## **European Community**

## **News Release**

EUROPEAN COMMUNITIES AND EUROPEAN FREE TRADE ASSOCIATION COUNTRIES
AGREE TO FURTHER COOPERATION

Following the final dismantling on 1 January 1984 of customs duties and quotas between the EC and EFTA countries, foreign affairs ministers from the 10 European Communities and 7 EFTA member States (1) met in Brussels on 9 April, the first such meeting in the history of EC/EFTA relations.

Free trade agreements between the European Communities and each of the EFTA countries were signed in 1972-73, and created a free-trade area that now encompasses 17 countries and well over 310 million people. Within this free-trade zone, the largest in the world, takes place one-quarter of world trade in industrial goods.

The Agreements provide for the establishment of a free-trade zone for industrial products between the EC and each of the EFTA countries. Free trade does not extend to agricultural products, but the dismantling of tariffs also covers the industrial element of processed agricultural products.

On January 1, 1984, full liberalization of trade in industrial products (2) between the EC and each of the EFTA countries was realized with the scheduled removal of customs duties and quotas for paper products.

A Joint Statement issued by the ministers at the conclusion of their 9 April meeting emphasizes the need to oppose protectionism and to improve the free movement of industrial goods by such measures as standardization of norms, or simplification of procedures and rules of origin. Unfair competition and government subsidies that contravene the free-trade agreements should also be eliminated.

Since the Free Trade Agreements came into force, cooperation with the EFTA countries has been extended, either through formal agreements or a two-way exchange of information and views, to areas such as science and technology, transport, protection of the environment, and economic and monetary matters not dealt with in the original agreements. At the meeting on 9 April, the ministers discussed furthering cooperation in these areas and notably in the field of new technologies (telecommunications, information systems, audio-visual media).

(verso)



Other sectors for cooperation and information exchange between the European Communities and EFTA include agriculture, fisheries, energy, social welfare, culture, consumer protection and conditions of work.

The ministers support a strengthening of the multilateral free trade system in conformity with GATT and OECD obligations and agree to further consultations on cooperation with developing countries (eg. North/South Dialogue).

In 1982, EC exports to EFTA countries totalled over 65 million CAD, or approximately 23% of the total EC exports. Imports from EFTA members account for 18.2% of total EC imports.

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## Footnote

(1) EC Member States: Belgium, Denmark, France, Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, The Netherlands and United Kingdom.

EFTA States: Austria, Finland, Iceland, Norway, Portugal, Sweden and Switzerland.

(2) - with a few small and temporary exceptions.