



---

## TEXTS ADOPTED

---

### **P8\_TA(2015)0313**

#### **EEA-Switzerland: Obstacles with regard to the full implementation of the internal market**

##### **European Parliament resolution of 9 September 2015 on EEA-Switzerland: Obstacles with regard to the full implementation of the internal market (2015/2061(INI))**

*The European Parliament,*

- having regard to the Free Trade Agreement of 22 July 1972 between the European Economic Community and the Swiss Confederation,
- having regard to the Agreement of 21 June 1999 between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons, and in particular its Annex I on free movement of persons and Annex III on the recognition of professional qualifications,
- having regard to the Agreement of 25 June 2009 between the European Community and the Swiss Confederation on the simplification of inspections and formalities in respect of the carriage of goods and on customs security measures,
- having regard to the Agreement of 21 June 1999 between the European Community and the Swiss Confederation on mutual recognition in relation to conformity assessment,
- having regard to the Agreement of 21 June 1999 between the European Community and the Swiss Confederation on certain aspects of government procurement,
- having regard to the Protocol of 27 May 2008 to the Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons regarding the participation, as contracting parties, of the Republic of Bulgaria and Romania pursuant to their accession to the European Union,
- having regard to the Protocol of 26 October 2004 to the Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons regarding the participation, as contracting parties, of the Czech Republic, the Republic of Estonia, the Republic of Cyprus, the Republic of Latvia, the Republic of Lithuania, the Republic of Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic pursuant to their accession to the European Union,

- having regard to the Agreement on the European Economic Area,
- having regard to Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market (the ‘Services Directive’)<sup>1</sup>,
- having regard to Directive 2013/55/EU of the European Parliament and of the Council of 20 November 2013 on the recognition of professional qualifications<sup>2</sup>,
- having regard to its resolution of 7 September 2010 on EEA-Switzerland: Obstacles with regard to the full implementation of the internal market<sup>3</sup>,
- having regard to its resolution of 16 January 2014 on the 2012 Progress Report on Iceland and the post-election perspectives<sup>4</sup>,
- having regard to its resolution of 11 March 2015 on Single Market governance within the European Semester 2015<sup>5</sup>,
- having regard to the Council conclusions of 21 March 2014,
- having regard to the Council conclusions of 16 December 2014 on a homogenous extended single market and EU relations with Non-EU Western European countries,
- having regard to the Conclusions adopted by the EEA Council at its 42<sup>nd</sup> meeting of 19 November 2014,
- having regard to the Commission Staff Working Document of 7 December 2012 on a review of the functioning of the European Economic Area (SWD(2012)0425),
- having regard to the Commission Communication of 20 November 2012 on EU relations with the Principality of Andorra, the Principality of Monaco and the Republic of San Marino – Options for closer integration with the EU (COM(2012)0680),
- having regard to the Report from the Commission of 18 November 2013 on EU Relations with the Principality of Andorra, the Principality of Monaco and the Republic of San Marino: Options for their participation in the Internal Market,
- having regard to the European Economic Area Joint Parliamentary Committee Report on the Annual Report on the Functioning of the EEA Agreement in 2013,
- having regard to the European Economic Area Joint Parliamentary Committee resolution of 30 May 2013 on the future of the EEA and the EU’s relations with the small-sized countries and Switzerland,
- having regard to the European Economic Area Joint Parliamentary Committee resolution of 26 March 2014 on single market governance,
- having regard to the European Economic Area Joint Parliamentary Committee resolution of 17 March 2015 on industrial policy in Europe,

---

<sup>1</sup> OJ L 376, 27.12.2006, p. 36.

<sup>2</sup> OJ L 354, 28.12.2013, p. 132.

<sup>3</sup> OJ C 308 E, 20.10.2011, p. 18.

<sup>4</sup> Texts adopted, P7\_TA(2014)0041.

<sup>5</sup> Texts adopted, P8\_TA(2015)0069.

- having regard to the European Economic Area Joint Parliamentary Committee resolution of 17 March 2015 on the Transatlantic Trade and Investment Partnership and its possible implications for the EEA EFTA States,
  - having regard to the Swiss Foreign Policy Report of 14 January 2015,
  - having regard to the 35th EEA EFTA States Internal Market Scoreboard,
  - having regard to the Treaty on the Functioning of the European Union and in particular Article 217 giving the Union the right to conclude international agreements,
  - having regard to Rule 52 of its Rules of Procedure,
  - having regard to the report of the Committee on the Internal Market and Consumer Protection and the opinion of the Committee on Employment and Social Affairs (A8-0244/2015),
- A. whereas the four European Free Trade Association (EFTA) member states (Iceland, Lichtenstein, Norway and Switzerland) constitute major trade partners of the European Union (EU), Switzerland and Norway being respectively the fourth and the fifth most important EU trade partners by volume;
  - B. whereas relations between the EU and three EFTA member states (Iceland, Lichtenstein and Norway) are based on the European Economic Area (EEA), which provides for participation in the internal market, with the EEA Agreement managed and monitored in a highly institutionalised framework;
  - C. whereas Switzerland's participation in the EEA Agreement was contested by a popular vote in 1992 and therefore relations between Switzerland and the EU are currently based on more than 100 sectoral agreements that provide for a far-reaching degree of integration;
  - D. whereas a well-functioning and effective single market, based on a highly competitive social market economy, is needed to boost growth and competitiveness and to create jobs to revitalise the European economy, but single market legislation must be properly transposed, implemented and enforced in order to bring about its full benefits in the EU Member States and EEA EFTA states;

### ***Introduction***

1. Considers the EEA Agreement a key factor for economic growth and the most far-reaching, comprehensive instrument to extend the single market to third countries; believes that taking into account the internal developments in the EU, it has proven to be a solid, efficient and well-functioning agreement ensuring the integrity of the single market also in the long term;
2. Acknowledges that the strong relations between the EU, the EEA EFTA countries and Switzerland go beyond economic integration and the extension of the single market, and contribute to stability and prosperity to the benefit of all citizens and businesses, including SMEs; underlines the importance of ensuring the proper functioning of the single market in order to create a level playing field and generate new jobs;

### ***Implementation of Single Market legislation: EEA EFTA countries***

3. Notes with concern that according to the EEA EFTA States Internal Market Scoreboard, the current average transposition deficit of the three EFTA states has increased to 2 % from 1,9 % in July 2014;
4. Welcomes the considerable efforts made with regard to improving the swift incorporation of the relevant Acquis into the EEA Agreement as well as the recent agreement on the principles for the incorporation of the EU Regulations establishing the European Supervisory Authorities in the area of financial services;
5. Points out that the EEA EFTA states are involved in many EU programmes and agencies and in practical cooperation measures, such as the Internal Market Information System or SOLVIT, and contribute to EU cohesion through the EEA and the Norwegian Financial Mechanism; takes the view that this cooperation fosters the effective functioning of an enlarged single market; encourages the EU and EEA EFTA states to further develop preventive tools and answers to possible threats with a view to ensuring the functioning of the internal energy market;
6. Considers that timely and as close to simultaneously as possible implementation of the relevant single market legislation by the EEA EFTA states is essential and that this process could be further improved and accelerated;
7. Stresses that the backlog of legal acts pending incorporation remains a concern, and therefore urges the EEA EFTA states to step up their efforts in close cooperation with the EU in order to uphold the integrity of the Single Market;
8. Acknowledges that prior agreement by all the EEA EFTA states regarding the determination of EEA-relevance is necessary and that technical adaptations may be required before incorporation; is concerned, however, that the many requests for adaptations and exceptions are leading to delays and may fragment the Single Market; calls strongly on these countries to remedy this situation and to work closely with the EU in order to ensure a level playing field in the extended single market;
9. Points out that since the signing of the EEA agreement the EU has resorted to an increased use of agencies; welcomes that the EEA EFTA states participate in the operations of these agencies; calls on the EEA EFTA states and the Commission to continue to improve this cooperation and participation;
10. Points out that the EU and the USA are currently negotiating a comprehensive free trade and investment agreement; emphasises that, under the terms of the EEA Agreement, the EEA EFTA states apply single market rules and that the impact of a successful trade and investment partnership would probably also affect the EEA EFTA states; emphasises, further, that the conclusion of TTIP must not lead to new trade barriers being set up between the EU and the EEA EFTA states;

#### *Principality of Liechtenstein*

11. Is concerned that Liechtenstein's transposition deficit increased from 0,7 % to 1,2 %; is concerned, further, by the fact that its legislation concerning the entry and residence rights of certain family members of EEA nationals and the restrictions imposed on EEA nationals residing in Liechtenstein from taking up employment in another EEA state, which Liechtenstein sees as an arrangement based on special quota rules under the EEA Agreement, does not seem to be fully in line with EEA law;

### *Republic of Iceland*

12. Takes note of the letter of 12 March 2015 sent by the Icelandic Government on its position as a candidate country for EU membership; strongly urges Iceland to step up its efforts to fulfil its obligations under the EEA Agreement given that it has a transposition deficit of 2,8 %, which is the highest of all the states concerned; encourages the EU and Iceland to further strengthen the cooperation inter alia on disaster preparedness in the North Atlantic area and to allocate resources to counter related challenges;

### *Kingdom of Norway*

13. Welcomes the fact that Norway, with whom ties have strengthened over the past years, is part of the Frontrunners initiative, which aims to improve the single market; notes, however, that the transposition deficit has increased to 2 % and urges Norway to step up its efforts in this regard in particular with a view to completing the internal energy market; encourages the intensification of the cooperation inter alia on energy policy; points out that there are still issues of increased import duties on certain products which need to be assessed;

### *Principality of Andorra, Principality of Monaco, Republic of San Marino*

14. Acknowledges that closer relations could bring mutual benefits in particular at regional and local levels in neighbouring EU regions, and therefore welcomes the opening of negotiations on association agreements as a significant step forward with regard to their participation in the single market and possibly areas going beyond, while taking into account the particular nature of these countries;

### ***Implementation of Single Market legislation: Swiss Confederation***

15. Commends the strong, continuously flourishing and longstanding relations between the EU and Switzerland, which have contributed to peace, prosperity and growth in Europe over the past decades; is convinced that these relations can be deepened to the benefit of both parties by comprehensively revising the sectoral agreements in full compliance with the fundamental principles of the EU and can extend the numerous commonalities and mutual interests;
16. Welcomes in this context the opening of the negotiations in May 2014 for an institutional framework as a precondition for the further development of a bilateral approach; stresses that without such a framework agreement no further agreements on Swiss participation in the internal market will be concluded; urges the Swiss Government to step up its efforts to progress with the negotiations on the outstanding issues;
17. Takes note of the outcome of the popular initiative of 9 February 2014 ‘Against Mass Immigration’ and the decisions taken on 11 February 2015 by the Swiss Federal Council in relation to its implementation of a draft implementing law and new flanking measures; points out that this runs counter to obligations stemming from the Free Movement of Persons Agreement (FMPA) and expects Switzerland to respect these obligations; points out that the question of migration of citizens from third countries should not be confused with the free movement of persons as enshrined in the Treaties; stresses that the unilateral measures taken by Switzerland in order to avoid discrimination against Croatian citizens fall short of replacing the ratification of the Protocol extending the FMPA to include Croatia and that ratifying that Protocol would clear the way for Switzerland’s involvement

in the Horizon 2020 programme to continue and be extended after 2016 in order to promote researchers' access to Horizon 2020 funding; calls upon the Commission to work with Switzerland and the Member States to find a satisfactory solution that respects the provisions of the concerned agreements and adhering to the rule of law;

18. Reiterates that the free movement of persons is one of the fundamental freedoms and a pillar of the single market and that it always has been an inseparable part of and precondition for the bilateral approach between the EU and Switzerland; therefore fully supports the EU's rejection of July 2014 of the Swiss Authorities' request to renegotiate the FMPA with a view to introducing a quota or a national preference system; notes with concern reports concerning the application by some firms and cantons of a national preference system, and points out that such a practice is at odds with the agreement on freedom of movement;
19. Notes that restrictions to the free movement of persons as required by referendum in Switzerland risk creating an imbalance and undermining the benefits of the agreements for the EU Member States;
20. Notes that Switzerland introduced transitional arrangements following the suspension of the negotiations on Swiss participation in the Erasmus+ programme; is concerned that these measures will probably have an impact on movements of higher-education students between the EU and Switzerland; calls on Switzerland and the EU to make every effort to satisfy the requirements laid down for their participation in the Erasmus+ programme, in order to guarantee exchange reciprocity and not penalise young people;
21. Urges that the current practice whereby taxi firms from EU Member States can provide services in Switzerland without restriction should continue, as it has long contributed to economic development in Swiss border regions and is mutually beneficial;
22. Calls on the Commission to scrutinise more closely the implications of the purchase and leasing of land by Swiss farmers in EU border regions;
23. Deplores the introduction and subsequent consolidation of unilateral flanking measures by Switzerland in the context of the agreement on the free movement of persons, such as the charging of fees to cover administrative costs, the requirement to give bank guarantees or a combination of such measures, as these are seriously hampering the provision of services in Switzerland under the agreement, in particular by SMEs; calls on Switzerland, accordingly, to revise these measures in order to bring them into line with the agreement on freedom of movement;
24. Takes the view that the implementation in 2013 of Directive 2005/36/EC on the recognition of professional qualifications was long overdue and calls for a swift incorporation of Directive 2013/55/EU in the annex to the agreement on freedom of movement in the expectation that Switzerland will find ways of ensuring that the agreement remains in force; notes that Annex II to the Agreement on the free movement of persons was updated recently with a view to securing more effective coordination of EU and Swiss social security systems; calls on Switzerland to continue to implement EU law as it is required to do;
25. Takes the view that reciprocity and fairness between the EEA and Switzerland are necessary with regard to their use of the single market;

26. Calls on the Commission, in future, to consider all the implications for EU regions bordering on Switzerland of the introduction of new rules, such as the recent amendment of Article 561 of Commission Regulation (EEC) No 2454/93 laying down provisions for the implementation of Council Regulation (EEC) No 2913/92 establishing the Community Customs Code, which seeks to impose tight restrictions on the use for private purposes by employees resident in the customs territory of the EU of company cars registered in a third country;
27. Notes that in overall terms cooperation under the Agreement on mutual recognition in relation to conformity assessment (MRA) is satisfactory, but that the functioning of the agreement could be substantially improved if Switzerland were to pledge to update it consistently in line with developments in EU law;
28. Calls for the obstacles to cross-border professional mobility to be removed in order to deepen the internal market; stresses, to that end, the importance of promoting language learning and providing better information and practical support to jobseekers, in particular through the EURES network, in Switzerland and in all the EEA countries; welcomes, therefore, Switzerland's active involvement in EURES network activities, in particular in cross-border regions; calls on Switzerland to continue to build up its transnational and cross-border EURES services, in accordance with the current EURES Regulation, with a view to enhancing worker mobility and creating a genuinely integrated employment market between the EU and Switzerland; with a view, to enhancing worker mobility, also encourages efforts to identify a broad range of emerging industries and key growth sectors in which the EEA countries, Switzerland and the Member States should focus on developing their skills base, in order to better match skills and qualifications with supply and demand;

o

o o

29. Instructs its President to forward this resolution to the Council and the Commission.