



# EUROPEAN FREE TRADE ASSOCIATION

28 June 2012

## **EFTA MINISTERIAL MEETING Gstaad, 28 June 2012**

### COMMUNIQUÉ

On 28 June 2012, the European Free Trade Association (EFTA) held its summer Ministerial meeting in Gstaad, Switzerland under the Chairmanship of Mr Johann N. Schneider-Ammann, Federal Councillor and Head of the Federal Department of Economic Affairs of Switzerland. Ministers of the four EFTA States (Iceland, Liechtenstein, Norway and Switzerland) signed a joint declaration on cooperation with Georgia, represented by Ms Vera Kobalia, Minister of Economy and Sustainable Development.

#### **The international economic and trade environment**

The EFTA Ministers discussed the state of the global economy and the prospects for international trade, noting the important challenges currently faced by policy makers and economic operators. They underscored the importance of policies in support of economic and financial stability as well as to foster growth and job creation. EFTA Ministers recalled the essential role of open markets in achieving sustainable growth and reiterated their commitment to a strong, rules-based trading system under the framework of the World Trade Organisation (WTO).

#### **Preferential trade relations**

The EFTA Ministers noted that EFTA's network of free trade agreements with partners outside the European Union currently comprises 24 agreements with 33 countries worldwide. Five joint declarations on cooperation further complement this network. In this context, Ministers welcomed the entry into force on 1 June 2012 of the free trade agreement with *Ukraine* and the signing of a joint declaration on cooperation with *Georgia*. Ministers also emphasised the need to further develop EFTA's existing FTAs, e.g. the agreements with *Canada* and the *Republic of Korea*.

Ministers discussed EFTA's ongoing negotiating processes. They called for a swift conclusion of negotiations with *Bosnia and Herzegovina*. They noted with satisfaction the progress achieved to date in the negotiations with the Members of the Customs Union of *Russia, Belarus* and *Kazakhstan*.

Recalling the priority accorded to enhancing trade relations with partners in Asia, Ministers acknowledged the progress achieved in the negotiating process with *India* and expressed their wish to move towards a conclusion. They welcomed the good momentum achieved in the negotiations with *Indonesia* and reiterated their interest in resuming negotiations with *Thailand*. Ministers expressed their satisfaction about the start of a negotiating process with *Vietnam*. In the context of the official launch of these negotiations foreseen in July 2012, the EFTA States will recognize Vietnam's market economy status.

Ministers expressed their satisfaction with the second round of negotiations with the Central American States of *Costa Rica*, *Honduras* and *Panama* in June 2012 and expressed the wish to move forward speedily with this process.

Ministers also discussed current and future initiatives to expand EFTA's free trade network. In this context, they welcomed the ongoing exploratory work with *Malaysia* and expressed their wish to begin free trade negotiations at the earliest suitable opportunity. Ministers confirmed their interest in exploring deeper trade relations with the *Philippines*. They decided to consider the development of closer trade relations with *Pakistan* and to propose the signing of a joint declaration on cooperation to this effect.

Ministers agreed to continue exploring possible options for increasing trade, investment and cooperation with the *MERCOSUR* States (Argentina, Brazil, Paraguay and Uruguay). They also agreed to further examine the possibilities of developing closer trade relations with potential partners in the *Sub-Saharan African* region.

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

The EEA EFTA Ministers welcomed the 20<sup>th</sup> anniversary of the signing of the EEA Agreement, and highlighted that the Agreement continues to function well in accordance with the original objectives. They discussed the general operation of the EEA Agreement in the context of the financial and economic crisis in Europe and underlined the need for coordinated and comprehensive action at the European level.

Ministers welcomed the recent progress made with regard to the processing of *acquis* in the EEA Agreement. They noted with satisfaction that the amount of Single Market legislation awaiting incorporation in the EEA Agreement had been substantially reduced since the beginning of the year.

Ministers noted with concern the difficulties encountered with regard to EEA EFTA participation in certain EU programmes and agencies, in particular with regard to the European Supervisory Authorities for financial markets and the European Research Area, and called on all parties to look for pragmatic solutions in order to resolve these challenges. They reiterated the importance of close cooperation with the European Union on energy and climate change and noted the urgency of completing the necessary measures on the EEA EFTA side to allow for the continued participation of the EEA EFTA States in the common European Emissions Trading Scheme.

With regard to the EEA Financial Mechanism and the Norwegian Financial Mechanism 2009-2014, Ministers welcomed the conclusion of the Memoranda of Understanding with all beneficiary states.

Finally, Ministers were informed on the state and the perspectives of the relations between Switzerland and the European Union, especially on the institutional proposals made by Switzerland.

### **Advisory Bodies**

Ministers held meetings with EFTA's two advisory bodies, the Parliamentary Committee and the Consultative Committees. They discussed a range of issues with committee members, including recent developments in EFTA third-country relations and the latest developments in the EEA and in Swiss-EU relations.

### **Change of Secretary-General**

Recalling that Mr Kåre Bryn's term as Secretary-General would come to an end on 31 August 2012, Ministers expressed their gratitude to him for his significant contribution to EFTA over the last six years. They also thanked the outgoing Deputy Secretary-General, Ms Bergdís Ellertsdóttir, and the former Deputy Secretary-General, Mr Didier Chambovey, who left his post in August 2011, for their valuable contribution to the Association. Mr Bryn's successor will be Mr Kristinn F. Árnason of Iceland.

### **Attending**

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

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

Liechtenstein: Ms Aurelia Frick, Minister of Foreign Affairs

Norway: Mr Trond Giske, Minister of Trade and Industry

EFTA: Mr Kåre Bryn, Secretary-General

---