

**EUROPEAN ECONOMIC AREA**  
**JOINT COMMITTEE**

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**ANNUAL REPORT OF THE JOINT COMMITTEE FOR THE YEAR 2003  
ON THE FUNCTIONING OF THE EEA AGREEMENT**

**(ARTICLE 94(4))**

**General overview**

1. The EEA Joint Committee met eight times in 2003 and adopted 179 decisions incorporating 297 acts, of which 81 were veterinary acts and 216 were in the non-veterinary field. In comparison, in the previous year, 324 acts were incorporated, of which 61 were veterinary and 263 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 2003 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 179 Joint Committee Decisions were adopted in 2003. (The actual number was 281, but two of these were left blank since they were withdrawn too late before the Joint Committee meetings to be taken off the list). An average of 18 Decisions were adopted per working month, compared to 17 in 2002, 16 in 2001, 11 in 2000 and 17 in 1999. The average number of legal acts (non-veterinary) incorporated per working month was 22, compared to 26 in 2002.

4. The overview of decision-making for 2003 shows that the number of EU acts under consideration by EFTA was kept at a low level. Therefore, there is no longer any backlog, and there has been an emphasis on organisational procedures in order to maintain a high speed in the processing of new acts.

5. A list of Joint Committee Decisions adopted by the EEA Joint Committee in 2003 is attached at Annex III.

### *Homogeneity*

6. The Joint Committee on 31 January adopted the decision on the integration of the Directive on Patenting of biotechnological inventions. The decision on the Biocidals Directive (98/8/EC) was adopted on 14 March. Both these directives had been outstanding for some time.

7. The Money Laundering Directive was adopted through Decision 98/2003 on 11 August together with three connected Declarations. Decision 154/2003 incorporating Regulation 2560/2001 on cross border payments in Euro was adopted in the Joint Committee meeting 7 November.

8. The EEA EFTA States welcomed the objectives of the Community measures to combat discrimination through the Anti-Discrimination Programme, which was adopted through Decision 181/2003 on 5 December. They are considering aligning national legislation with the content of the Anti-discrimination Directives, and have stated that participation in the anti-discrimination programme would be a valuable complement to this process.

9. The Joint Committee has not yet finalised its decision on the integration of the Regulation on the implementation of the .eu Top Level Domain into the EEA Agreement although both parties agree on the EEA relevance of the regulation.

10. The issue of Supplementary Protection Certificates for Medicinal Products was discussed at the Joint Committee meetings in January and March 2003.

### *Transposition of new EEA legislation*

11. The EEA EFTA States kept their transposition deficits (ie. the number of legislative measures that are not transposed into the national legal order on time) at a very low level in 2003 and were among the best performers in the whole EEA area. In January 2004, the EFTA Surveillance Authority Scoreboard indicated that the deficit was at a record low of 0.9% and listed a strong performance by the EEA EFTA States, as Norway held second place, and Iceland 4<sup>th</sup> with Liechtenstein in 5<sup>th</sup> place.

### *EEA EFTA participation in EU programmes*

12. The EEA EFTA States continued to participate in a wide range of EU programmes. The Joint Committee Decision on the Sixth Framework Programme entered into force in January, thereby enabling the EEA EFTA States to participate fully from the start-up of the programme. Programmes that were adopted during the year included the Community incentive measures in the field of employment, the Public health programme, the European Year of Education through Sport 2004, the IDA programme, the Intelligent energy programme, the Action programme to combat discrimination and the Community statistical programme. The participation runs smoothly, although the incorporation of new programmes is sometimes delayed for procedural reasons.

## **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 2003, 12 EEA EFTA Comments were submitted, while 22 were submitted the year before. The comments from the EEA EFTA States were on:

- the proposal for a Regulation on the transfer of cargo and passenger ships between registers within the Community (COM(2003) 478 final)
- the proposal for a Directive of the European Parliament and of the Council on measures and procedures to ensure the enforcement of intellectual property rights (COM (2003) 46 final)
- the EC Communication: Enhancing the Implementation of the New Approach directives (COM (2003) 240(01))
- the Commission's proposal for a Directive on the recognition of professional qualifications (COM (2002) 119 final)
- the Internal Market Strategy 2003-2006 (Sent as a letter to Italian Ministers Mr Marzone and Mr Buttiglione on 8 September 2003, with a copy to Commissioner Bolkestein, for the Competitiveness Council of 22 September 2003)
- Commission's consultation on the review of the Television without Frontiers Directive
- the proposal for a decision of the European Parliament and of the Council establishing a general framework for financing community actions in support of consumer policy for the years 2004 to 2007
- the Commission's proposal for a Community programme in the field of education - Erasmus Mundus 2004-2008
- the Commission's proposal for a Community multi-annual programme (2004-2006) for the effective integration of Information and Communications Technologies (ICT) in education and training systems in Europe - eLearning Programme
- the Communication from the Commission to the European Parliament and the Council - A More Coherent European Contract Law - An Action Plan
- the new Internal Market Strategy
- the Brussels Spring Summit

### *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. The EEA EFTA States participate in around 300 of these under the EEA Agreement.

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

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

16. The EEA Consultative Committee (EEA CC) held its annual meeting on 20 March 2003 in Brussels. Two resolutions were adopted: one on the *Enlargement of the European Economic Area – institutional and legal issues*; and one on the *Follow-up of the Lisbon Strategy*. The Committee also debated EEA developments and in particular the ongoing EEA enlargement negotiations with representatives of the EEA Joint Committee. Outside the framework of the EEA-CC, members from the EFTA side took an active part in a number of EESC meetings with civil society in the EU/EEA accession countries, through the *Osmosis procedure*.

17. In 2003 the EEA CC was co-chaired by Mr Halldór Grönvold (Workers, Iceland) from the EFTA side and Mr Clive Wilkinson (Employers, UK) from the EESC side.

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

18. The EEA Joint Parliamentary Committee (EEA JPC) held two meetings in 2003, in Ålesund, Norway on 20 May and in Brussels on 27 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:

- Enlargement of the EU/EEA and the Future of Europe
- Functioning of the EEA Agreement during 2003
- Wider Europe and the EEA
- The “Draft Constitution for Europe” and its implications for the EEA

The resolutions were forwarded to the EEA Council.

19. The President of the EEA JPC during 2003 was Mr Jürgen Zech, MP (Progressive Citizens’ Party, Liechtenstein). The Vice-President was Ms Erika Mann, MEP (PES, Germany).

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

20. The Joint Committee adopted the Decision No. 81/2003 on EEA EFTA participation in the European Maritime Safety Agency at its meeting 20 June 2003.

21. No decisions on EEA EFTA participation in the European Food Safety Authority and the European Aviation Safety Agency were taken during 2003. Both technical issues and issues of principle such as budgetary contributions and voting rights were discussed.

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

22. Negotiations between the EEA EFTA States, the European Commission, and the ten acceding countries started 9 January, and were completed with the initialling of the

EEA Enlargement Agreement 3 July. The agreement was signed by the EEA EFTA States in Vaduz 11 November.

23. The EEA EFTA States have agreed to apply the same adaptations and transition periods as in the EU Accession Treaty. Solutions were found in the fields of trade in fish and fish products as well as agricultural products.

24. Through a new Financial Mechanism, the EEA EFTA States will contribute substantially towards the reduction of social and economic disparities in the enlarged Internal Market. The EEA EFTA States will provide a multilateral contribution of 600 million EUR from 2004 to 2009 to the ten accession countries as well as to Greece, Portugal and Spain. Norway will in addition contribute 567 million EUR to the same objectives through a separate bilateral Financial Mechanism to the accession countries.

### **The Lisbon Strategy**

25. In the form of a letter signed by EFTA Chair, Prime Minister Bondevik, the EEA EFTA States sent comments to Prime Minister Costas Simitis in the run-up to the Spring Summit, outlining their interests in the Lisbon Strategy. The EEA EFTA States were included, in 2003, in the Statistical Annex of the Spring Report. The EEA EFTA States provided substantial input to the new Internal Market Strategy for 2003 to 2006.

### **Neighbourhood Policy**

26. In December 2003 the EEA EFTA States received a comprehensive briefing from the Commission on their New European Neighbourhood Policy. The EEA EFTA States expressed their intention to follow developments and expressed their interest in obtaining regular updates on the future development of the policy.

### **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. The commitment period of the Financial Instrument ended on 31 December 2003. The EU side requested an extension to the period, but the Joint Committee did not take any decision in this respect. By the end of the commitment period, the Financial Instrument Committee had approved 25 applications for a total of EUR 113,556,605, corresponding to 94.9% of the total grant facility. All 25 commitments were made during 2003. EUR 6,042,875 or 8.6% of the amount available for Spain remained uncommitted.

### **Concluding remarks**

28. The EEA Agreement functioned well in 2003. The main activity was probably the negotiation of the enlarged EEA Agreement, and in 2004 the main challenge will be to make the enlarged Internal Market work in practice.

## ACTIVITIES BY SUBSTANCE AREA DURING 2003

### FREE MOVEMENT OF GOODS

#### General

1. During 2003 the Joint Committee integrated 86 Decisions, incorporating 197 new acts, into the Agreement in the field of free movement of goods. Positive results were registered with the inclusion of the EC acts on the legal protection on biotechnical inventions (patents) and on biocides directive (dangerous substances). At the end of 2003, the issue of novel foods/genetically modified organisms (GMOs) was still open.

#### Veterinary and Phytosanitary Matters

2. During 2003, 81 legal acts were incorporated into the Agreement in the *veterinary* field. Several of these acts were adopted by the Community in response to the 'mad cow' disease crisis; protection measures with regard to transmissible spongiform encephalopathies (TSEs), ban on the feeding of animal protein and the new regulatory framework on TSEs.

3. There were at the end of the year still some outstanding acts from 2000 and 2002, which concern the registration of bovine animals and labelling of beef and animal by-products.

4. During the year, 17 acts 2003 were incorporated into the Agreement in the field of *feedingstuffs*, Directive 2002/32/EC on undesirable substances included. The Directive is recasting the previous Directive and introduces several major amendments. The most important one prohibits the dilution of contaminated feed materials. The Directive includes maximum limits for heavy metals such as arsenic, lead, mercury and cadmium as well as for dioxin, aflatoxin, certain pesticides, and botanical impurities in certain feed materials, feed additives and feedingstuffs.

5. Concerning *phytosanitary matters* 13 acts were incorporated in 2003, four new Directives on the marketing of beet seed, vegetable seed, seed of oil and fibre plants and the Directive on the common catalogue of varieties of agriculture plant species included.

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

6. During 2003 the Joint Committee adopted 46 decisions amending Annex II and Protocol 47, incorporating a total of 86 acts into the Agreement. Most of the new acts were related to foodstuffs, dangerous substances and maximum residue limits of veterinary medicinal products in food.

7. 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.

8. High priority throughout 2003 was given to the integration of the Regulation (EC) No 178/2002 laying down general principles and requirements of food law and procedures in matters of food safety and establishing the European Food Safety Authority (EFSA). A revised draft EEA Joint Committee Decision was still under discussion at the end of the year.

9. Novel foods and genetically modified organisms (GMOs) have for many years been an issue of great importance to the EEA EFTA States. The adoption of new EU Regulations on GM food and feed and on the traceability and labelling of GMOs in July 2003 have provided new input to the process and the EEA EFTA side will continue the discussions on the integration of these provisions into the EEA Agreement, including the institutional aspects, in 2004.

10. A total of 29 legal acts were incorporated into the Agreement during 2003 mostly amending and implementing legislation related to pesticide residues, contact material, analytical methods for the detection of dioxins and dioxin like PCBs, food additives, baby foods and organic production.

### **Competition**

11. Regulation (EC) No 358/2003 on the application of Article 81(3) of the Treaty in the insurance sector was incorporated into the Agreement in June 2003, and Directive 2002/77/EC on competition in the markets for electronic communications networks and services was incorporated in December 2003.

12. The major issue discussed during 2003 was the integration of the Regulation (EC) No 1/2003 modernising the enforcement of the EC competition rules. The reform extends to national competition authorities and courts the power to apply Community law in full. The integration into the EEA Agreement was still ongoing at the end of the year.

### **Public procurement**

13. The EEA EFTA States followed closely the work with a new legislative package that would update and simplify the basic rules governing public procurement. The finalization will take place in 2004.

### **State aid**

14. The EEA EFTA States closely monitored the Commission's major overhaul of its rules on state aid during the year. The Joint Committee has incorporated one Regulation act exempting certain types of aid to employment from the standard notification and approvals procedure.

### **Energy**

15. The EEA EFTA States provided two Comments to the revision of the Community rules governing the internal energy market. The revision concerns the Internal Market in electricity and gas and the other the cross-border trade in electricity.

16. The EEA EFTA States secured their participation in the main elements of the energy framework programme "Intelligent Energy- Europe" that will operate until 2006. The programme aims to promote more efficient use of energy and increased use of renewable energy sources. A Joint Committee Decision was adopted 7 November 2003 allowing EEA EFTA States to participate in activities under the programme components SAVE (for energy efficiency), ALTENER (for renewable energy sources) and STEER (for energy aspects of transport).

### **Intellectual property**

17. Following lengthy discussions, Directive 98/44/EC on the patentability of biotechnological inventions was incorporated into the Agreement in January 2003.

18. Liechtenstein invoked 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 and 2003.

### **Internal Market Advisory Committee (IMAC)**

19. 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**

20. Bilateral negotiations started in 2002 between Norway and the Community on Protocol 3, notably regarding the elimination of the non-agricultural component of customs duties. These negotiations continued in 2003 and the aim is to implement the conclusions of the negotiations on 1 July 2004.

### **Protocol 4 – Customs Matters / Rules of Origin**

21. The most important topics were the extension of the pan-European cumulation system to the Mediterranean partner countries and the new Commission proposal for pre-arrival declarations for trade (the 24-hours rule).

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

22. The EEA Agreement envisages that the EEA EFTA States conclude parallel agreements to those concluded by the Community in the field of conformity assessment. The aim is to safeguard the homogeneity of the Internal Market. During 2003, the EEA EFTA States signed Agreements with four countries: Lithuania, Slovenia, Hungary and the Czech Republic.

23. Finally, good progress was made in 2003 regarding a parallel MRA with the USA with the aim of concluding the agreement during the first half of 2004.

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

24. In the field of free movement of capital and services, 42 acts were incorporated into the EEA Agreement.

### *Financial services and company law*

25. 4 new legislative acts were integrated into Annex IX (Financial services), 2 into Annex XII (Free movement of capital) including the Money Laundering Directive. 2 acts were incorporated into Annex XXII (Company law) in 2003, including the International

Accounting Standards. 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 European Securities Committee, the Banking Advisory Committee and the Insurance Committee.

*Information and Telecommunications services / Postal services*

26. 3 new legislative acts were integrated into Annex XI (Telecommunications Services) in 2003.

27. 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 prolonged Action Plan on promoting safer use of the Internet (2003-2004). They also prepared participation in the multi-annual programme (2003-2005) for the monitoring of the eEurope 2005 Action Plan (MODINIS) and in the multi-annual programme (2004-2006) for the effective integration of Information and Communication Technologies (ICT) in education and training systems in Europe (eLearning Programme).

*Audiovisual services*

28. No new legislative acts were integrated into Annex X (Audiovisual Services) in 2003. 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 2003.

*Transport*

29. 31 legal acts in the field of transport were incorporated into Annex XIII (Transport; land transport, maritime and aviation) in 2003. 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.

30. Acts incorporated in the field of inland transport included the Directive on working time in road transport, the Directive on speed limitation devices 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. Furthermore two proposals of great importance for the EEA EFTA States are the proposals on the interoperability of electronic road toll systems and the proposal on minimum requirements for tunnels. The proposals are followed closely by the EEA EFTA States and EFTA States experts have discussed the matters in detail with the Commission.

31. In the field of maritime transport the most significant acts incorporated were relating to the ERIKA II package, including the Regulation on the establishment of a European Maritime Safety Agency (EMSA).

32. The Regulations on Aviation Security along with the establishment of an Agency for Civil Aviation Safety (EASA) remained the most high profile issues in the field of air transport in 2003. Concerning the participation in EASA negotiations would continue in 2004.

## **FREE MOVEMENT OF PERSONS**

33. In the field of free movement of persons, 8 acts were integrated into the Agreement in 2003.

### *Social security*

34. In 2003, the Joint Committee integrated 8 acts into Annex VI (social security). These acts included seven Decisions of the Administrative Commission on Social Security for Migrant Workers and a Commission Regulation concerning amendments to Regulation 574/72.

35. One of the main priorities for the EFTA Working Group on Social Security in 2003 was to prepare for the introduction of the European Health Insurance Card in the EEA EFTA States. This Card will gradually replace the existing E-forms in the field of social security, and it will be introduced as from 1 June 2004 and at the latest end of 2005. 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 continued their participation in MISSOC, which is a mutual information system on social protection in the European Union.

### *Mutual recognition of diplomas*

36. The Joint Committee Decision incorporating Directive 98/5/EC (Lawyers directive) into the EEA Agreement entered into force on 1 March.

37. EEA EFTA comments were submitted to the EU side in September concerning the Commission's proposal for a new directive on mutual recognition of professional qualifications.

38. 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*

39. One draft EEA Joint Committee decision incorporating the new legal base for EURES (Commission Decision 2003/8/EC) into the EEA Agreement was submitted to the Commission in 2003.

40. The EEA EFTA States met with the EU Employment Committee for the second time, 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 good practices on the theme of "making

work pay". A paper on good practices from the EEA EFTA States was circulated to the members of the Employment Committee prior to the meeting.

41. 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**

42. In the field of horizontal and flanking policies, the Joint Committee adopted decisions to integrate 50 acts into the EEA Agreement in 2003. 11 of these acts concerned participation in cooperation outside the four freedoms including newly adopted Community programmes.

### *Budgetary matters*

43. The EEA EFTA contribution due to participation in EU activities were €3.6 million in 2003 (budget estimate), an increase from €6.8 million in 2002 (actual expenses). This increase reflects higher costs for the research framework programme as well as the fact that the EEA EFTA States participate in new EU activities.

### *Social policy*

44. 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. 4 new acts in the area of social policy were integrated into annex XVIII (Health and Safety at Work, Labour Law, and Equal Treatment for Men and Women)

45. In the field of health and safety at work, a revised draft Joint Committee Decision to ensure full participation of the EEA EFTA States in the European Agency for Safety and Health at Work was submitted to the Commission in 2003. The EEA Joint Committee adopted three EEA Joint Committee decisions in the field of health and safety at work during the year including EP/Council Directive on physical agents (vibration), EP/Council Directive on physical agents (noise) and EP/Council Directive on risks related to exposure to asbestos at work.

46. In the area of labour law, the Directive 2002/74/EC amending Directive 80/987/EEC relating to the protection of employees in the event of the insolvency of their employer, was incorporated into the Agreement.

47. 2003 was the European Year of People with Disabilities, and the EEA EFTA States took part in this Year on the basis of a Joint Committee Decision which was adopted in 2002. The Joint Committee adopted in December 2003 a Decision incorporating into the EEA Agreement the Anti Discrimination Programme (2001-2006), allowing for EEA EFTA participation in the Programme as from 2004. The Programme is linked to the two Anti Discrimination Directives, for which no legal basis was found in the EEA Agreement.

### *Public Health*

48. An EEA Joint Committee Decision (No. 19/2003) concerning EEA EFTA participation in the new Public Health Programme (2003-2008) was adopted in January 2003. The new Public Health Programme replaced the eight former programmes which came to an end in 2002. The EEA EFTA States also started participation in the High Level Committee on Health, which consists of senior officials meeting twice a year. Furthermore, EEA EFTA representatives were invited to take part in the Health Security Committee which was set up in 2001 with the aim of coordinating national measures in case of terror threats and attacks.

#### *Consumer protection*

49. The EEA Joint Committee incorporated Commission Recommendation 2001/193/EC concerning pre-contractual information to consumers by lenders offering home loans into the EEA Agreement in June 2003. The EEA EFTA States submitted EEA EFTA comments on the proposal for a Decision of the European Parliament and Council establishing a General Framework for financing Community actions in support of consumer policy for the years 2004-2007 -COM (2003) 44 final 3 July 2003). A draft EEA Joint Committee decision to incorporate the newly adopted programme was submitted to the Commission in December 2003. EEA EFTA experts began preparing comments on the proposal on unfair commercial practices and the proposal on enforcement co-operation. EEA EFTA participation continued in the consumer programme on establishing a general framework for community activities in favour of consumers.

#### *Research and development*

50. The Joint Committee decision integrating the Sixth Framework Programme for Research, Technological Development and Demonstration Activities (2002-2006) into the Protocol 31 of the EEA Agreement entered into force in January, enabling full participation of the EEA EFTA States from the startup of the programme.

#### *Education, training and youth*

51. 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.

52. Decisions were taken in 2003 by the EEA Joint Committee to integrate the European Year of Education through Sport 2004 into the EEA Agreement and to secure continued EEA EFTA participation in the preparatory actions in the field of education, training and youth policy.

53. Towards the end of the year, draft EEA Joint Committee Decisions for EEA EFTA participation in two new programmes, Erasmus Mundus (2004-2008) and e-Learning (2004-2006) were submitted to the Commission.

54. 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*

55. Cooperation between the EEA EFTA States and the EU in the area of culture continued in 2003 through EEA EFTA participation in the Culture 2000 programme.

#### *Environment*

56. During the year, the EEA Joint Committee integrated 10 legal acts in the area of environment. The Joint Committee Decisions include the integration of acts concerning areas of waste, eco-labelling, air quality, public access to environmental information and the voluntary participation by organisations in an eco-management and audit scheme (EMAS). 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 proposals concerning the greenhouse gas emission trading scheme and its linking to the Kyoto Protocol, environmental liability, waste and the marine environmental strategy.

#### *Enterprises and Entrepreneurship*

57. The Joint Committee Decision incorporating Directive 2000/35/EC (Late payment directive) into the EEA Agreement was taken on 16 May 2003 and will enter into force on 1 February 2004. Otherwise, the main emphasis during the year was constructive participation in the Multi-annual programme for Enterprises and Entrepreneurship (MAP) and in other EU initiatives that aim to enhance the business environment for small and medium-sized enterprises (SMEs).

58. The MAP entails the running of Euro Info Centres (EIC), including 5 in Norway and 1 in Iceland, financial support for SMEs and expert groups that deal with important policy issues. Some 40 experts from the EEA EFTA States have participated in over 30 expert groups on issues such as "Helping business start up", "Helping business overcome financial difficulties", and "Women Entrepreneurship". The experts groups allow for comparison of different policy initiatives and the identification of good practices. The EEA EFTA States take part in the work of the Management Committee for the MAP and are invited, at least once per year, to take part in a meeting of the Enterprise Policy Group, which discusses priorities in European enterprise policy.

59. The EEA EFTA States took part in the first consultations in the European Business Test Panel, where companies in the EEA, get the opportunity to comment upon and shape Commission proposals for new Internal Market rules that are destined to have a substantial effect on the business environment.

#### *Tourism*

60. The EEA EFTA States contributed to the work of the EU Tourism Advisory Committee and participated in the European Tourism Forum.

### *Civil protection*

61. EEA Joint Committee Decision 135/2002 incorporating Council Decision 2001/792/EC (Community Mechanism to facilitate reinforced cooperation in civil protection interventions) entered into force on 1 April 2003. The Community Mechanism aims to help ensure better protection of people, the environment and property in the event of natural, technological and environmental emergencies, including accidental marine pollution, occurring inside or outside the European Union. The Mechanism will include, among other things, the identification of intervention teams and other intervention support available for assistance intervention in the event of emergencies, the establishment and management of a Monitoring and Information Centre and the a common emergency communication and information system. Further to the Community Mechanism, 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*

62. The EEA Joint Committee incorporated 14 acts into Annex XXI to the Agreement in 2003. 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.

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