

# EUROPEAN ECONOMIC AREA

## JOINT COMMITTEE

**Restricted**

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Annex I, II and III

### **Annual Report of the Joint Committee 2006 Functioning of the EEA Agreement**

**(Article 94(4))**

#### **General overview**

1. This report assesses the work of the EEA Joint Committee in 2006. The main part of the report provides an overview and Annex I a review of the activities of the Subcommittees under the EEA Joint Committee. Annex II contains an overview of the state of decision-making in 2006 and Annex III a list of Joint Committee Decisions adopted by the EEA Joint Committee in 2006.

#### **Decision-making**

2. The EEA Joint Committee met 8 times in 2006 and adopted 159 decisions incorporating 342 legal acts: 63 in the veterinary field and 279 in the non-veterinary field. These figures are comparable to those of 2005, when 156 decisions incorporating 314 legal acts were adopted. The Committee also had consultations on a number of issues (See Annex II State of decision-making 2006).

3. The Joint Committee adopted several significant Decisions in 2006 concerning:

- the Single European Sky package;
- the Directive on the activities and supervision of institutions for occupational retirement provision (IORP) and Directive on the capital adequacy of investment firms and credit institutions;
- the Directive statutory audits of annual accounts and consolidated accounts;
- the Decision on the participation in the European Year of Equal Opportunities;
- the public procurement package;
- the wine package;
- the Cogeneration Directive.

4. The Joint Committee received briefings by the Commission on the Services Directive and the EU financial perspectives 2007-2013. Furthermore, the EU Presidency debriefed the Joint Committee on the EU–Russia Summit in Helsinki on 24 November 2006.

5. The following were the main outstanding issues in 2006:

- EEA enlargement: Bulgaria and Romania applied to become Contracting Parties to the EEA Agreement in July 2005 and negotiations on EEA enlargement were launched in July 2006. Negotiating parties remained committed to concluding the negotiations as rapidly as possible. However, by the end of 2006, the negotiations had not been finalised.
- Free movement of persons: Directive 2004/38/EC on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States was adopted on 29 April 2004 and its transposition deadline was 30 April 2006. The Commission brought the matter to the EEA Joint Committee on 27 October 2006 and activated the procedures according to Article 102 of the EEA Agreement. The EEA EFTA States are exploring ways to resolve the issue as soon as possible.
- EFSA: Good progress was made on formalising EEA participation in the European Food Safety Authority (EFSA) through the incorporation of Regulation 178/2002 on general food law, which i.a. establishes EFSA. Connected to this is the draft EEA Joint Committee Decision reviewing Chapter I of Annex I 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. A draft JCD containing some adaptations due to the special circumstances of the EEA EFTA States is being finalised.

6. The Internal Market Scoreboard published by the EFTA Surveillance Authority in February 2007 shows that the EEA EFTA States match the average for the 25 EU States, with a transposition deficit of 1.4% down from 1.5% in July 2006. Norway's transposition deficit went up to 0.7% from 0.6% and now ranks 7<sup>th</sup> out of the 28 EEA States. Iceland's transposition deficit decreased to coincide with the interim target of 1.5%. Liechtenstein succeeded in decreasing its transposition deficit from 2.1% to 1.9%.

### **EEA EFTA participation in EU agencies and programmes**

7. Regarding participation in the European Food Safety Authority (EFSA), the parties are finalising 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.

8. The EEA EFTA States participate in a wide range of EU programmes and agencies. They contributed €128 million to the EU budget 2006, with 2.06% going to the operational expenditure within the relevant fields of the EU budget. The biggest programme is the Sixth Framework Programme on Research, which entered into force in 2003. In 2006, the Joint Committee adopted decisions on EEA EFTA participation in the European Year of Equal Opportunities for All, preparatory actions for security research, Safer Internet plus, eTEN, Modinis (prolonged for 2006), IDABC, MAP programme (prolonged for 2006) and Gender Equality programme (prolonged for 2006)

## Decision-shaping

9. The EEA EFTA States submitted a number of comments on important policy issues. This is an important part of the EEA EFTA States' possibility to influence EC legislation. In 2006, 11 EEA EFTA Comments were submitted, while 9 were submitted the year before. The comments from the EEA EFTA States were on:

- the proposal for a regulation on the accelerated phasing-in of the double-hull or equivalent design requirements for single-hull oil tankers and repealing Council Regulation;
- the proposal for a Commission Decision on reserving the number range beginning with "116" for harmonised numbers for harmonised services of social value to European citizens;
- the Public Consultation on the Review of EU Regulatory Framework for Electronic Communications Networks and Services;
- the Public Consultation on the draft Commission Recommendation on Product and Service markets within the electronic communications sector;
- Relevant Product and Service Markets within the electronic communications sector susceptible to ex ante regulation;
- investigation of accidents in the maritime sector;
- the Green Paper for a European Strategy for Sustainable, Competitive and Secure Energy;
- the directive for Television Without Frontiers;
- the Commission's Green Paper on Public Health;
- the revision of the new approach;
- the new strategy for the Internal Market.

10. The EEA EFTA States contribute to the work of a large number of the European Commission's committees and working groups. It is an important channel for taking part in the shaping of EU decisions.

## Advisory bodies under the EEA

11. The EEA Consultative Committee (EEA CC) held its annual meeting on 25 June 2006 in Höfn, Iceland. Two resolutions were adopted at the meeting: on the Lisbon Strategy – More Sustainable Growth through National Reforms and Increased EEA Cooperation; and on the Future of the Northern Dimension Policy. On the latter topic, the Committee invited a representative of the then incoming Finnish Presidency for an exchange of views. The Committee also debated EEA developments with the EU and EFTA representatives of the EEA Joint Committee. Outside the framework of the EEA CC, members from the EFTA Consultative Committee (EFTA CC) took an active part in a number of European Economic and Social Committee (EESC) meetings through the Osmosis procedure.

12. Until November 2006, the EEA CC was co-chaired by Mr Jon Veia (EFTA CC) and Mr Leif E. Nielsen (EESC). In November 2006, Ms Wenche Paulsrud (EFTA CC) and Ms Liina Carr (EESC) took over the co-chairmanship of the Committee for the period 2006-2008.

13. The EEA Joint Parliamentary Committee (EEA JPC) held two meetings in 2006, in Tromsø on 22-23 May and in Brussels on 10 October. The EEA JPC also 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 Implementation of EEA legislation; Enlarging the EEA: Experiences and Perspectives; the Annual Report on the Functioning of the EEA Agreement in 2005; and Europe's High North North: Energy and Environmental issues.

14. The President of the EEA JPC in 2006 was Ms Diana Wallis, MEP (Liberal Democrats, UK) and Mr Franz Heeb (Progressive Citizen's Party, Liechtenstein) was the Vice-President.

### **The EEA Enlargement Agreement**

15. Bulgaria and Romania would become members of the European Union as of January 2007. Both countries applied to become Contracting Parties to the EEA Agreement in July 2005 and negotiations on EEA enlargement to include Bulgaria and Romania were launched in July 2006. By the end of 2006, the negotiations had not been finalised, but all parties remained committed to achieving an EEA enlargement agreement as rapidly as possible.

### **The Financial Mechanisms (2004-2009)**

16. 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.

17. Open calls for proposals have now been announced in all beneficiary states but Greece. These calls have made around 640 million euros available to potential applicants, which is more than two-thirds of the support that will be made available through such calls. By mid-February 2006, the Financial Mechanism Office had committed more than 210 million euros to over 120 applicants. The total value of the commitments is expected to grow significantly in 2007 as the number applications that reach the donor decision stage is rapidly increasing.

## **ACTIVITIES OF JOINT SUBCOMMITTEES IN 2006**

### **FREE MOVEMENT OF GOODS**

#### **General**

1. In 2006, 229 EC legal acts in the area of Subcommittee I were incorporated into the annexes and protocols of the EEA Agreement through 78 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:

- the wine package revising Protocol 47 on the abolition of technical barriers to trade in wine;
- certain special provisions in the field of competition for maritime transport and passenger tariffs on scheduled air services and slot allocations;
- the reform package on public procurement;
- the Cogeneration Directive.

#### **Veterinary, feedingstuffs and phytosanitary matters**

2. In the veterinary field, 63 legal acts were incorporated into the Agreement, including a new legal framework for the protection of animals during transport and the control of avian influenza.

3. Each year, a number of acts are subject to adoption by simplified procedures. This implies 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 2006, 102 acts falling under simplified procedures were identified.

4. EFTA and Commission experts continued consultations within the framework of the Joint Working Group on Veterinary Matters on the incorporation into the Agreement of the Regulation establishing general principles of food law and the European Food Safety Authority (EFSA), the hygiene and official food and feed control package, the package on animal by-products and, finally, on the legislation on the identification and registration of bovine animal and the labelling of beef.

5. Twenty acts relating to feeding stuffs were incorporated into the Agreement. Most of them concern undesirable substances and the authorisation of feed additives.

6. In the phytosanitary field, 6 acts were incorporated into the Agreement.

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

7. The EEA Joint Committee incorporated a total of 97 acts into Annex II of the EEA Agreement. Most of the new acts relate to foodstuffs (31), motor vehicles (16), medicinal products (13) and dangerous substances (12).

8. Key issues that were discussed during 2006, but which would require follow-up in 2007 are:

- Integration into the EEA Agreement of the Regulation establishing general principles and requirements of food law and the European Food Safety Authority (EFSA).
- Integration of the novel food Regulation from 1997, the Regulations on GM food and feed, and the traceability and labelling of GMOs.
- Integration of the revised European Community framework legislation on pharmaceuticals.

9. Fourteen new mandates were considered for presentation to the European Standards Organisations. The mandates approved mainly concerned consumer product safety, construction products, cosmetics 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 three Annual Operating Grant Agreements signed between EFTA and the ESOs in parallel to the EC, 15 grant agreements were signed in 2006. EFTA's 5% financial commitment to standardisation activities in 2006 amounted to almost one million euros. This figure also includes Annual Operating Grants with ANEC and ECOS signed in 2006.

### **Competition**

10. Two new legislative acts were introduced into the EEA Agreement during 2006:
- A Regulation on the application of Article 81 (3) of the EU Treaty, to certain categories of agreements and concerted practices concerning consultations on passenger tariffs on scheduled air services and slot allocation at airports.
  - A Regulation laying down detailed rules for the application of competition rules to maritime transport, and extending the rules on competition to include cabotage and international tramp services.

### **Public procurement**

11. The Legislative Reform Package on Public Procurement was incorporated into the EEA Agreement on 2 June 2006. This package introduced more flexibility for the contracting authorities and put electronic means of communication on an equal footing with traditional means. Additionally, the contract award criteria take the environment into account.

### **State aid**

12. During 2006, the EEA EFTA Member States closely followed the State Aid Action Plan which was launched by the Commission on 7 July 2005. In this regard, the block exemption on regional aid was incorporated into the EEA Agreement on 8 December 2006.

13. The EEA EFTA Member States obtained the right to participate in the State Aid Network created by the Commission, whose purpose is to create better cooperation between the Commission and the Member States, as well as among the Member States themselves.

**Energy**

14. On 8 March 2006, the Commission launched a Green Paper on the European Strategy for Sustainable, Competitive and Secure Energy. The Green Paper endeavours to equip the EU to play a full role in global markets, to improve sustainability in the EU and globally, to complete the Internal Market, and to reflect on the strategic role of energy in achieving other political objectives. The EEA EFTA Member States submitted EEA EFTA Comments to the Green Paper on 22 September 2006.

15. The Renewable Energy Directive entered into force in the EEA EFTA Member States on 1 September 2006.

16. The EEA EFTA Member States attended the EU's conference on Europe's external energy policy: "Towards an EU external energy policy to assure a high level of supply security".

**Intellectual property**

17. The EEA EFTA Member States followed the developments of the work for a levy reform and review of the EC legal copyright acquis. They also monitored the proposal for a Regulation on medicinal products for paediatric use and the Commission's work on the future of the Patent Policy in Europe. The EFTA Working Group on Intellectual Property had one meeting together with Commission representatives in 2006.

**Internal Market Advisory Committee (IMAC)**

18. The EEA EFTA States continued to monitor the follow-up of the individual actions identified in the 2003-2006 Internal Market Strategy, and gave input to the ongoing review of the Single Market that will lead to a new strategy. Attention was given to issues such as better regulation, impact assessment and the simplification of the regulatory environment and new Commission initiatives. The EEA EFTA Member States co-financed Internal Market related activities of DG Internal Market and DG Enterprise and Industry.

**Protocol 3 – Trade in processed agricultural products**

19. The Joint Working Group on Processed Agricultural Products met in December 2006. The aim of the meeting was to review the functioning of Protocol 3 and to discuss the development of trade in processed agricultural products between the EEA EFTA States and the EU. The Commission expressed their wish to restart negotiations for better market access for processed agricultural products.

**Article 19 - Trade in Agricultural Products**

20. Norway started discussions with the Commission on trade in agricultural products, according to Article 19 of the EEA Agreement.

21. As for Iceland, in the context of measures decided to lower food prices in Iceland in 2007, it was decided that a new round of article 19 negotiations should be launched with the Commission, building on the latest review, which had been concluded in 2005.

**Protocol 4 – Customs matters and rules of origin**

22. The Commission's proposal for pre-arrival/pre-departure declarations was closely followed in 2006. The proposal requires that a set of security data be submitted to the EU customs authorities before goods physically arrive in/leave the customs territory of the Union. EFTA and the Commission held several meetings in order to prevent the requirement from impacting negatively on trade between the EFTA countries and the Union. 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.

23. Another important topic in 2006 was the continued incorporation into the pan-Euro-Med free trade system of the Mediterranean partner countries, i.e., Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, West Bank and Gaza Strip, Syria, Tunisia and Turkey.

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

24. Two MRAs between the EEA EFTA Member States and the USA came into force on 1 March 2006: a framework agreement covering three product sectors (telecommunications equipment, electromagnetic compatibility and recreational crafts), and a separate MRA on marine equipment, which also includes the harmonisation of product requirements.

25. The EFTA Committee on TBT prepared a draft Protocol to the EFTA-Turkey Free Trade Agreement on Mutual Recognition of Conformity Assessment. The draft was presented to Turkey in 2006 and the initial response was positive.

**FREE MOVEMENT OF CAPITAL AND SERVICES**

26. In 2006, 48 EC legal acts in the area of Subcommittee II were incorporated into the annexes and protocols of the EEA Agreement through 38 Joint Committee Decisions. The acts relate to the fields of financial services, transport, information and telecommunications services, audio-visual services, company law and data protection.

**Financial services and company law**

27. Nine new legislative acts were integrated into Annex IX (financial services) and eight into Annex XXII (company law) in 2006.

28. In the area of financial services, the following incorporated acts were of particular importance: the Directive on the activities and supervision of institutions for occupational retirement provision (IORP), the Reinsurance Directive and the 3<sup>rd</sup> Money Laundering Directive.



29. Among the company law-related acts that were incorporated are the Directive on cross-border mergers, the Directive on statutory audits (8<sup>th</sup> Company Law Directive) and several regulations regarding international accounting standards.

30. 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 i.a. the European Securities Committee, the European Banking Committee and the European Insurance and Occupational Pensions Committee as observers.

### **Information and telecommunications services and postal services**

31. Three new legislative acts were integrated into Annex XI (telecommunications services) in 2006.

32. The incorporated Joint Committee Decisions related to the transfer of personal data to third countries, the further harmonisation of spectrum for radio frequency bands and the participation of the EFTA States in the eCommerce Expert Group.

33. The EEA EFTA States also participated actively with EEA EFTA Comments in the Commission's preparatory work to review the existing regulatory framework for electronic communications networks and services and on a proposal for an amended recommendation on relevant product and services markets within the electronic communications sector susceptible to ex-ante regulation.

34. Under Protocol 31 the Joint Committee incorporated Decision 2004/387/EC on interoperable delivery of pan-European eGovernment services to public administrations, businesses and citizens (IDABC) and Decision 854/2005/EC on establishing a multi-annual Community programme on promoting safer use of the Internet and new online technologies. It also incorporated several decisions thus allowing the EEA EFTA States to participate in the eTEN programme.

### **Audio-visual services**

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

36. 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 Commission's proposal to amend Directive 89/552/EC; Television without Frontiers Directive.

### **Transport**

37. In the field of transport, 28 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.

38. A significant event in the field of aviation in 2006 was the incorporation of the Regulations establishing a single European Sky (Single Sky package) into the EEA

Agreement. Furthermore several other regulations concerning aviation safety and security were discussed and incorporated into the EEA Agreement.

39. In the field of maritime transport, a number of policy initiatives and proposals related to maritime safety and security were considered. The Regulation on port security was incorporated into the EEA Agreement along with several other directives on maritime safety. The maritime safety legislation package, introducing 7 new proposals, was high on the agenda in 2006.

40. Two EEA EFTA Comments were handed over to the Commission on the proposal for a Directive concerning the investigation of accidents in the maritime transport sector and on the proposal for an amendment of Regulation 417/2002 on the accelerated phasing in of double hull tankers.

41. In the field of land transport, the most important achievement of 2006 was the incorporation of the Regulation on minimum safety requirements for tunnels and the Directive on the interoperability of electronic road toll systems into the EEA Agreement.

## **FREE MOVEMENT OF PERSONS**

42. In the field of the free movement of persons, including the mutual recognition of professional qualifications and social security, 3 acts were incorporated into the EEA Agreement in 2006.

### **Social security**

43. The EEA Joint Committee adopted 3 decisions in the field of social security. These Joint Committee Decisions incorporated 1 regulation 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 2 decisions of the Administrative Commission on Social Security for Migrant Workers.

### **Recognition of professional qualifications**

44. The EEA EFTA States discussed and analysed the Directive of the European Parliament and the Council on the recognition of professional qualifications and began to prepare its forthcoming incorporation into the EEA Agreement.

### **Free movement of workers and employment**

45. A key issue that was discussed during 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. This discussion will continue in 2007.

46. The functioning of the transitional arrangements applied to the movement of workers from 8 countries which joined the EU in 2004, was also discussed in 2006.

47. In October 2006, the Commission activated Article 102 of the EEA Agreement. The subject of this Article 102 procedure was Directive 2004/38/EC of the European Parliament and of the Council concerning the Free Movement of Persons.

## **HORIZONTAL AND FLANKING POLICIES**

48. In the field of horizontal and flanking policies, the Joint Committee integrated 62 acts into the EEA Agreement.

### **Budgetary matters**

49. The EEA EFTA commitment contributions in the framework of participation in Joint EU programmes, agencies and activities, amounted to €139 million in 2006, an increase from €136 million in 2005. The total EEA EFTA payment contribution amounted to €128.1 million in 2006, an increase from €100.2 million in 2005. In addition, the EEA EFTA States agreed on an in-kind contribution to the European Commission's administrative costs through the secondment of 30 national experts.

### **Social policy**

50. 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, Directive 2004/40/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 physical agents (electromagnetic fields) was integrated into Annex XVIII (Health and safety at work, labour law, and equal treatment for men and women) of the EEA Agreement.

51. A Joint Committee Decision allowed for EEA EFTA participation in the European Year of Equal Opportunities for All (2007) - towards a just society 2007, by adopting Decision 771/2006/EC.

52. The EEA EFTA experts carefully prepared for incorporation of the new Programme (2007-2013) on Employment and Social Solidarity – PROGRESS, which integrates four old programmes in the field of social policy where the EEA EFTA States have previously participated.

### **Public health**

53. The EEA EFTA experts carefully followed preparations for the new Programme for Public Health 2007-2013 and the new Programme on Drug Prevention and Information and continued their active participation in several high-level committees in the public health field.

### **Consumer protection**

54. The EEA Joint Committee adopted decisions for the incorporation of the Directive on Unfair Commercial Practices (UCP Directive) and the Regulation on cooperation between national authorities for the enforcement of consumer protection laws in the EEA Agreement.

55. The EEA EFTA States took part in the cooperation between the Commission and Member States for the implementation of the UCP Directive. They also participated in the committee established by the Regulation on enforcement cooperation.

56. The EEA EFTA States closely followed the developments of the contract and the “revision of acquis” initiatives and participated in the related working groups of government experts. They also followed the amended proposal for a revised Consumer Credit Directive.

### **Research and development**

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

58. A Joint Committee Decision allowed for EEA EFTA participation in the preparatory action for the enhancement of European security research for 2006, which will be included as a component of the FP7 as from 2007. Finally, the Working Group followed the developments with regard to the establishment of a European Research Council, in particular the employment of EEA EFTA nationals.

### **Education, training and youth**

59. The EEA EFTA States participated in the Socrates, Leonardo da Vinci, and Youth programmes (2000-2006), Europass (2006), the Erasmus Mundus programme, the e-Learning programme (2004-2006) and in the Community action programmes to promote bodies active at European level in the field of education and training as well as youth.

60. The Commission’s proposal for the Lifelong Learning programme (2007-2013) and the Youth in Action programme (2007-2013), were the main priority areas of the Working Group in 2006.

61. The Working Group followed the development of a European Qualification Framework (EQF), which is a translation tool for comparing and transferring qualifications across the EEA.

62. The Working Group also monitored the new legal framework for educational statistics, the proposal for key competences for lifelong learning and the proposed European Quality Charter for Mobility.

### **Culture**

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

**The environment**

64. 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**

65. A Joint Committee Decision allowed for the participation of the EEA EFTA States in the project “Implementation and Development of the Internal Market” for 2006, which has several sub-projects such as Dialogue with Citizens, Dialogue with Business and the SOLVIT on-line problem-solving network without legal proceedings.

66. The EEA EFTA States closely followed the preparations of the Competitiveness and Innovation Framework Programme (CIP).

**Civil protection**

67. 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 2006, the Working Group closely followed the Commission’s preparation for a Civil Protection Financial Instrument (2007-2013) and a Civil Protection Mechanism (recast).

**Statistics**

68. The Joint Committee incorporated 24 acts in the field of statistics into the EEA Agreement in 2006. The good level of EEA cooperation in the field of statistics was maintained. EEA EFTA participants attended 222 Eurostat meetings and 5 national seconded experts continued to work in Eurostat; 3 through the EEA Agreement and 2 through the Memorandum of Understanding on technical cooperation between EFTA and Eurostat. The EEA EFTA States participated in the operation of a number of joint projects with the EU.

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Annex II      1072946 - State of Decision-making 2006  
Annex III     1074118 - List of Joint Committee Decisions 2006