



# EUROPEAN FREE TRADE ASSOCIATION

Ref. 20314

30 June 2008

**EFTA MINISTERIAL MEETING, LUGANO, 30 June 2008**

## COMMUNIQUÉ

**The EFTA Ministers underlined the importance of expanding EFTA's network of free trade agreements. They welcomed the signing earlier this year of the Free Trade Agreement (FTA) with Canada as well as the entry into force of the FTA with the Southern African Customs Union (SACU) on 1 May 2008. They furthermore expressed their satisfaction with the recent finalization of free trade negotiations with the Gulf Cooperation Council (GCC) and Colombia. They noted with satisfaction the launch of negotiations with India and stressed the importance of engaging in a swift process of negotiations. Ministers also welcomed the Intermediary Report of the Joint Study Group on closer trade and investment cooperation between EFTA and Russia. Ministers also welcomed participation of the EFTA EEA States in the EU's Greenhouse Gas Emission Trading Scheme for the period 2008-2012. They emphasised the importance of continuous close cooperation with the EU on Energy and Climate Change policies. Moreover, Ministers expressed satisfaction with the timely insertion of the EU Chemicals Regulation – *REACH* – into the EEA Agreement and the participation of the EEA EFTA States in the new European Chemicals Agency. Finally they welcomed the active participation of the EEA EFTA States in EU Programmes for the period 2007-2013, thereby promoting a more competitive and innovative Europe.**

On 30 June 2008, the European Free Trade Association (EFTA) held its Summer Ministerial meeting in Lugano, Switzerland, under the Chairmanship of Federal Councillor Doris Leuthard, Head of the Federal Department of Economic Affairs of Switzerland. The EFTA Ministers met with Mr Luis Guillermo Plata, Minister of Trade, Industry and Tourism of Colombia, welcoming the recent conclusion of a free trade agreement with that country.

### **Preferential trade relations**

EFTA Ministers expressed their satisfaction with the continued expansion of EFTA's network of free trade agreements globally. Ministers confirmed that they constitute an important tool, complementary to the WTO, to intensify trade and investment relations with trading partners worldwide. Ministers also noted the good functioning of the EFTA Convention.

Ministers welcomed the signing of the Free Trade Agreement with Canada at the end of January 2008 in Davos and the entry into force of the EFTA-SACU (Southern African Customs Union)<sup>1</sup> Free Trade Agreement on 1 May 2008. The entry into force of this Agreement broadens the basis to promote economic relations and co-operation with partners in the region.

Ministers also welcomed the conclusion of the free trade negotiations with the Gulf Cooperation Council (GCC)<sup>2</sup> and Colombia and look forward to signing these agreements in the coming months. The agreements are expected to further strengthen trade and investment relations with the Middle East and South America.

Ministers noted the significant progress achieved in ongoing negotiations with Algeria and Peru and expressed the hope that these might be concluded by the end of the year.

Ministers stressed the importance of recent steps taken to advance relations between EFTA and important economic partners in Asia. In this respect, Ministers welcomed the launch of negotiations with India on a comprehensive trade and investment agreement and expressed their willingness to contribute to a swift process of negotiations. In addition, Ministers stated their readiness to resume negotiations with Thailand and to start negotiations with Indonesia. They furthermore confirmed their interest in deepening the dialogue aimed at intensifying trade and investment relations with Malaysia.

Ministers exchanged views about bilateral ongoing processes of different EFTA States with China and Japan respectively.

Ministers also underlined the importance of the further expansion of EFTA's FTA network in Europe, by preparing the ground for free trade negotiations with Russia and Ukraine, and by continuing the process with Serbia and Albania. The Ministers expressed their satisfaction with the Intermediary Report of the Joint Study Group on closer trade and investment cooperation between EFTA and Russia and look forward to the finalisation of the report by November this year.

### **Relations with the European Union**

Ministers welcomed the recent adoption of the following Decisions into the EEA Agreement:

- The Food Law Package, formalising EEA EFTA participation in the European Food Safety Authority (EFSA) and expanding the scope of the EEA veterinary legislation to Iceland;
- The Greenhouse Gas Emissions Trading Scheme enabling participation of the EEA EFTA States in the Scheme for the period 2008 - 2012;
- The right of citizens of the Union and their family members to move and reside freely within the territory of the Member States, according to the provisions of the EEA Agreement;
- The EU Chemicals Regulation, REACH, including the participation of the EEA EFTA States in the new European Chemical Agency.

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<sup>1</sup> SACU: Botswana, Lesotho, Namibia, South Africa and Swaziland.

<sup>2</sup> Gulf Cooperation Council: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates.

On Energy and Climate Change, Ministers stressed the importance of continuous close co-operation with the EU, inter alia, in promoting energy technology, increased use of renewable energy resources such as geothermal energy and carbon capture and storage (CCS) alongside other technologies.

Furthermore, the Ministers noted proposals from the EU on the introduction of new sectors into the Emission Trading Scheme and underlined the need to take into account the special circumstances of the EEA - EFTA States.

Ministers underlined the importance of the close involvement of the EEA EFTA States in further developments of EU's Integrated Maritime Policy and expressed their support for the comprehensive integrated approach.

Ministers welcomed the active participation of the EEA EFTA States in EEA-relevant EU Programmes for the period 2007-2013, thus promoting common interests towards a more competitive and innovative Europe. This cooperation promotes the common political and economic goals of the EEA Agreement.

Ministers reaffirmed the importance attached to continued EEA EFTA contributions to the decision-shaping process of EEA-relevant EU legislation through participation in appropriate Committees and Working Groups, and by submission of EEA EFTA Comments. In this context, Ministers also noted the importance of assessing the implications of the Lisbon Treaty on this process.

The Ministers expressed their satisfaction with the progress made in the implementation of the EEA Financial Mechanism and the Norwegian Financial Mechanism. Around €34 million have been made available for individual projects and €145 million to groups such as NGOs, students and researchers through specific block grants. A total €40 million will be made available to Bulgaria and Romania until April 2009, and specific funds for students and NGOs are under preparation.

## **WTO**

Ministers reasserted their strong support for the WTO and the multilateral trading system. They highlighted the need for a comprehensive approach to the negotiations and shared the view that progress needs to be made not only in Agriculture but also in other areas like Industrial Goods (NAMA), Services and Rules. Furthermore, they expressed their commitment to ensuring a successful conclusion of the Round in the near future.

## **Advisory Bodies**

Ministers held meetings with EFTA's two advisory bodies: the Parliamentary Committee and the Consultative Committee and had a fruitful exchange of views with Committee members on a range of issues including the most recent developments in EFTA third country relations, the state of play in the WTO Doha negotiations, latest developments in the EEA and the future of the EEA. Ministers appreciated the high-quality input and welcomed the useful work undertaken by the Committees both in terms of EFTA third country policies and developments in the EEA. The two Committees take an active interest in EFTA's work and continue to enjoy the fruitful co-operation with their counterparts in the EU and other EFTA partner countries.

**Ministers Attending**

Switzerland: Ms Doris LEUTHARD, Federal Councillor, Head of the Federal Department of Economic Affairs (Chair)

Iceland: Ms Ingibjörg Sólrún GÍSLADÓTTIR, Minister for Foreign Affairs and External Trade

Liechtenstein: Ms Rita KIEBER-BECK, Minister of Foreign Affairs

Norway: Ms Annelene SVINGEN, State Secretary, Ministry of Trade and Industry

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