



**EUROPEAN FREE TRADE ASSOCIATION
ASSOCIATION EUROPEENNE DE LIBRE-ECHANGE**

24 February 2004

Mr. Bertie Ahern, TD
Taoiseach
President of the European Council
Dublin

Dear Taoiseach,

The EFTA States in the European Economic Area convey their best wishes for a successful Spring European Council. As participants in the Internal Market, the EEA EFTA States fully support the goals of the Lisbon Strategy. Your priorities of promoting eco-friendly growth and increasing quality employment are essential both for the success of the Lisbon Strategy, and for maximizing the benefits of enlargement. During the Irish Presidency, ten new states will become members of the EU. These countries will simultaneously join the EEA, extending the Internal Market to 28 countries. The EEA EFTA States will make substantial contributions to enlargement, and look forward to continue contributing to the further integration of the European Economic Area.

The EEA EFTA States would like to focus their input to the Spring European Council on three areas:

- Making the Internal Market Work
- Stimulating Growth, Competitiveness and Employment
- Supporting Sustainable Development

Making the Internal Market Work

The EEA EFTA States agree that one of the best ways to realise the goals of the Lisbon Strategy is to ensure that the Internal Market continues to develop and function effectively in all parts of the European Economic Area. A sustained focus on the Internal Market Strategy is very important. Every effort should be made to ensure that the individual actions in the strategy are followed up. The EEA EFTA States view positively efforts to bring about a truly effective single market for services. They also agree that the principle of mutual recognition is key to the good functioning of the Internal Market, and support initiatives by all actors to promote application of this principle.

Stimulating Growth, Competitiveness and Employment

A comprehensive approach to innovation is necessary for promoting development and commercialization of useful technologies, and in order to create quality jobs. The EEA EFTA States strongly support initiatives which aim at improving investment in knowledge and networks, especially efforts to adapt education and training systems to the knowledge economy and to develop a European Research Area. The EEA EFTA States are fully prepared to contribute actively in developing these policy areas.

The EEA EFTA States will follow with interest the implementation of the employment guidelines and the Employment Task Force's recommendations. They fully agree with the EU that for the Lisbon Strategy to succeed there needs to be a proper balance between employment and social protection policies. As a means to reach the goals of increasing the employment rate of women and older workers, the EEA EFTA States welcome the EU's emphasis on promoting gender equality and life-long learning. We have on our side experienced that measures which reduce the gender pay gap, together with the promotion of family friendly policies such as improving access to childcare facilities, have made it easier for women and men to combine paid work and family responsibilities. Such policies have resulted in comparatively high employment rates for women. We will continue our cooperation with the Employment Committee, and will build on the exchange of good practice on issues of mutual interest such as *making work pay*.

In the framework of the free movement of persons, the modernisation and simplification of the social security coordination system will be an important contribution to facilitate the mobility of workers.

Supporting Sustainable Development

Achieving sustainable growth will depend on the ability to decouple economic and social progress from environmental damage. Development of and investment in environmental research and eco-efficient technologies are essential. Prevention is better than cure, so the EEA EFTA States are solidly in favour of initiatives aimed at cleaner production and pollution prevention. Efforts to develop and use green energy are important in order to reduce greenhouse gas emissions and the EEA EFTA States could share their experiences in such projects as their hydrogen programmes.

The EEA EFTA States are pleased to present these comments to the Brussels Spring Summit. We value our close cooperation with the EU, and will continue to contribute our input in the important work of benchmarking progress, as reflected in the Structural Indicators.

Yours sincerely,



Otmar Hasler
Prime Minister