E U R O P E A N E C O N O M I C A R E A

J O I N T P A R L I A M E N T A R Y C O M M I T T E E

RESOLUTIONS

Adopted unanimously pursuant to Rules 11 and 13 of the Rules of Procedure,
at the 24th meeting of the Joint Parliamentary Committee

Reykjavik, 25 April 2005

Resolution on ***The Annual Report on the functioning of the EEA Agreement in 2004***
Co-rapporteurs: Mr Gunnar BIRGISSON (Independence Party, Iceland) and Mrs Ewa HEDKVIST PETERSEN (PSE, Sweden)

Resolution on ***The Review of the Regional Aid Guidelines***
Co-rapporteurs: Mr Morten HØGLUND (Progress Party, Norway) and Mrs Diana WALLIS (ALDE, UK)

RESOLUTION

ON THE ANNUAL REPORT ON THE FUNCTIONING
OF THE EEA AGREEMENT IN 2004

The Joint Parliamentary Committee of the European Economic Area:

A. in accordance with its task laid out by the EEA Agreement (Article 95, paragraph 4),

B. emphasising that the EEA EFTA States are not third countries in matters concerning the Internal Market, but full participants,

C. mindful of the importance of maintaining homogeneity within the EEA,

D. noting that the information and consultation process provided for by the EEA Agreement is an essential tool for the EFTA States for the shaping of common rules,

E. recalling its resolution on the functioning of the EEA in 1994 (adopted 29 May 1995), in 1995 (adopted 3 June 1996), in 1996 (adopted 14 April 1997) in 1997 (adopted 25 May 1998), in 1999 (adopted 16 March 2000), in 2000 (adopted 24 May 2001), in 2001 (adopted 20 June 2002) in 2002 (adopted 20 May 2003) and in 2003 (adopted 27 April 2004),

1. welcomes the Annual Report of the EEA Joint Committee for 2004 and agrees with the general assessment that the EEA is functioning well;

2 encourages the EEA Joint Committee to draft a more comprehensive and analytical report for 2005 taking major EU developments and horizontal policy issues into account when assessing the functioning of the Agreement, enabling the Report to be understood by a wider audience, which could enhance the democratic scrutiny of the functioning of the Agreement;

3. appreciates the statement delivered by the President-in-office of the EEA Joint Committee at the 22nd EEA JPC, following the JPC resolutions adopted at the 21st meeting of the EEA JPC concerning the functioning of the EEA Agreement in 2003;

4. welcomes the high, and increased, number of Joint Committee Decisions incorporated into the EEA Agreement during 2004;

5. welcomes enlargement of the EU and the EEA on 1 May 2004, notes that not all contracting parties have ratified the EEA Enlargement Agreement and the considerable EEA EFTA contributions to social and economic cohesion in Europe through the new Financial Mechanisms and calls on the EEA Joint Committee to highlight in its Annual Report for 2005 the effects of the financial contributions from the EEA EFTA States to the 10 new EU Member States;

6. welcomes the relatively low number of EU acts under consideration on the EFTA side, notes that most of the slight increase this year can be found in the Subcommittee on the Free Movement of Goods (Subcommittee I), and calls on the relevant parties to explain what exactly constitute an acceptable timeframe for considering EU acts;

7. welcomes the Joint Committee decisions to adopt the Decision incorporating the so-called Telecom package into the EEA Agreement, the Decision on copyright and related rights in the information society, the Decisions integrating the EC Merger Regulation into the EEA Agreement, and the Decision on the reform of the competition rules;

8. reiterates its resolution adopted at the 20th EEA JPC where the JPC urged the contracting parties to find solutions with a view to integrating the supplementary protection certificates for medicinal products, notes that the issue was not discussed by the Joint Committee in 2003, notes that the issue was not mentioned in the Annual Report of the Joint Committee for 2004, and reiterates its call on the Joint Committee to explain in detail the nature of the problem;

9. reiterates its call on the Joint Committee to finalise its decision on the integration of the Regulation on the implementation of the .eu top level domain and questions the time it has taken to reach a solution on the matter;

10. welcome the fact that Norway is in the lead among the 28 EEA States when it comes to transposing EU legislation into national legal order and that the EEA EFTA States in general kept their transposition deficits at a very low level in 2004;

11. welcomes the slight increase in the number of EFTA comments on EC legislation which have been submitted to the EU side, but still urges the EEA EFTA States to take actions with a view to enhanced participation in the EEA decision-shaping process at the earliest possible stage in the legislative process;

12. welcomes EEA EFTA comments submitted on general, horizontal policy issues to Heads of States and Governments and EU presidencies;

13. notes that the European Commission has decided to open safeguard investigations on farmed salmon, and calls on the Commission to provide further information on the reasoning behind its decision, particularly in the light of WTO rules ;

14. notes the increased role of agencies in the EU, underlines the need for EEA EFTA participation in EU agencies dealing with matters covered by the EEA Agreement, welcomes the participation of the EEA EFTA States in the European Aviation Safety Agency (EASA) and urges the contracting parties to make provisions for the EEA EFTA participation in the European Food Safety Authority (EFSA);

15. deplores the delays concerning EEA EFTA participation in EFSA due to issues of technical nature, and urges the contracting parties to come to a solution on the matter shortly;

16. calls on contracting parties to explain the issue of the Emission Trading Scheme and its possible relevance for the EEA Agreement;

17. welcomes the integration of the new e-Learning programme into the EEA Agreement, and the continuation of the Daphne Programme and the Consumer Protection Programme in the EEA Agreement;

18. calls on the EEA EFTA States to pursue the Lisbon Strategy in line with the EU Member States, welcomes the inclusion of the EEA EFTA States in the Structural Indicators in 2003, deplores their exclusion in 2004;

19. calls on the EEA EFTA States to pursue monitoring and assessing the EU Neighbourhood Policy as this policy could have important repercussions for the EEA EFTA States and stresses the need for further developments of the Northern Dimension;

20. notes the letter written by EEA JPC President on behalf of the EEA JPC, to the President-in-office of the EEA Council, on access of EEA EFTA Parliamentarians in the early stages of EEA decision-shaping, endorses the proposal made in the letter, and calls upon the relevant parties to submit a response on the matter.

RESOLUTION

ON THE REVIEW OF THE REGIONAL AID GUIDELINES

The Joint Parliamentary Committee of the European Economic Area:

A. taking into account the ongoing review of the regional aid guidelines,

B. bearing in mind the positive experiences of the use of regionally differentiated social security systems in Norway and Sweden to stimulate employment and settlement in sparsely populated areas,

C. noting that the former Norwegian system of regionally differentiated social security tax was the single most important instrument in Norwegian regional policy, and was widely considered to be the most clearly targeted and cost-effective means of stimulating employment and settlement in sparsely populated areas;

1. recalls that parts of the northern areas of Europe are characterised by very low population density, long distances and harsh climate, that depopulation due to lack of employment opportunities is a problem in many of these areas, making them more vulnerable to any negative population trend;

2. underlines that the systems of regionally differentiated social security tax can represent an effective measure to promote employment in these regions as the lower tax rates were directly linked to gross salary payments of the employees' residing in the actual regions and that the lower tax rates applied automatically to *all* firms and companies with the decisive factor being residence of the employee only;

3. welcomes the Commission's forthcoming revision of the guidelines on national regional aid, as it is hoped this might lead to more flexible rules regarding the use of cost-effective measures clearly targeted at stimulating employment and settlement in sparsely populated areas;

4. agrees fully with the Commission's efforts to reduce state aid and underlines that the concern is not the *level* of aid allowed, but the *form* of aid;

5. calls on the Commission to consider, in the review of the regional aid guidelines, the use of effective and cost-efficient measures to prevent depopulation and to stimulate employment and settlement in regions with very low population density.