

EUROPEAN ECONOMIC AREA

JOINT COMMITTEE

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Annexes I, II, III

29 March 2006

ANNUAL REPORT OF THE JOINT COMMITTEE 2005 FUNCTIONING OF THE EEA AGREEMENT

(ARTICLE 94(4))

General overview

1. This report assesses the work of the EEA Joint Committee in 2005. In line with previous years, it firstly looks at decision-making procedures, and then at the decision-shaping-process and finally at horizontal issues. A review of the activities of the Subcommittees under the EEA Joint Committee, with particular reference to new legislation incorporated into the EEA Agreement, is in Annex I. Annex II contains an overview of the state of decision-making in 2005 and Annex III a list of Joint Committee Decisions adopted by the EEA Joint Committee.

Decision-making

2. The EEA Joint Committee met 8 times in 2005 and adopted 156 decisions incorporating 314 legal acts: 105 in the veterinary field and 209 in the non-veterinary field. This figure is comparable to that of 2004, where 181 decisions incorporating 309 legal acts were adopted. The Committee also had consultations on a number of issues.

3. Annex II - state of decision-making 2005 - shows that 107 EU acts outside the veterinary field were under the consideration of the EEA EFTA States by the end of the year. This figure is only slightly lower than the figure for 2004, when the number was 116.

4. The Joint Committee adopted several significant Decisions in 2005 concerning:

- EEA EFTA participation in the European Centre for Disease Prevention and Control;
- The Community action programme in the field of civil protection;
- EEA EFTA participation in the European Railway Agency (ERA);
- EEA EFTA participation in the European Network and Information Security Agency (ENISA);
- The revision of Protocol 4 of the EEA Agreement on rules of origin on the basis of the Pan-Euro-Mediterranean partnership, extending the European cumulation system to several Mediterranean partner countries; i.e. Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the West Bank and Gaza Strip, Syria, Tunisia and Turkey;

- Certain special provisions in the field of competition for liner shipping companies and technology transfer agreements;
- The second Internal Energy Market package covering electricity and gas, and cross-border trade in electricity;
- EEA EFTA participation in the eContentplus Programme;
- EEA EFTA participation in the Sixth Environmental Action Programme;
- Key priority acts in the European Commission's Financial Services Action Plan;
- Regulations on international accounting standards and directive on takeover bids in the field of company law.

5. A number of policy initiatives and proposals related to maritime safety and security were considered Enhancing ship and port facility security and on maritime safety.

6. The Commission briefed the Joint Committee on the European Neighbourhood Policy, the Lisbon Process and negotiations on international air transport agreement/open skies.

7. The following issues were outstanding in 2005:

- Fishmeal: The EEA EFTA side expressed concern in the Joint Committee over the EU ban on the use of fishmeal in ruminant feed, which was introduced as a measure to fight BSE. The EEA EFTA States also expressed concern over the European Commission's decision to open safeguard investigations on farmed salmon.
- EFSA: Good progress was made on EEA participation in the European Food Safety Authority (EFSA). This process has taken some time as participation is linked to the review of Chapter I of Annex I Veterinary Issues for Iceland.
- The Greenhouse Gas Emission Trading Scheme: the European Union Greenhouse Gas Emission Trading Scheme is based on Directive 2003/87/EC, which entered into force on 25 October 2003 and came into effect in January 2005. The directive has not been incorporated into the EEA Agreement. The EEA EFTA States have informally met with the Commission jointly and bilaterally to discuss the EEA relevance of the act and possible modalities for its incorporation. Bilateral discussions are on-going.

8. The contracting parties have agreed not to pursue for the time being the incorporation of Regulation 733/2002 on .EU Top Level Domain and Regulation 2062/94 on the European Agency for Safety and Health at Work into the EEA Agreement.

9. The Internal Market Scoreboard published by the EFTA Surveillance Authority in February 2006 showed that the EEA EFTA States match the average for the 25 EU States, although their transposition deficit has increased to 1.6% from 1.4% last July. Norway succeeded in reducing the number of overdue directives, bringing the deficit to 0.8% and ranking number 4 out of the 28 EEA States. Iceland's deficit has however increased slightly from 1.4% to 1.9% and Liechtenstein's from 1.7% to 2.1% during 2005.

EEA EFTA participation in EU agencies and programmes

10. All the principal issues relating to EEA co-operation in new EU agencies have been concluded. In February 2005, the EEA Joint Committee adopted the decision on EEA EFTA participation in the European Centre for Disease Prevention and Control. The Committee adopted the decision on EEA EFTA participation in the European Railway Agency in June 2005 and the decision on EEA EFTA participation in the European Network and Information Security Agency in July 2005.

11. Regarding participation in the European Food Safety Authority (EFSA), the parties are actively working towards the preparation of the draft EEA Joint Committee Decision. Participation in this authority is also linked to the adoption of a general food law establishing an integrated approach to food safety issues. The law examines the whole food chain from farm to fork. Given the broad range of issues, involving food, feed and veterinary aspects, as well as the technical nature, the process has taken longer than originally expected. In return, the outcome should provide a solid basis for the future incorporation of new general food law acquis into the EEA Agreement.

12. The EEA EFTA States participate in a wide range of EU programmes. As a consequence, the financial contribution by the EEA EFTA States to the EU budget 2005 was in payments approximately €100 million and in total commitments approximately €136 million. The biggest programme is the Sixth Framework Programme on Research, which entered into force in 2003. In 2005, the Joint Committee adopted decisions on EEA EFTA participation in the eContentplus Programme, Europass and the Community action programme in the field of civil protection.

Decision-shaping

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 submits a number of comments on important policy issues. The comments are elaborated by working groups, cleared by the relevant subcommittees, endorsed by the Standing Committee and officially noted by the Joint Committee, after they have been sent to the relevant services in the Commission and in the European Parliament.

14. In 2005, 9 EEA EFTA Comments were submitted, while 13 were submitted the year before. The comments from the EEA EFTA States were on:

- the proposal concerning Media 2007;
- the issue papers for the Liverpool audio-visual 21-22 September 2005 conference;
- the proposal for Quality Assurance in Higher Education;
- the proposal for a regulation on nutrition and health claims made on foods;
- the proposal for a regulation on the addition of vitamins and minerals and of certain other substances to food;
- the Youth in Action Programme 2007-2013;
- the proposal for a regulation concerning the registration, evaluation, authorisation and restriction of chemicals;
- the proposal for the Culture 2007 programme;
- the proposal for a directive on end use energy efficiency and energy services.

15. Contribution to the work of a large number of the European Commission's committees and working groups is an important channel for taking part in the shaping of EU decisions. In 2005, the EEA EFTA States made an overview of the actual participation of EEA EFTA experts in the Commission's committees and working groups. According to this survey, EEA EFTA experts participate in almost 400 committees and working groups of EEA relevance.

Advisory bodies under the EEA

16. The EEA Consultative Committee (EEA CC) held its annual meeting on 30-31 May 2005 in Tallinn, Estonia. Two resolutions were adopted at the meeting: one on the Lisbon Strategy – role and expectations of economic and social partners in the EEA and the other on the instruments for increased economic and social cohesion in Europe. The Committee also debated EEA developments as well as the European Neighbourhood Policy. Outside the framework of the EEA CC, members from the EFTA side took an active part in a number of European Economic and Social Committee (EESC) meetings with civil society in the EU/EEA accession countries, through the Osmosis procedure.

17. In 2005, the EEA CC was co-chaired by Mr Jon Vea (Chairman of the EFTA Consultative Committee) from the EFTA side and Mr Leif E. Nielsen (various interest groups, DK) from the EESC side.

18. The EEA Joint Parliamentary Committee (EEA JPC) held 2 meetings in 2005: in Reykjavik on 25 April and in Brussels on 22 and 23 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 the progress of previous resolutions of the JPC. The EEA JPC discussed and adopted resolutions on the following topics, which were forwarded to the EEA Council:

- The functioning of the EEA Agreement during 2004
- The review of the Regional Aid Guidelines
- The resolutions of the EEA JPC 2000 – 2005
- New environmental legislation and the EEA

19. The President of the EEA JPC for the first part of 2005 was Mr Morten Høglund, (Progressive Party, Norway) and for the second part Mr Svein Roald Hansen (Labour Party, Norway). Ms Diana Wallis, MEP (Liberal Democrats, UK) was the Vice-President.

The EEA Enlargement Agreement

20. The EEA was enlarged on 1 May 2004. In order to ensure the parallel entering into force of the EU and EEA Enlargement Treaties on 1 May, the parties agreed that the EEA Enlargement Agreement should be applied provisionally until all Contracting Parties had ratified it. The objective of simultaneous enlargement of the EU and the EEA was thus fulfilled. The EEA Enlargement Agreement which had been applied provisionally from 1 May 2004 entered into force on the 6 December when all Contracting Parties had ratified the Agreement.

The Financial Mechanisms (2004-2009)

21. Through the EEA Enlargement Agreement, the EEA Financial Mechanism and a Norwegian Financial Mechanism were established in May 2004, through which the EEA EFTA States make substantial contributions towards the reduction of social and economic disparities in the enlarged Internal Market. The Financial Mechanisms will make close to €1.2 billion euros available to 13 beneficiary states over a five-year period until 2009. The beneficiary states are the 10 countries that joined the EU in May 2004, and Greece, Portugal and Spain. By mid 2005, MoUs had been concluded with all the beneficiary states and the Financial Mechanisms are now firmly in the implementation phase.

22. The first open calls for proposals were announced in the Czech Republic, Slovenia, Malta, Poland, Slovakia and Hungary. These calls made around 275 million euros available to potential applicants. Poland, which is the biggest recipient by far under the Financial Mechanisms, announced a 176 million euro open call for proposals in August 2005.

23. The Financial Mechanism Office has already started to receive applications from beneficiary states after their national assessment and prioritisation process. The first applications have been forwarded to the European Commission (DG Regional Policy) for screening. The first two commitments were made in February for technical assistance to Slovakia and Poland and many more will follow this spring.

Future enlargement

24. The EEA is expected to expand further with Bulgaria and Romania joining the EU, which is anticipated in 2007. In July 2005, the President of the EEA Council received applications from Romania and Bulgaria to start negotiations for their accession to the EEA Agreement, but a decision as to when the negotiations will start has not been made yet. Simultaneous accession of new members to the EU and to the EEA is a common objective of all parties concerned in order to secure the homogeneity and the good functioning of the European Economic Area.

The Lisbon Strategy – Strategy for Growth and Jobs

25. The Lisbon Strategy – Strategy for Growth and Jobs - is of great importance for the EEA EFTA States due to the high level of economic interdependence between the EEA EFTA States and the EU Member States. In the spring of 2005, the EU undertook an extensive mid-term review of its five-year-old strategy. The Norwegian Prime Minister (then chair of the Standing Committee) signed a letter on behalf of the EEA EFTA States to EU President Jean-Claude Juncker providing input to this mid-term review.

Better regulation

26. The EEA EFTA States closely followed the Better Regulation Initiative, the cornerstone of the Strategy for Growth and Jobs. The EEA EFTA States hope that simplifying legislation will have a positive effect on the competitiveness and the conditions for more growth and jobs in the EEA as a whole.

27. The EEA EFTA States have participated in a Better Regulation Experts Group which meets under the auspices of the EU's Internal Market Advisory Committee. Furthermore, EFTA representatives were invited to a ministerial conference on better regulation hosted by the UK Presidency in Edinburgh in September 2005. The EFTA Secretariat organised a seminar on decision-shaping in November to discuss ways in which the EEA EFTA States could better influence proposals for acquis which would be incorporated into the EEA Agreement.

ACTIVITIES OF SUBCOMMITTEES IN 2005

FREE MOVEMENT OF GOODS

General

1. In 2005, 216 EC legal acts in the area of Subcommittee I were incorporated into the annexes and protocols of the EEA Agreement through 85 Joint Committee Decisions. The Subcommittee sent 4 EEA EFTA Comments to the Commission and registered positive results with the inclusion in the EEA Agreement of:

- A revision of Protocol 4 on origin, due to the inclusion of several Mediterranean partner countries – Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the West Bank and Gaza Strip, Syria, Tunisia and Turkey – in the Pan Euro-Med cumulation system;
- A Joint Committee Decision in the field of competition concerning special provisions for liner shipping companies and technology transfer agreements;
- The second Internal Energy Market package covering electricity and gas, and cross-border trade in electricity; and a directive setting indicative targets for renewable energy production.

Veterinary, feedingstuffs and phytosanitary matters

2. In the veterinary field, 105 legal acts from 2003, 2004 and 2005 were incorporated into the Agreement. Among these was legislation on the movement of pet animals within the EEA based on a model pet passport and health certificate. Harmonised rules on the monitoring of zoonoses and the control of salmonella and other food-borne zoonotic agents were also incorporated into the Agreement. The regulation establishing a system for the identification and registration of ovine and caprine animals was incorporated into the Agreement. Finally, the integration of the hygiene package and a regulation on official food and feed control was initiated.

3. Each year, a number of acts are subject to simplified procedures implying that certain acts are applicable to the EEA EFTA States without first being incorporated into the Agreement. Instead, the EEA Joint Committee takes note of the acts for transparency purposes. During 2005, 79 acts falling under simplified procedures were identified.

4. Concerning feedingstuffs, 27 acts from 2003, 2004 and 2005 were incorporated into the Agreement. One of the most important was the new legislative framework for the authorisation of additives in feedingstuffs, through which the continuation of derogations from the provisions on the use of antibiotics in feedingstuffs for Iceland and Norway was granted. Most of the other incorporated acts concern the authorisation of additives under the new legal framework for additives.

5. In the phytosanitary field, 11 acts from 2004 and 2005 were incorporated into the Agreement. These mainly concern marketing and comparative trials and tests on seeds.

Technical regulations, standards, testing and certification

6. The EEA Joint Committee incorporated a total of 63 acts into Annex II of the EEA Agreement. Most of the new acts relate to foodstuffs (23), dangerous substances (13) and medicinal products (8).

7. Key issues that were discussed during 2005, but which need follow-up in 2006 are:

- Food safety: integration of the regulation on general principles and requirements of food law and the establishment of the European Food Safety Authority (EFSA). The EEA EFTA States also continued discussions on the incorporation of the novel foods regulation from 1997, the regulations on GM food and feed, and the traceability and labelling of GMOs.
- Medicinal products: integration of the reform of the Community pharmaceuticals legislation.
- Chemicals: the Commission's proposal for a new chemicals framework (REACH), and the establishment of a European Chemicals Agency (ECA).
- Trade in wine: integration into the Agreement of the revision of Protocol 47 to the EEA Agreement including 18 acts.

8. Thirteen new mandates were considered for presentation to the European Standards Organisations. The mandates approved mainly concerned consumer product safety, telecommunications, construction products and environmental issues. The mandates are followed by grant agreements relating to standardisation activities, financed on the EFTA side by all 4 States. In addition to the 3 Annual Performance Contracts signed between EFTA and the ESOs in parallel to the EC, 43 grant agreements were signed in 2005. EFTA's 5% financial commitment to standardisation activities amounted to almost one million euros.

Competition

9. Two major new legislative acts or compilation of acts were introduced into the EEA Agreement during 2005:

- Three regulations on the application of Article 81 (3) of the EU Treaty, granting an exception from the competition rules to certain categories of agreements, decisions and concerted practices;
- A regulation on air transport between the EU and third countries.

10. An Agreement amending Protocol 4 of the Surveillance and Court Agreement was concluded to give the EFTA Surveillance Authority competence with regard to air transport to third countries, based on the EU regulation on air transport between the EU and third countries.

Public procurement

11. The EEA EFTA States continued following up work on the 2004 legislative reform package. The aim is to update and simplify the basic rules governing public procurement by introducing more flexibility for the contracting authority and wider use of electronic means. A draft EEA Joint Committee Decision on this issue was submitted to the Commission in September 2005.

12. In its Communication on Public-Private Partnerships and EU Law released on 15 November 2005, the Commission indicated that it would propose legislative initiatives relating to concessions. This work will be followed closely.

State aid

13. The EEA EFTA States followed up the State Aid Action Plan and attended the multilateral meeting on the subject on 11 and 12 July, and the UK Presidency meeting on 14 July 2005. The State Aid Action Plan for 2005-2009, "Less and Better Targeted Aid", was launched by the Commission in July 2005. During 2005, the Commission revised the Regional Aid Guidelines and the Communication on short-term credit insurance. During 2006, the Commission will revise the current system of granting exemptions from the state aid rules by introducing a general block exemption with extended scope, and increase the threshold values for granting state aid (*de minimis*). The guidelines for the environment and R&D will also be revised. The EEA EFTA States will continue to follow this process closely.

Energy

14. The second Internal Energy Market package was incorporated into the EEA Agreement. It includes 2 directives on the Internal Market in electricity and in natural gas, the Commission's Decision establishing the European Regulators Group for electricity and gas, a Regulation on cross-border trade in electricity, and a Joint Declaration.

15. Furthermore, the directive on the promotion of electricity produced from renewable energy sources was incorporated into the EEA Agreement in 2005. The decision allowed for derogation from the directive for Liechtenstein, but set indicative targets for Iceland and Norway on renewable energy production.

16. The issues of energy security of supply, energy efficiency measures, the framework directive on eco-design, and a regulation on conditions for access to the natural gas transmission networks were also addressed.

Intellectual property

17. The EEA EFTA States followed the developments of the proposal for a regulation on the legal protection of designs and on EU patents. They also monitored the proposal for a directive on the patentability of software, which the European Parliament rejected in July. Finally, the EEA EFTA States continued considering the directive on the enforcement of intellectual property rights, which aims to bolster the fight against counterfeiting and piracy.

Internal Market Advisory Committee (IMAC)

18. The EEA EFTA States continued to closely monitor the follow-up of the individual actions identified in the 2003-2006 Internal Market Strategy, as well as possible input to the new Internal Market Strategy for 2007-2010. Special attention was given to issues such as better regulation, impact assessment and the simplification of the regulatory environment and the new Commission's initiatives (the Commission's Communication on "A strategy for the simplification of the regulatory environment" of 25 October 2005). The EEA EFTA's co-financing of the Commission's budget for Internal Market issues took effect from 2005 and ensured EEA EFTA participation in Commission Internal Market surveys in fields such as public procurement and intellectual property.

Protocol 3 – Trade in processed agricultural products

19. Bilateral negotiations started in March 2005 between Iceland and the Community regarding trade in agricultural products according to Article 19 of the EEA Agreement. These negotiations were finalised at the end of 2005.

Protocol 4 – Customs matters and rules of origin

20. The Commission's proposal for pre-arrival/pre-departure declarations was a central issue during 2005. The proposal requires that a set of security data be submitted to the EU customs authorities before goods physically arrive on or leave the customs territory of the EU. EFTA and the Commission met several times to discuss ways of preventing the requirement from impacting negatively on trade between the EFTA countries and the EU. Proof that the security level in the EFTA countries is equal to that in the EU Member States should allow for import/export procedures to continue without the required advance information. Consultations with the Commission will continue in 2006.

21. Another important topic in 2005 was the implementation of the system of Pan-Euro-Med cumulation to include the Mediterranean partner countries, i.e., Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, the PLO, Syria, Tunisia and Turkey. This led to an update of the origin protocols under the various Free Trade Agreements, including Protocol 4 to the EEA Agreement on rules of origin.

Protocol 12 – Extension of the Internal Market to third countries – Mutual Recognition Agreements for industrial products

22. On 17 October 2005, the EEA EFTA States and the United States signed 2 Mutual Recognition Agreements (MRAs) covering 4 product sectors, telecommunications equipment, electromagnetic compatibility, recreational crafts and marine equipment.

FREE MOVEMENT OF CAPITAL AND SERVICES

23. In 2005, 45 EC legal acts in the area of Subcommittee II were incorporated into the annexes and protocols of the EEA Agreement through 33 Joint Committee Decisions. The acts relate to the fields of financial services, transport, information and

telecommunications services, audio-visual services, postal services, company law and data protection.

Financial services and company law

24. Six new legislative acts were integrated into Annex IX (financial services) and 9 into Annex XXII (company law) in 2005.

25. In 2005, key priority acts in the European Commission's Financial Services Action Plan were included in the EEA Agreement. They are: Directive 2004/39/EC on markets in financial instruments, Directive 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and Directive 2004/25/EC on takeover bids and thereby enhancing the integration of the European capital market and more effective supervision and regulation of the sector throughout the EEA.

26. EEA EFTA experts continued to participate in a number of experts groups, which assist the Commission in the preparation of new legislative proposals. EEA EFTA experts also attended meetings of the European Securities Committee, the Banking Advisory Committee and the Insurance Committee as observers.

Information and telecommunications services and postal services

27. Seven new legislative acts were integrated into Annex XI (Telecommunications services) in 2005.

28. The Joint Committee adopted a decision allowing the EEA EFTA States to participate in the European Network Security Agency (ENISA) and thereby contribute to intensified European co-ordination to achieve a high level of information security and to respond to network and information security problems.

29. The Joint Committee adopted a decision incorporating Decision 456/2005/EC establishing a multiannual Community programme to make digital content in Europe more accessible, usable and exploitable (e-Content plus programme) into Protocol 31 of the EEA Agreement.

Audio-visual services

30. No new legislative acts were integrated into Annex X (audio-visual services).

31. The EEA EFTA States continued their participation in the Contact Committee of the Television without Frontiers Directive and participated actively in the discussion on a possible review of the directive initiated by the Commission in 2003. They submitted EEA EFTA Comments on the issue papers preparing the Liverpool audio-visual conference in October 2005 to which experts from the EEA EFTA States were also invited.

32. The Joint Committee adopted a decision incorporating Decision 845 /2004/EC on the implementation of a training programme for professionals in the European audio-visual programme industry (MEDIA-Training) (2001-2005) and Decision 846/2004/EC

on the implementation of a programme to encourage the development, distribution and promotion of European audio-visual works (MEDIA Plus Development, Distribution and Promotion) (2001-2005) and thereby allowing for a continued participation in the MEDIA Plus and MEDIA Training in 2006. The EEA EFTA States also submitted EEA EFTA Comments on the Commission's proposal for a new MEDIA 2007-2013 programme which is to follow the existing MEDIA Plus and the MEDIA Training programmes.

Transport

33. In the field of transport, 23 legal acts were incorporated into Annex XIII (Transport). EEA EFTA experts participated actively in the various EU experts meetings as well as numerous committees (chaired by the Commission) in this field.

34. A significant event in the field of land transport in 2005 was the adoption of a Joint Committee Decision to include Regulation 881/2004 establishing the European Railway Agency into the EEA Agreement. The EFTA States actively participated in the various preparatory EU working groups in the land transport field.

35. In the field of maritime transport, a number of policy initiatives and proposals related to maritime safety and security were considered. Regulation 725/2004 on enhancing ship and port facility security was incorporated into the EEA Agreement along with directives on maritime safety namely Commission Directive 2005/12/EC on specific stability requirements for ro-ro passenger ships and Commission Directive 2005/23/EC on the minimum level of training of seafarers.

36. Several regulations concerning aviation safety and security were incorporated into the EEA Agreement, along with a legislative act concerning the safety of third country aircraft.

FREE MOVEMENT OF PERSONS

37. In the field of the free movement of persons, including the mutual recognition of professional qualifications and social security, 7 acts were incorporated into the EEA Agreement in 2005.

Social security

38. The EEA Joint Committee adopted 4 decisions in the field of social security. These Joint Committee Decisions incorporated 2 regulations of the Commission amending Regulation 574/72 laying down the procedure for implementing 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 and 5 decisions of the Administrative Commission on Social Security for Migrant Workers.

Recognition of professional qualifications

39. The EEA EFTA States closely followed the discussions leading to the adoption of the Directive on the recognition of professional qualifications.

Free movement of workers and employment

40. A key issue that was discussed during 2005 and that will to be followed up in 2006 was the directive of the European Parliament and the Council on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States.

HORIZONTAL AND FLANKING POLICIES

41. In 2005, in the field of horizontal and flanking policies, the Joint Committee integrated 41 acts into the EEA Agreement.

Budgetary matters

42. The EEA EFTA budget 2005 contained 2 types of contributions: for new commitments and to cover payments resulting from old and new commitments. The EEA EFTA commitments were €136.0 million in 2005, an increase from €130.7 million in 2004. The EEA EFTA payments were €100.2 million in 2005, a slight decrease from €100.4 million in 2004.

Social policy

43. Social policy covers the fields of health and safety at work and labour law, gender equality and family policy, the disabled, the elderly and social exclusion. One new act, i.e., Directive 2004/37/EC of the European Parliament and of the Council of 29 April 2004 on the protection of workers from the risk related to exposure to carcinogens or mutagens at work was integrated into Annex XVIII (Health and safety at work, labour law, and equal treatment for men and women) of the EEA Agreement.

44. Discussions with the Commission at Subcommittee IV level on the full participation of the EEA EFTA States in the European Agency for Safety and Health at Work were concluded by the temporary agreement not to include the legal basis for EEA EFTA participation in the EEA Agreement.

Public health

45. The Joint Committee allowed for EEA EFTA participation in the European Centre for Disease Prevention and Control, by adopting a decision incorporating Regulation 851/2004 establishing a European Centre for Disease Prevention and Control.

Consumer protection

46. The EEA Joint Committee did not include any acts in the EEA Agreement in the field of consumer protection.

47. The EEA EFTA experts carefully followed discussions on the EU side on the Directive on Unfair Commercial Practices and took part in the co-operation between the Commission and its Member States in the implementation of the Directive.

48. The EEA EFTA States also closely followed the developments of the contract law initiative, an amended proposal for a revised Consumer Credit Directive, and continued their active participation in the European Extra-Judicial Network under the European Consumer Centres Network (ECC).

Research and development

49. The EEA EFTA States carefully followed the preparations on the Seventh Framework programme (FP7) for Research and Technological Development (2007-2013) in the European Commission and in the European Parliament.

Education, training and youth

50. The EEA EFTA States participate in the Socrates, Leonardo da Vinci, and Youth (2000-2006) programmes, the Erasmus Mundus programme and the e-Learning programme (2004-2006).

51. The EEA EFTA States submitted 2 EEA EFTA Comments on the proposed Youth in Action Programme and on the Recommendation on European co-operation in quality assurance in higher education the European Commission and European Parliament Committee on Education and Culture.

Culture

52. The EEA EFTA States submitted EEA EFTA Comments on the proposal for the next framework programme for culture, Culture 2007 (2007-2013).

The environment

53. The EEA Joint Committee integrated one legal act in the area of the environment into the EEA Agreement allowing for EEA EFTA participation in the Sixth Environmental Action Programme. The EEA EFTA States followed developments on the thematic strategies in the fields of air quality and the marine environment and related proposals for legislation and the better regulation initiative and its application in the environment sector.

Enterprises and entrepreneurship

54. The Joint Committee allowed for the participation of the EEA EFTA States in the project “Implementation and Development of the Internal Market”, which has several sub-projects such as Dialogue with Citizens, Dialogue with Business and the SOLVIT on-line problem-solving network without legal proceedings. In 2005, the SOLVIT portal was launched in both Icelandic and Norwegian.

Tourism

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

Civil protection

56. The EEA EFTA States participated actively in 2 programmes in the field of civil protection: the Community Mechanism and the second Community action programme in the field of civil protection. In 2005, the Working Group followed the Commission's preparation of a rapid response and preparedness instrument for major emergencies (2007-2013).

Statistics

57. The Joint Committee incorporated 24 acts in the field of statistics into the EEA Agreement in 2005. 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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