

EUROPEAN FREE TRADE ASSOCIATION

EFTA MINISTERIAL MEETING, VADUZ 28 JUNE 2007

COMMUNIQUÉ

The EFTA Ministers welcomed the conclusion of the free trade negotiations with Canada. They noted the good progress made in the negotiations with the Gulf Cooperation Council (GCC) and by the Joint Feasibility Study Group with India. They also expressed their satisfaction with the successful start of negotiations with Colombia and Peru and the signing of a Joint Declaration on Co-operation with Mongolia. Ministers furthermore welcomed the conclusion of the negotiations on the enlargement of the EEA with Bulgaria and Romania. They emphasised the importance of timely participation of EEA EFTA States in EU programmes.

On 28 June 2007, the European Free Trade Association (EFTA) held its Spring Ministerial meeting in Vaduz, Liechtenstein, under the Chairmanship of Ms Rita Kieber-Beck, Minister of Foreign Affairs of Liechtenstein.

Preferential trade relations

The EFTA Ministers were pleased with the expansion of EFTA's network of Free Trade Agreements. They continue to serve EFTA's economic operators well and constitute a solid basis for the further development of economic relations and co-operation between EFTA and its partners. Ministers also expressed their continued satisfaction with the Vaduz Convention and intra-EFTA relations.

Americas

Ministers welcomed the successful conclusion of the free trade negotiations with Canada. Canada is one of EFTA's main trading partners, and the Agreement is expected to bring further growth and diversification in trade and investment flows between the Parties. Ministers also welcomed the launch of the free trade negotiations with Colombia and Peru earlier this month, expressing their optimism that these negotiations could be swiftly concluded.

Asia

Ministers signed a Declaration on Co-operation with Mongolia with a view to strengthen economic co-operation and trade relations.

They recalled that improving trade relations with leading partners in Asia was a priority for all EFTA States. Ministers further recalled the importance of building free trade relations with China and Japan.

Ministers expressed their satisfaction with the good progress made in negotiations with the six countries of the Gulf Co-operation Council¹ and looked forward to the successful conclusion of the negotiations, possibly by the end of this year. Ministers expressed hope that talks regarding the FTA with Thailand could be resumed on a technical level in the near future.

They were pleased to note good progress by the Joint Feasibility Study Group with India. The report is due by November 2007, and the result is expected to pave the way for swiftly opening the negotiations between India and the EFTA States. EFTA Ministers recalled the positive outcome of the joint feasibility study with Indonesia recommending negotiations on a comprehensive free trade agreement between EFTA and Indonesia. They declared their readiness to start negotiations with Indonesia as soon as possible. Furthermore, Ministers expressed their interest in deepening trade ties between EFTA and Malaysia, as well as with other potential partners in South-East Asia.

Europe and the Mediterranean Region

Ministers welcomed the signing of the free trade agreement with Egypt at the end of January 2007 in Davos. The forthcoming entry into force of the agreement with Egypt will broaden the basis for the participation of the EFTA States in the Euro-Mediterranean Free Trade Area. To this end, Ministers were also confident that the negotiations on a free trade agreement with Algeria could be opened without further delay. They also underlined the importance of including the Western Balkan countries into the pan-Euro-Med cumulation zone as soon as possible and of EFTA's inclusion throughout this process.

Ministers reconfirmed their interest in establishing free trade relations with Russia and Ukraine once these countries accede to the WTO. Ministers recalled the readiness of the EFTA States to further develop and deepen the cooperation and trade relations with the countries of South-Eastern Europe. The EFTA States are reviewing the possibility of establishing a Free Trade Agreement with Albania.

Relations with the European Union

Ministers welcomed the conclusion of the negotiations on the EEA Enlargement, including Bulgaria and Romania as Contracting Parties to the EEA Agreement. In this context, Ministers noted that the EEA Joint Committee had resumed its work, thus maintaining the homogeneity in the Internal Market and the good functioning of the EEA Agreement.

¹ Gulf Cooperation Council: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates

The Ministers expressed their satisfaction with the progress made in the implementation of the EEA Financial Mechanism and the Norwegian Financial Mechanism. Around €640 million have been made available through calls for individual project proposals in 12 of the 13 beneficiary states, and more than €300 million have been committed to 220 projects, programmes and funds.

On energy and climate change Ministers underlined the importance of close co-ordination between the EEA EFTA States and the EU.

The Ministers recalled the importance of timely participation of the EEA EFTA States in EU Programmes and noted with satisfaction that the preparations for the EEA EFTA participation in EEA relevant EU Programmes for the period 2007 to 2013 were on track. This participation contributes to enhanced EEA co-operation outside the four freedoms of the Internal Market, promoting 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 and programmes through participation in appropriate Committees and Working Groups, and by submission of EEA EFTA Comments.

Ministers looked forward to a Decision by the EEA Joint Committee on EEA EFTA participation in the European Food Safety Authority (EFSA), which was close to being finalised and welcomed the progress made in expanding the scope of the EEA veterinary legislation to Iceland.

Ministers welcomed the progress made on linking the EEA EFTA States to the Greenhouse Gas Emission Trading Scheme as of January 2008.

WTO

The EFTA Ministers took stock of the WTO Doha negotiations and underlined their continued strong commitment to the multilateral trading system. Ministers stressed the importance for the global economy of a successful conclusion to the ongoing negotiations and reiterated their determination to contribute constructively to such an outcome.

Advisory Bodies

Ministers held meetings with EFTA's two advisory bodies: the Parliamentary Committee and the Consultative Committee. Ministers appreciated the high-quality input and welcomed the useful work undertaken by the Committees. The 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.

Appointment of Deputy Secretary-General, Brussels

Ministers confirmed the appointment by the EFTA Council of Ms Bergdís Ellertsdóttir as Deputy Secretary-General in Brussels. She will take up her duties on 1 August 2007.

Ministers attending

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

- Iceland: Mr Björgvin G. SIGURÐSSON, Minister of Commerce
- <u>Norway</u>: Mr Dag Terje ANDERSEN, Minister of Trade and Industry
- Switzerland: Ms Doris LEUTHARD, Federal Councillor, Head of the Federal Department of Economic Affairs