



EUROPEAN FREE TRADE ASSOCIATION

EFTA MINISTERIAL MEETING Bern, 27 June 2016

COMMUNIQUÉ

On 27 June 2016, the European Free Trade Association (EFTA) held its summer Ministerial meeting in Bern, Switzerland. The meeting was chaired by Mr Johann N. Schneider-Ammann, President of the Swiss Confederation and Federal Councillor, Head of the Federal Department of Economic Affairs, Education and Research.

Ministers of the four EFTA States (Iceland, Liechtenstein, Norway and Switzerland), signed a Free Trade Agreement (FTA) with Georgia, represented by Mr Dimitry Kumsishvili, Vice Prime Minister and Minister of Economy and Sustainable Development of Georgia.

The EFTA Ministers also launched negotiations on a FTA with Ecuador, represented by Mr Juan Carlos Cassinelli, Minister of Foreign Trade of Ecuador.

The EFTA Ministers discussed the outcome of the United Kingdom's referendum on the European Union and its possible implications. They underlined the importance of maintaining close trade relations with the United Kingdom, which is one of the major trading partners of the EFTA countries.

The international economic and trade environment

The EFTA Ministers welcomed the results from the 10th WTO Ministerial Conference in Nairobi and stressed the importance of implementing the agreed outcomes of the last two WTO Ministerial Conferences. They reaffirmed the commitment of the EFTA States to the multilateral trading system and underlined the need to develop credible approaches for advancing negotiations within the WTO.

The Ministers also exchanged views on the possible implications for the EFTA States of the ongoing negotiations between the European Union and the United States on a Transatlantic Trade and Investment Partnership (TTIP). In this context, they stressed the importance of continuing TTIP-related exchanges with both of these key partners.

Preferential trade relations

The EFTA Ministers welcomed the signing of the Free Trade Agreement with *Georgia* and the recent signing of a Free Trade Agreement with the *Philippines*. EFTA's global network of preferential trade agreements outside the European Union now consists of 27 agreements with 38 partners. Five Joint Declarations on Cooperation complement this network.

Ministers reviewed developments in EFTA's ongoing free trade negotiations. They expressed readiness to continue negotiations with *India* on a priority basis. Ministers welcomed the resumption of negotiations with *Indonesia* and reviewed the progress made in the negotiations with *Malaysia*. They confirmed EFTA's interest in concluding these processes as soon as possible. They furthermore called for further progress in the negotiations with *Vietnam*.

Ministers noted that the negotiation processes with *Algeria, Thailand* and with *Russia/Belarus/Kazakhstan* were still on hold and agreed that they will continue to monitor developments.

Ministers expressed satisfaction with the launch of negotiations on a free trade agreement with *Ecuador* and welcomed the ongoing exploratory process with the *Mercosur* States. They also recalled their interest in strengthening ties with partners in *Sub-Saharan Africa*. In this context, they welcomed the ongoing work towards the development of a text for a Joint Declaration on Cooperation with the *East African Community*.

Ministers took stock of EFTA's activities in relation to the development and modernisation of existing Free Trade Agreements. In particular, they reviewed the state of play in the negotiations on the expansion of the agreement with *Turkey* and the exploratory discussions with *Canada* and welcomed the start of negotiations with *Mexico*. They also expressed satisfaction with the foreseen start of negotiations with *Chile* in the second half of 2016.

Relations with the European Union (EU)

The EEA EFTA Ministers took stock of recent developments in the Agreement on the European Economic Area (EEA Agreement). Whilst welcoming the progress made in a number of areas in recent months, they agreed that many challenging issues remained.

Ministers welcomed the signing on 3 May 2016 of the Agreement on an EEA Financial Mechanism for the period 2014 to 2021, noting this Agreement as the most ambitious effort of the EEA EFTA States to date to reduce social and economic disparities in the EEA.

Ministers also discussed legal acts awaiting incorporation into the EEA Agreement, observing that although the number of acts had remained stable over the last year, the new EEA EFTA procedures had increased the speed of processing new EU acts. Further, they stressed the importance of dealing with longstanding and difficult acts, and of resolving outstanding institutional issues related to the two-pillar structure of the EEA Agreement.

In this regard, Ministers welcomed the steps taken towards ensuring EEA EFTA participation in the European Financial Supervisory Authorities, where a first package of EEA Joint Committee decisions would soon be ready for the incorporation of the relevant legal acts into the EEA Agreement. They underlined the importance of resolving this issue swiftly in order to ensure a level playing field in the area of financial services.

Ministers also welcomed the progress made on important issues related to EEA EFTA participation in the Body of European Regulators for Electronic Communications (BEREC) and in the Agency for the Cooperation of Energy Regulators (ACER).

Lastly, Ministers took note of the continuing dialogue with the EU in the EEA Joint Committee on developments in the EU's ongoing negotiations with the United States on a Transatlantic Trade and Investment Partnership (TTIP).

Ministers were informed by Switzerland on the state and perspectives of the relations between Switzerland and the EU after the adoption in a referendum, on 9 February 2014, of the initiative "against mass immigration". The respective constitutional provisions are not compatible with the Agreement on the Free Movement of Persons (AFMP) between Switzerland and the EU or with annex K of the EFTA Convention.

In March this year the Swiss government submitted to Parliament several pieces of draft legislation to implement the constitutional provisions on immigration. However, the objective of the Swiss government remains to find a mutually agreed solution on the movement of persons with the EU and its EFTA partners. The Swiss government furthermore aims to maintain and further develop the bilateral framework with the EU, notably by continuing negotiations, for instance, on institutional issues.

Advisory bodies

Ministers held meetings with EFTA's two advisory bodies, the Consultative Committee and the Parliamentary Committee. They discussed recent developments in the EEA and the overall functioning of the EEA Agreement, third-country relations, and the relationship between Switzerland and the EU.

Attending

Switzerland: Mr Johann N. Schneider-Ammann, President of the Swiss Confederation and Federal Councillor, Head of the Federal Department of Economic Affairs, Education and Research (Chair)

Iceland: Ms Lilja Alfreðsdóttir, Minister for Foreign Affairs and External Trade

Liechtenstein: Ms Aurelia Frick, Minister of Foreign Affairs

Norway: Ms Monica Mæland, Minister of Trade and Industry

EFTA: Mr Kristinn F. Árnason, Secretary-General
