



EUROPEAN FREE TRADE ASSOCIATION

EFTA MINISTERIAL MEETING, Schaan, 21 June 2011

COMMUNIQUÉ

On 21 June 2011, the European Free Trade Association (EFTA) held its summer Ministerial meeting in Schaan, Liechtenstein, chaired by Ms Aurelia Frick, Minister of Foreign Affairs of Liechtenstein. Ministers of the four EFTA States (Iceland, Liechtenstein, Norway and Switzerland) signed a Free Trade Agreement with Hong Kong, China, represented by Mr Gregory So, Acting Secretary for Commerce and Economic Development.

The international economic and trade environment

The EFTA Ministers welcomed the robust rebound in trade flows recorded in 2010. They underlined the importance to continue to refrain from protectionist measures and to strengthen economic and financial stability. They reiterated their strong commitment to the multilateral trading system. In this connection, they expressed their deep concern over the lack of progress in the WTO Doha negotiations. EFTA Ministers urged all parties to the negotiations to engage constructively in order to complete the Round.

Preferential trade relations

The EFTA Ministers welcomed the addition of the Free Trade Agreement (FTA) with **Hong Kong, China** to EFTA's network of preferential trade relations. Hong Kong, China is one of EFTA's major trading partners globally and the Agreement further reinforces EFTA's engagement with Asia. EFTA has now concluded 23 FTAs with 32 countries and territories outside the European Union.

In light of the priority accorded to improving trade relations with important partners in Asia, Ministers discussed the state of the negotiations with **India** and expressed their hope that these would come to a conclusion in 2011. They welcomed the start of negotiations with **Indonesia** earlier in the year. Ministers furthermore reiterated their wish to resume negotiations with **Thailand** when conditions allow.

Ministers expressed their satisfaction at the positive conclusions reached on the feasibility of a free trade agreement in the Report from the EFTA-**Vietnam** Joint Study Group and expressed their readiness to launch negotiations at the earliest possible opportunity. They furthermore expressed their readiness to engage in free trade negotiations with **Malaysia**.

With the objective of continuing to strengthen relations with countries in Europe, Ministers were pleased to note the start of negotiations in early 2011 with the three members of the Customs Union of *Russia, Belarus* and *Kazakhstan*, as well as with *Bosnia and Herzegovina* and with *Montenegro*.

Ministers also expressed their wish to deepen the relations with countries on the American continent. They discussed the exploratory work conducted with five *Central American States* (Costa Rica, El Salvador, Guatemala, Honduras and Panama) to date and decided to continue preparations for possible negotiations. They also agreed to explore the possibility for closer trade relations with *MERCOSUR* (Argentina, Brazil, Paraguay and Uruguay) based on the existing Joint Declaration on Cooperation.

Relations with the European Union

The EEA EFTA Ministers discussed the general functioning of the EEA Agreement with a focus on the economic crisis. They underlined the need for coordinated and comprehensive action at European level. Ministers expressed their satisfaction that the EEA EFTA States would soon participate in the new system of EU financial supervisory architecture, which began operating on 1 January 2011.

Ministers reiterated the importance of close cooperation with the European Union on energy and climate change, and welcomed the incorporation of the aviation emissions scheme into the EEA Agreement.

Ministers welcomed the conclusion of the majority of the projects, programmes and funds under the EEA Financial Mechanism and the Norwegian Financial Mechanism 2004-2009 and the Agreements on the EEA Financial Mechanism and Norwegian Financial Mechanism 2009-2014. They expressed their hope for the rapid completion of the Memoranda of Understanding with the beneficiary states.

Ministers noted the EU Council Conclusions of December 2010, in particular the statement that the very good and close relations with the EFTA countries had further intensified.

Advisory Bodies

Ministers met with the EFTA advisory bodies that are actively engaged in EFTA's work: the Parliamentary Committee and the Consultative Committee. A fruitful exchange of view with committee members took place on a range of issues, including EFTA's third-country relations. Concerning the EEA they in particular discussed the economic crisis, Europe 2020 and the reviews of the EEA undertaken by Liechtenstein, Norway and the EU.

Attending

Liechtenstein: Ms Aurelia Frick, Minister of Foreign Affairs (Chair)

Iceland: Mr Össur Skarphéðinsson, Minister for Foreign Affairs and External Trade

Norway: Ms Rikke Lind, State Secretary, Ministry of Trade and Industry

Switzerland: Mr Johann N. Schneider-Ammann, Federal Councillor, Head of the Federal Department of Economic Affairs

EFTA: Mr Kåre Bryn, Secretary-General
