proposal for a Directive amending Council Directive 83/477/ECC on the protection of workers from the risks related to exposure to asbestos at work

- the rules for the participation of undertakings, research centres and universities in research work and for the dissemination of research results for the implementation of the European Community Framework Programme 2002-2006
- the European Parliament proposal for the labelling of newly authorised medicinal products - use of red triangle
- Consumer protection on the Green paper on European Consumer protection

### *Participation in EU Committees*

15. An important channel for taking part in the shaping of EC decisions is through contributing to the work of the EU committees and working groups. A survey by the EFTA Secretariat, published in April 2002, established 360 committees and groups where the EEA EFTA States could participate under the EEA Agreement. Of these, there was full participation by EEA EFTA States (in the sense that representatives take part in all meetings) in 281 committees, some participation in 42 and no participation in 37. The survey did not address qualitative aspects of EEA EFTA experts' participation. There will be an annual follow-up of the survey.

### **Institutional co-operation under the EEA**

#### *The EEA Consultative Committee (EEA CC)*

16. The EEA Consultative Committee (EEA CC) held its annual meeting on 26 June 2002 in Egilsstaðir, Iceland, where EEA developments were debated with representatives of the EEA Joint Committee and the EFTA Surveillance Authority. The Committee, moreover, discussed and adopted resolutions on *Enlargement and the future of the EEA*, and on *Governance and corporate social responsibility in a globalised world*. The resolutions were forwarded to the EEA Council for its consideration. For the next EEA CC meeting in Brussels on 20 March 2003, the EEA Consultative Committee will prepare resolutions on the institutional and legal issues of EEA enlargement and on the Lisbon Strategy.

17. The EEA CC Co-Chairmen in 2002 were Mr Davíð Stefánsson (Confederation of Icelandic Employers) from the EFTA side and Mr George Wright (Trade Unions, UK) from the EESC side. In October 2002, Mr Halldór Grönnvold (Icelandic Confederation of Labour) from the EFTA side and Mr Clive Wilkinson (Employers, UK) from the EESC side took over as Co-Chairmen.

#### *The EEA Joint Parliamentary Committee (EEA JPC)*

18. The EEA Joint Parliamentary Committee (EEA JPC) held two meetings in 2002, in Reykjavik on 27 May and in Brussels on 26 November. As at previous meetings, the EEA JPC engaged in a dialogue with the EEA Council, the EEA Joint Committee and the EFTA Surveillance Authority on the functioning of the EEA and on progress regarding previous resolutions of the JPC. The EEA JPC discussed and adopted resolutions on the following topics:

- EEA decision-shaping
- Functioning of the EEA Agreement during 2002
- Liberalisation of energy markets in the EEA
- Liberalisation of financial services in the EEA

The resolutions were forwarded to the EEA Council.

19. The President of the EEA JPC during 2002 was Ms Erika Mann, MEP (Social Democrats, Germany). The Vice-President was Mr Morten Høglund (Progress Party, Norway).

#### *EEA EFTA participation in new EU Agencies*

20. During the year, the Joint Committee discussed EEA EFTA participation in the European Food Safety Authority and in the new EU agencies for Aviation Safety and Maritime Safety. The institutions started their work in the autumn, and EFTA expressed the view that participation was a matter of priority. The institutions are EEA-relevant and preliminary draft Joint Committee Decisions were handed over to the EU in the spring. Some horizontal issues were agreed in principle with regard to the European Food Safety Authority and the Maritime Safety Agency, while more time was needed for the Aviation Safety Agency.

#### **Enlargement of the EU and the EEA**

21. Following the successful conclusion of the EU accession negotiations on 13 December 2002 at the Copenhagen European Council, the ten candidate countries submitted their EEA application letters according to Article 128 (EEA) to the President of the EEA Council, in the course of December 2002.

22. Legal experts from the EU and the EEA EFTA States met on a number of occasions in 2002 to exchange views and prepare the work on the drafting of the EEA enlargement instrument. The technical, institutional and transitional aspects of the instrument would be prepared in parallel with the substantive negotiations to enlarge the EEA Agreement during spring 2003, with the aim of simultaneous enlargement of the EU and the EEA.

23. During 2002, the Commission gave EFTA briefings on the state of play of the accession negotiations. At a meeting in February, the EEA EFTA States handed over their position on the enlargement of the EU and the EEA as regards food safety, underlining the importance of maintaining the same level of food safety in the enlarged EEA as laid down in EU acquis. The EEA EFTA side was given sector-specific briefings by the Commission in the relevant working groups.

### **The Lisbon Strategy**

24. The EEA EFTA States adopted in January an Action Plan to follow-up the Lisbon Summit. The plan reflects the political priorities of the EEA EFTA States in the three pillars of the Lisbon Strategy: the Internal Market Strategy, the European Social Agenda, and the Strategy for Sustainable Development.

25. The Plan was followed by a communication from the EEA EFTA States to the Barcelona Spring European Council in March 2002, where they expressed their interest in and strong commitment to contributing to the Lisbon Process. The communication presented input and suggestions concerning Internal Market reforms, the European Knowledge Area, Increasing Labour Market Participation and Modernising Social Protection Systems.

26. The EEA EFTA States asked to be included in the Structural Indicators to the Statistical Annex to the Commission's 2003 Spring Report. This was approved with the result that EEA EFTA States would be assessed alongside their EU partners, as well as accession countries, in an effort to make Europe the most competitive and dynamic knowledge-based economy in the world. The Structural Indicators are essential for benchmarking and the Open Method of Coordination of the Lisbon Strategy. Presentation of the EEA EFTA States in the Structural Indicators will also make their participation in the Internal Market more visible to global economic operators.

### **The EEA Financial Instrument**

27. The Financial Instrument, with total grant facilities of EUR 119.6 million, was established in 2000 for the purpose of reducing the economic and social disparities in the EEA. A significant number of pre-consultations were processed in 2002 and the two first grant applications for individual project proposals were received. Commitments would be made by 31 December 2003.

### **Concluding remarks**

28. Although there were some disputes between EEA EFTA States and the European Commission during 2002, the European Economic Area in general functions well. More than 4000 legal acts are applied in the same way in the 18 Member States of the EEA. It maintains its original function of securing the extension of the EU internal market to the EEA EFTA States.

## **ACTIVITIES BY SUBSTANCE AREA DURING 2002**

### **FREE MOVEMENT OF GOODS**

#### *General*

1. Positive progress can be noted concerning the processing of new Community legislation into the EEA Agreement. During 2002 the Joint Committee integrated 80 Decisions, incorporating 211 new acts, into the Agreement. The number of acts in the goods area with EFTA was reduced from 219 to 127 at the end of the year. Progress was also made concerning long outstanding acquis such as baby food, the biotechnological patenting directive, as well as the biocides products directive.

2. The Joint Committee also addressed the introduction of safeguard measures for certain steel products within the EEA, as well as supplementary protection certificates for medicinal products in relation to Liechtenstein.

#### **Technical regulations, standards, testing and certification**

3. The Joint Committee adopted 44 Decisions amending Annex II and Protocol 47, incorporating a total of 108 new acts, into the Agreement. Most of the new acts were related to trade in foodstuffs, motor vehicles, chemicals and maximum residue limits of veterinary medicinal products in food. Annex II and Protocol 47 to the Agreement now contain nearly 1500 EU acts.

4. Over the year, experts from the EEA EFTA States contributed to the work of more than one hundred committees, working groups and other bodies set up by the Commission in the field of technical barriers to trade.

#### *Veterinary matters*

5. During 2002 the EEA Joint Committee incorporated 61 acts into the Agreement, bringing this field almost up to date with regard to Community acts adopted during 2001. There are, however, still some acts from 2000 and 2001 that remain outstanding. These concern the prevention, control and protection against transmissible spongiform encephalopathies (TSEs) and the registration of bovine animals and labelling of beef.

6. The EEA Joint Working Group on Veterinary Matters also agreed to expand the application of simplified procedures to cover not only Community safeguard and protective measures towards third countries, but also against Member States. This implies that such measures shall apply for Iceland and Norway from the same time as the EC Member States, without a prior decision by the EEA Joint Committee.

#### *Foodstuffs*

7. The European Parliament and the Council adopted in January 2002 a Regulation laying down general principles and requirements of food law and procedures in matters of food safety and establishing the European Food Safety Authority (EFSA). The Authority will provide scientific advice on food safety issues and ensure information exchange and co-operation with the bodies undertaking similar tasks in the Member

States. The EEA EFTA States presented a draft EEA Joint Committee decision providing for the participation of the EEA EFTA States in the new Authority in April 2002 and a provisional response to the proposal was given in December 2002.

8. A total of 50 acts were incorporated into the Agreement during 2002. Following years of discussions, the Community legislation concerning baby foods were incorporated and entered into force on 1 December 2002.

#### *Feedingstuffs*

9. The rapid alert system (RAPEX) was expanded from originally covering food and industrial products to also cover feedingstuffs through the adoption of the Regulation on food law and establishing the EFSA. The RAPEX system is now working in the EEA EFTA States with regard to feedingstuffs. In 2002, 10 acts from 2001 and 2002 were incorporated into the Agreement.

#### *Competition*

10. Amendments to a Commission Regulation regarding consultations on passenger tariffs and slot allocation at airports and a new Commission Regulation (EC) on the application of Article 81(3) of the Treaty to categories of vertical agreements and concerted practices in the motor vehicle sector were incorporated into the Agreement in September 2002.

#### *Steel*

11. The Commission introduced temporary safeguard measures in March and definitive measures for certain steel products in September 2002. These measures were, with reference to Articles 112 to 114 in the EEA Agreement, also applied to the EEA EFTA States. The Joint Committee discussed the issue of the compatibility of these Community safeguard measures with the provisions of the EEA Agreement. The EEA EFTA side objected to the introduction of such measures within the EEA and the principal aspects of the issue were not settled during 2002.

#### *Public procurement*

12. The Joint Committee incorporated one act in the field of public procurement into the EEA Agreement in 2002 (JCD 143/2002); this provided for standard forms that must be used for the publication of public contract notices.

#### *State aid*

13. In 2002, the Joint Committee incorporated three Regulations that exempt certain categories of aid, under specific conditions, from the standard notification and approvals procedure for State aid. These concern aid for training, aid to small and medium-sized enterprises, and also small-scale assistance that falls below certain thresholds.

14. In addition, a Commission Regulation allowing for temporary and limited support to shipbuilding was incorporated into the EEA Agreement in December.



*Energy*

15. Two Directives in the energy sector were incorporated into the EEA Agreement by decision 83/2002, concerning the transit of natural gas and electricity.

*Intellectual property*

16. Directive 2001/84/EC of the European Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art was incorporated into the EEA Agreement in December 2002. At the same time, the EEA EFTA States handed over a draft Joint Committee Decision incorporating the European Parliament and Council Directive on the legal protection of biotechnological inventions.

17. Liechtenstein evoked on 13 July 2002 the Article 111 on settlement of dispute concerning the supplementary protection certificate for medicinal products. No solution was found during 2002.

*Internal Market Advisory Committee (IMAC)*

18. The EEA EFTA States participated actively in the work of IMAC, where the main issues were the participation in the new problem-solving system for the Internal Market (SOLVIT), Simplification of Legislation (SLIM), business test panels, action on market surveillance and the scoreboard for the implementation of Community legislation.

*Protocol 3 – Trade in Processed Agricultural Products*

19. Negotiations continued in 2002 between Norway and the Community on the application of Protocol 3, notably regarding a system of price compensation that can take into account differences in the costs of agricultural raw materials used in production. A compromise solution was found in December for submission to the decision-making bodies on both sides.

*Protocol 4 – Customs Matters / Rules of Origin*

20. The EEA EFTA States continued their participation in the discussions concerning an extension of the pan-European system of cumulation to the Mediterranean countries.

*Extension of the Internal Market to third countries - Mutual Recognition Agreements for industrial products (Protocol 12)*

21. The EEA Agreement envisages that the EEA EFTA States conclude parallel agreements to those concluded by the Community. The EEA EFTA States concluded negotiations with four Eastern European Countries: Latvia, Lithuania, Slovenia and Hungary during 2002. These Agreements will become operational by mid 2003 and ensure free circulation for certain industrial products *before the actual accession of these countries to the EU and the EEA*.

22. Finally, positive progress can be recorded concerning the preparation of an MRA Agreement with the US and the aim is to finalize these negotiations before the end of 2003.

## **FREE MOVEMENT OF CAPITAL AND SERVICES**

23. In the field of free movement of capital and services, 33 acts were incorporated into the EEA Agreement.

### *Financial services and company law*

24. Seven new legislative acts were integrated into Annex IX (Financial services) and three in Annex XXII (Company law) in 2002. EEA EFTA experts continued to participate in a number of expert groups assisting the Commission in preparing new legislative proposals, and attended as observers meetings of the Banking Advisory Committee and the Insurance Committee.

### *Information and Telecommunications services / Postal services*

25. Five new legislative acts were integrated into Annex XI (Telecommunications Services) in 2002. One of the incorporated new acts was the new Directive on Postal Services that provides for a gradual opening up to competition of further market segments.

26. The EEA-EFTA States continued to participate in the eContent programme (2001-2005) aimed at stimulating the development and use of European digital content on the Internet and promoting the linguistic diversity of European websites. Furthermore, the EEA EFTA States participated in the Action Plan for Promoting safer use of the Internet (1999-2002) as well as in the PROMISE Programme (1998-2002) on promoting the Information Society in Europe. The *eEurope* Action Plan was in particular closely monitored by the EEA EFTA States.

### *Audiovisual services*

27. No new legislative acts were integrated into Annex X (Audiovisual Services) in 2002. The EEA EFTA States continued their participation in the Contact Committee of the Television without Frontiers Directive. The EEA EFTA States also continued to participate in the MEDIA Plus and MEDIA Training programme (2001-2005) in 2002.

### *Transport*

28. Eighteen legal acts in the field of transport were incorporated into the Agreement in 2002. EEA EFTA experts participated actively in the various EU expert meetings as well as the numerous comitology committees (chaired by the Commission) in this field.

29. Seven of the legal acts incorporated into the Agreement this year belonged to the field of inland transport. Among them were the incorporation of the Directive on charging of heavy goods vehicles for use of infrastructure (Eurovignette), a Directive on the interoperability of the trans-European conventional rail system as well as further acts related to road and rail transport, transport of dangerous goods by road and inland waterway transport. The EEA EFTA States also followed closely the deliberations in

the EU related to the Second Railway Package, which aims at further market opening, safety and interoperability as well as the establishment of a European Railway Agency.

30. Eight new legislative acts on maritime transport were incorporated into the EEA agreement last year; the most significant being the incorporation of the ERIKA I package. The Community finally adopted the ERIKA II package in June, including the establishment of a European Maritime Safety Agency (EMSA). Preparation of a Joint Committee Decision on the participation by the EEA EFTA States were in its final stages at the end of 2002. Concerning the participation in the European Aviation Safety Agency (EASA), negotiations would continue in 2003.

31. The EEA EFTA States followed closely the deliberations in the EU on the new aviation security legislation providing formal and informal comments. The Community finally adopted the regulation on aviation security towards the end of the year.

## **FREE MOVEMENT OF PERSONS**

32. In the field of free movement of persons, 5 acts were integrated into the Agreement.

### *Social security*

33. Three legislative acts in the field of social security were integrated into the Agreement. The EEA EFTA States continued their participation in meetings of the Administrative Commission on Social Security for Migrant Workers and in its various working parties, as well as in the Technical Commission on data processing and the Audit Board. The EEA EFTA States also participated in MISSOC, which is a mutual information system on social protection in the European Union.

34. The EEA EFTA States followed closely developments regarding the proposed modernisation and simplification of Regulation 1407/71, as well as regarding a proposal on its extension to third country nationals. Furthermore, the EEA EFTA States met three times with the Secretary to the Social Protection Committee. This Committee was established to follow up the Lisbon targets with regard to the future of social protection systems, particularly the sustainability of pension systems and the strategy for combating social exclusion.

35. Regulation 1386/2001 of the European Parliament and of the Council amending Regulation 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community was incorporated into the EEA Agreement in 2002, along with two Decisions of the Administrative Commission on Social Security for Migrant Workers.

### *Mutual recognition of diplomas*

36. Following preparations by The Working Group of Mutual Recognition of Diplomas, the EEA Joint Committee incorporated two important acquis into Annex VII of the EEA Agreement in 2002. These were EP/Council Directive 98/5/EC to facilitate

the practice of the profession of a lawyer on a permanent basis in a Member State other than that in which the qualification was obtained, and EP/Council Directive 2001/19/EC, which was adopted in May 2001, amending several of the existing directives concerning the mutual recognition of diplomas.

37. EEA EFTA experts continued to contribute to the work of the Co-ordinators Group (dealing with the general systems for recognition of diplomas) and the “Article 15” Committee (whose aim is to amend Annexes C and D of Council Directive 92/51/EEC).

#### *Free Movement of Workers and Employment*

38. The EEA EFTA States met with the EU Employment Committee, a high level Group whose task is to monitor the employment situation and employment policies in the Member States and the Community. The EFTA side exchanged views with the EU Member States on best practices on the theme of “promoting participation and more inclusive labour markets”. A paper on the labour market situation in the EEA EFTA States was circulated to the members of the Employment Committee prior to the meeting.

39. EEA EFTA Comments were submitted to the EU on the Action Plan for Skills and Mobility in the beginning of the year.

40. Participation of the EEA EFTA States in the MISEP (Mutual Information System on Employment Policies) correspondents’ Group and the EURES network (European Employment Services) continued and the EEA EFTA side was also invited to the meetings of the Heads of Public Employment Services.

### **HORIZONTAL AND FLANKING POLICIES**

41. In the field of horizontal and flanking policies, the Joint Committee adopted decisions to integrate 75 acts into the EEA Agreement in 2002. 12 of these acts concerned participation in cooperation outside the four freedoms including newly adopted Community programmes.

#### *Budgetary matters*

42. The EEA EFTA contribution increased from EUR 67.7 million in 2001 (actual expenses), to EUR 95.0 million in 2002 (budget estimate), reflecting higher costs for the research framework programme as well as the EEA EFTA participation in the multi-annual programme for enterprises and entrepreneurship.

#### *Social policy*

43. Social Policy covers the fields of Health and Safety at Work and Labour Law, Gender Equality and Family Policy, the Disabled, Elderly and Social Exclusion, and Public Health. Seven EEA Joint Committee Decisions, including five new acts and two programmes in the area of social policy were integrated into the Agreement in 2002.

44. In the field of health and safety at work, the EEA Joint Committee integrated a directive on the minimum requirements for the use of work equipment by workers at work and a communication on guidelines for the safety or health of pregnant workers and workers who have recently given birth or are breastfeeding. A Draft Joint Committee Decision to ensure full participation of the EEA EFTA States in the European Agency for Safety Health at Work was submitted to the Commission.

45. In the area of labour law, three directives were incorporated into the Agreement, and these directives concerned amendments to the working time directive 93/104/EC, the involvement of employees in a European Company, and, the establishment of a general framework for informing and consulting employees in the European Community.

46. The Joint Committee adopted Decisions incorporating into the Agreement the Social Exclusion programme (2002-2006) and the European Year of People with Disabilities 2003. Preparations for the European Year started in 2002, and representatives from the EEA EFTA States participated in the Disability Advisory Committee.

47. A Draft Joint Committee Decision concerning EEA EFTA participation in the new public health programme (2003-2008) was handed over to the Commission in 2002. The new programme will replace the eight existing public health programmes.

#### *Consumer protection*

48. The EEA EFTA States submitted EEA EFTA comments on the Green Paper on European Union Consumer Protection in January 2002 and on the follow-up communication to the Green Paper on European Union Consumer Protection in September. EEA EFTA experts participated actively in the work of the group of national experts on fair commercial practices and continued participating in the consumer programme on establishing a general framework for community activities in favour of consumers in 2002. The EEA EFTA States submitted a Draft Joint Committee Decision to incorporate Commission Recommendation 2001/193/EC concerning pre-contractual information to consumers by lenders offering home loans to the EU side.

#### *Research and development*

49. The EEA Joint Committee integrated the Sixth Framework Programme for Research, Technological Development and Demonstration Activities (2002-2006). As EP/Council Decision 1513/2002/EC on FP6 gives the acceding countries status as Member States in the new programme, research projects and mobility exchanges can for the first time be established between partners in the EEA EFTA States and the acceding countries without participation of partners from the Member States. In the EU Scientific and Technical Research Committee (CREST), the EEA EFTA States participated in the discussions of the Commission's Working Papers on the European Research Area and the Sixth Framework Programme for Research and Development.

### *Education, training and youth*

50. In the area of education, training and youth, the EEA EFTA States participate in the programmes Socrates, Leonardo da Vinci, and Youth, for which the current programme periods run from 2000 to 2006. In December 2002, the Commission initiated a first consultation process concerning the next generation of the education and training programmes.

51. A decision was taken in 2002 by the EEA Joint Committee to secure continued EEA EFTA participation in the preparatory actions in the field of education, training and youth policy. These actions include pilot studies in e-learning

52. The EEA EFTA States were invited to participate in a number of new expert Groups set up by the Commission, to implement the proposed actions of the work programme on the future objectives of the education system in Europe.

### *Culture*

53. Cooperation between the EEA EFTA States and the EU in the area of culture continued in 2002 through EEA EFTA participation in the Culture 2000 programme.

### *Environment*

54. During the year, the EEA Joint Committee integrated 44 legal acts in the area of environment. The Joint Committee Decisions include the integration of acts concerning areas of waste, eco-labelling, air quality, environmental effects of plans and programmes, and ozone-depleting substances. A decision on the EEA EFTA participation in the EU programme on Sustainable Urban Development was also adopted. As regards decision-shaping, the EEA EFTA States had a number of discussions with the Commission on policy documents and new legislative proposals. The main issues discussed were the 6<sup>th</sup> Environment Action Programme, Climate Change, Waste, Soil, Environmental indicators and Noise.

### *Enterprises and Entrepreneurship*

55. The EEA EFTA States participated in the Multi-annual programme for Enterprises and Entrepreneurship (MAP), which aims at improving the environment for small and medium sized enterprises (SMEs) and enhance entrepreneurship. Experts from Iceland, Liechtenstein and Norway were invited to contribute to the work of more than 20 expert groups in the area, such as the “Expert Group on Education and training for Entrepreneurship” and the “ICT skills monitoring group”. The EEA EFTA States participated in a meeting of the Enterprise Policy Group, which discusses priorities in European Enterprise policy.

56. Moreover, the EEA EFTA States took part in the establishment of SOLVIT – the Internal Market Problem Solving Network. SOLVIT centres in Oslo, Reykjavik and Vaduz form part of the network and assist EEA EFTA citizens that experience problems relating to misapplication of Internal Market rules by public administrations.

57. The EEA EFTA States also took part in the preparations for a Standing Business Test Panel, where 4000 companies in the EEA, including 88 Norwegian and 37 Icelandic companies, are invited to comment upon and shape Commission proposals for new Internal market rules that are destined to have substantial effect on the business environment.

#### *Tourism*

58. Representatives from the EEA EFTA States continued to participate in the EU Advisory Committee on Tourism, which met three times during 2002. In addition, the EEA EFTA States cleared and transmitted comments to a Communication from the Commission titled "Working together for the future of European Tourism".

#### *Civil protection*

59. The EEA Joint Committee integrated one act in the field of civil protection in 2002. The EEA EFTA States take part in the second Community Action Programme in the field of Civil Protection, which aims at strengthening co-operation in this field by exchanging experts, conducting simulation exercises and other actions.

#### *Statistics*

60. The EEA Joint Committee incorporated 19 acts into Annex XXI to the Agreement in 2002. The good level of EEA co-operation in the field of statistics was maintained. EEA EFTA participants attended Eurostat meetings and several national seconded experts continued to work in Eurostat. The EEA EFTA States participated in the operation of a number of joint projects with the EU.





