



EUROPEAN FREE TRADE ASSOCIATION

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EFTA MINISTERIAL MEETING Longyearbyen 26 June 2017

COMMUNIQUÉ

On 26 June 2017, the European Free Trade Association (EFTA) held its summer Ministerial meeting in Longyearbyen, Norway. The meeting was chaired by Ms Monica Mæland, Norwegian Minister of Trade and Industry.

Ministers underlined the importance to safeguard the ideals of free trade on the basis of mutually agreed international commitments and to raise awareness of the benefits that trade can bring.

The international economic and trade environment

Ministers underlined their commitment to open trade on the basis of a rules-based, transparent and inclusive multilateral trading system. They stressed the importance of making the 11th WTO Ministerial Conference in Buenos Aires a success that delivers positive outcomes and a path forward. They further underlined the need to better communicate the benefits of trade and inclusive growth.

Preferential trade relations

EFTA's global network of preferential trade agreements outside the EU now consists of 27 agreements with 38 partners. Five joint declarations of cooperation (JDCs) complement this network.

The EFTA Ministers welcomed the start of negotiations with *Mercosur* earlier in June and highlighted the opportunities that a free trade agreement (FTA) would bring to all parties.

Ministers reviewed developments in EFTA's ongoing free trade negotiations and underlined the priority given to concluding negotiations with *India*. They further welcomed the progress made in the negotiations with *Ecuador*, *Indonesia* and *Malaysia*, and expressed their support for a timely finalization of these processes. With regards to *Vietnam*, the Ministers welcomed the renewed effort made to advance the negotiations.

Ministers took stock of EFTA's activities in relation to the development and modernisation of existing FTAs. In particular, they reviewed the state of play of the negotiations on the expansion of the FTAs with *Turkey* and *Mexico*, and of

the exploratory discussions with *Canada*. They further conveyed their hope that negotiations with *Chile* and the *Southern African Customs Union (SACU)* could be started in the course of next year.

The Ministers recalled their interest in strengthening ties with partners in *Sub-Saharan Africa*. In this context, they welcomed the ongoing work towards Joint Declarations on Cooperation with the *East African Community* and *Nigeria*.

The Ministers noted that negotiations between the EU and the US on a Transatlantic Trade and Investment Partnership were currently on hold. They stressed the importance of continuing the exchange of information with the EU and the US in order to stay abreast of any developments.

Relations with the European Union

EEA EFTA Ministers took stock of recent developments in the Agreement on the European Economic Area (EEA Agreement) and discussed the challenges ahead in the cooperation between the EU and the EEA EFTA States.

Ministers noted with satisfaction that significant progress had been made across a number of important files since their meeting in June 2016, welcoming in particular the incorporation into the EEA Agreement of important acts and packages of acts that had been outstanding for a long time.

In this regard, Ministers welcomed the adoption of the first package of EEA Joint Committee Decisions related to the European Financial Supervisory Authorities, the Third Energy Package, the legal acts related to organic production, the Paediatric Regulation and the acts on CO₂ emissions.

Ministers also discussed legal acts awaiting incorporation into the EEA Agreement, observing the progress made with regard to long-outstanding issues in recent months. However, in this respect, Ministers highlighted the need for further progress on the large number of outstanding acts in the field of financial services.

Ministers further welcomed the provisional entry into force of the Agreement on an EEA Financial Mechanism for the period 2014 to 2021, as well as progress made in the negotiations on Memoranda of Understanding with the Beneficiary States.

With regard to future challenges in EEA cooperation, Ministers focused on the implications of the UK's withdrawal from the EU for the EEA Agreement. They welcomed the dialogue with the EU negotiating team in connection with the EEA Council on 16 May 2017, underlining the need for a close dialogue and continuous exchange of information with the EU during its negotiations with the UK.

Ministers were informed by Switzerland on the state and prospects of the relations between Switzerland and the EU. After the adoption by the Swiss population of the initiative "against mass immigration" on 9 February 2014, the Swiss Parliament approved in December 2016 legislation that implements the constitutional provisions on immigration in a way which is compatible with the

Agreement on the Free Movement of Persons (AFMP) between Switzerland and the EU and with annex K of the EFTA Convention. The Swiss government furthermore aims at consolidating and further developing its bilateral relations with the EU.

Relations with the UK

EFTA Ministers discussed the possible consequences of the United Kingdom leaving the European Union (EU), and consequently the European Economic Area (EEA), as well as arrangements under the bilateral agreements between Switzerland and the EU. The UK is a major trading partner of all EFTA States, and Ministers emphasised the importance of continuing close economic and trade relations, which have existed to the benefit of all parties for decades.

The UK will remain a party to the EEA Agreement and the EU-Swiss bilateral agreements until it leaves the EU. However, Ministers stressed the need to provide stability and predictability in the transition to any new legal framework for economic relations with the UK. The EFTA States will continue to consult each other in order to achieve this important goal.

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

<u>Norway</u> :	Ms Monica Mæland, Minister of Trade and Industry (Chair)
<u>Iceland</u> :	Mr Guðlaugur Þór Þórðarson, Minister for Foreign Affairs and External Trade
<u>Liechtenstein</u> :	Ms Aurelia Frick, Minister for Foreign Affairs, Justice and Culture
<u>Switzerland</u> :	Mr Johann N. Schneider-Ammann, Federal Councillor, Head of the Federal Department of Economic Affairs, Education and Research
<u>EFTA</u> :	Mr Kristinn F. Árnason, Secretary-General
