



EFTA Free Trade Agreements and SPS

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Jóhann Freyr Aðalsteinsson
Senior Officer, TRD
jfa@efta.int



Outline

What is EFTA

EFTA's Free Trade Relations

**EFTA Free Trade Agreement's and
SPS**



The European Free Trade Association

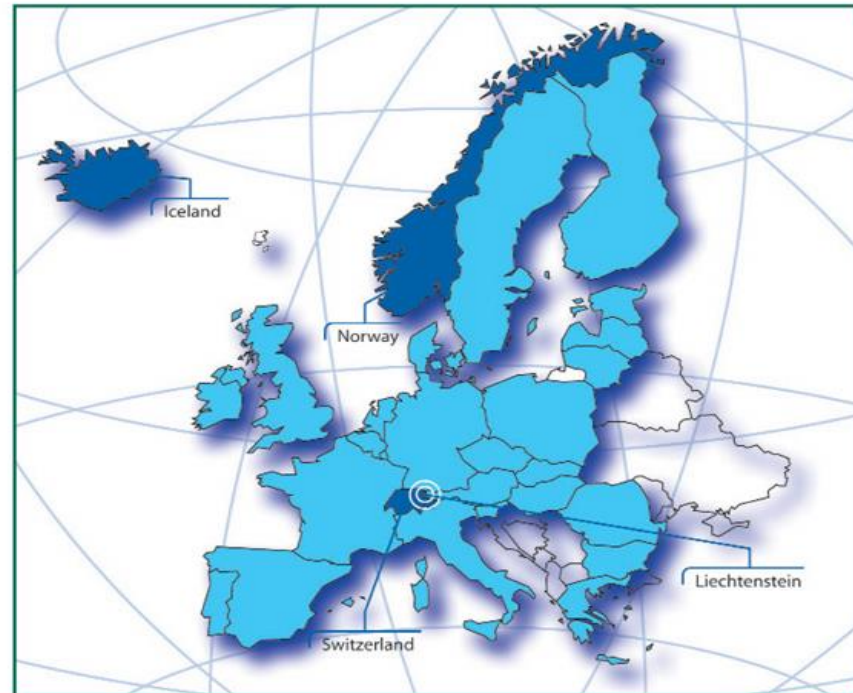
Member States

Iceland

Liechtenstein

Norway

Switzerland





European Free Trade Association - objectives

- Promotion of free trade and economic integration to the benefit of its four Member States
- Headquarters in Geneva, offices in Brussels and Luxembourg
- Three main pillars:
 - EFTA Convention: Intra-EFTA free trade (Geneva Secretariat)
 - Free trade agreements with non-EU countries (Geneva Secretariat)
 - EEA Agreement → 3 EFTA States + all EU Member States (Brussels Secretariat)



EFTA - a top rank trader

- World's 11th biggest economy
- World's 12th biggest trader in merchandise trade
- World's 5th biggest trader in services trade
- Among the top in GDP world ranking, and an important source of foreign investment



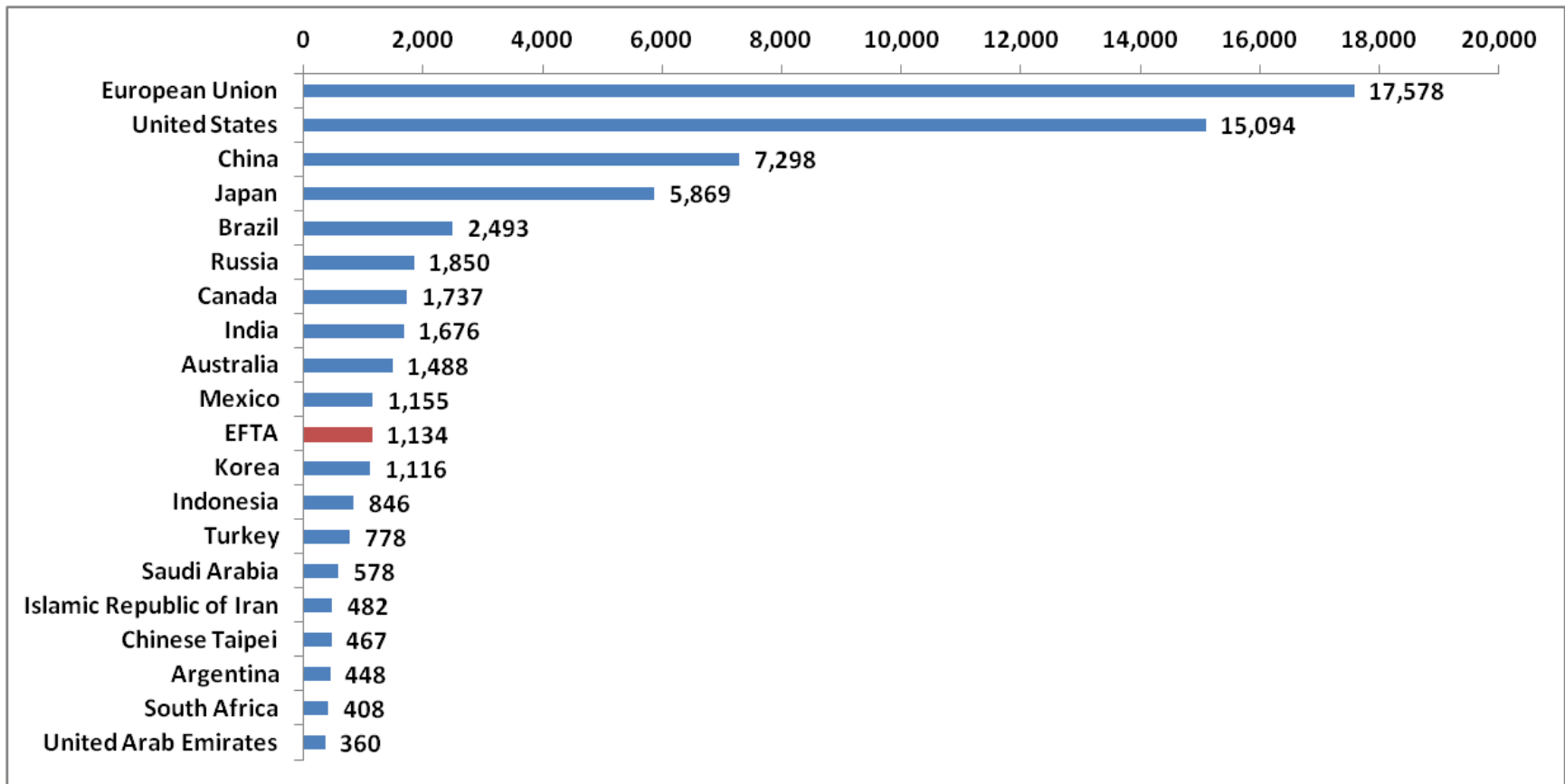


Main Economic Sectors

- *Iceland:*
Fisheries, aluminium, pharmaceuticals, services
- *Norway:*
Oil, natural gas, fisheries (incl. fish farming), machinery, shipbuilding, services (incl. maritime transport)
- *Liechtenstein and Switzerland (customs union):*
Machinery, pharmaceuticals, chemicals, watchmaking, services (incl. financial services and tourism)

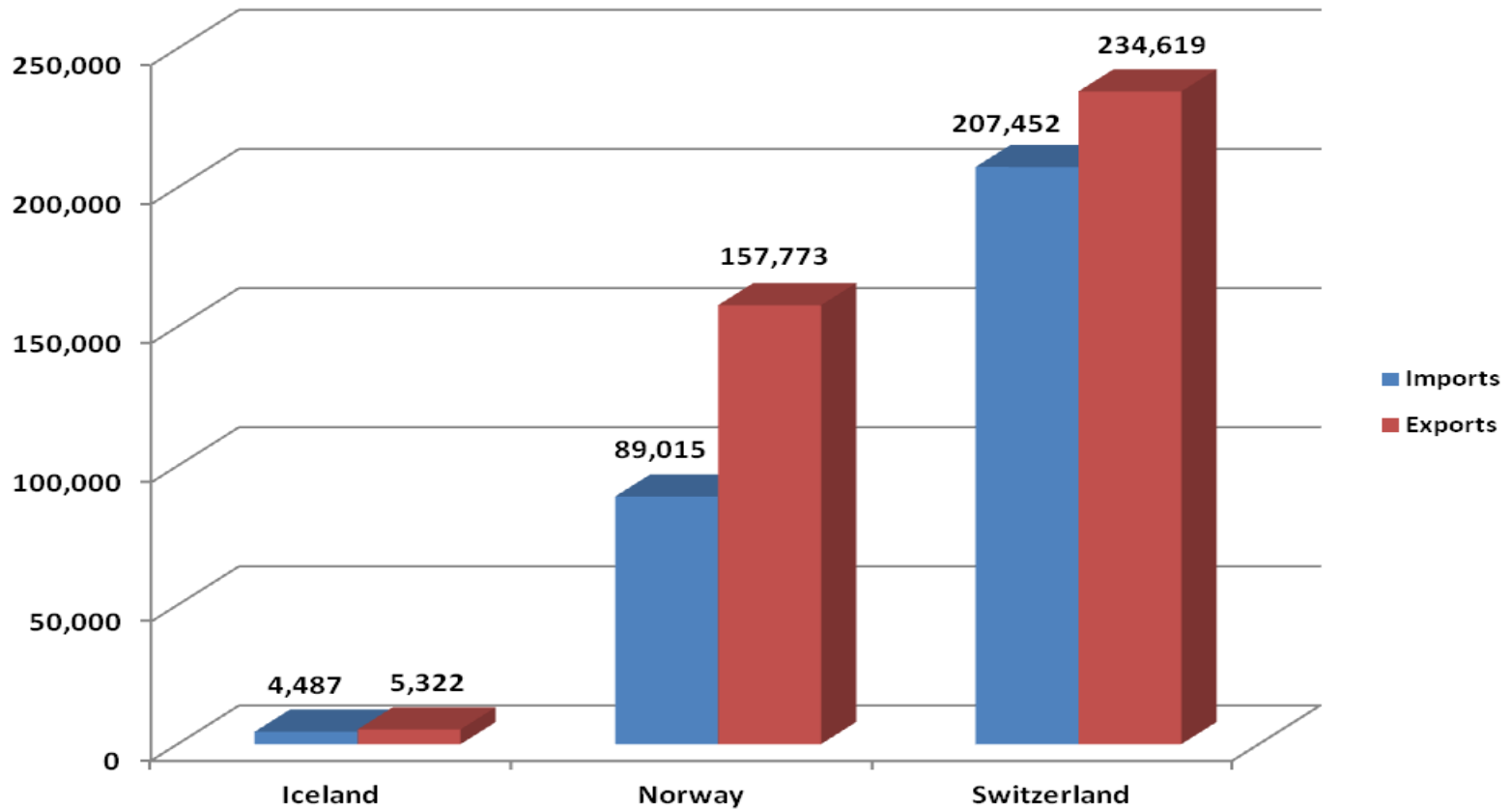


GDP (in billion USD): 2011





EFTA's Trade with the World (in billion USD): 2011





Aims of concluding FTAs

- Maintain and strengthen competitive position worldwide
- Bind market access at a certain level
- Create stable, predictable conditions for trade in goods and services, investments
- Foster environments of transparency, openness and legal predictability



EFTA Free Trade Network

- 26 Free Trade Agreements signed (comprising 36 partner countries)
- 8 FTA currently under negotiation
- Joint Declarations on Cooperation with 6 countries
- Feasibility studies / exploratory processes with several further partners



Ongoing processes

- Viet Nam
- India
- Russia/Belarus/Kazakhstan (Customs Union)
- Indonesia
- Central America (Guatemala and Honduras)
- Malaysia
- Algeria, Thailand (on hold)



EFTA Free Trade Agreement's and Sanitary and Phytosanitary measures SPS



What are Non-Tariff Measures (NTM)?

- Other than duties:
 - Standards and procedures
 - **SPS**
 - TBT
 - Customs procedures
 - Security measures (9/11)
 - Etc.

Non-tariff measures more and more important as tariff barriers fall



Specific WTO-GATT Agreements

Two specific WTO Agreements dealing with:
food safety, animal and plant health and safety, and
with products standards in general:

- **SPS (sanitary and phytosanitary) agreement**
- **TBT (technical barriers to trade) agreement**



Regulatory framework for SPS measures:

- WTO and standard setting organizations (Codex, OIE, IPPC)
 - Standard setting bodies:
 - » CODEX (foodstuffs)
 - » OIE (animals)
 - » IPPC (plants)
- Relations to the EU
- Domestic regulations



Drivers for SPS in EFTA

- EEA agreement, 1994
- WTO/SPS agreement, 1995
- Switzerland-EU bilateral agriculture Agreement, 2002



EFTA Agreements with the EU

EEA

- Requires Norway's and Iceland's application of EU's legislation.

Bilateral agreements

- Switzerland has bilateral EU agreements (also applied by Liechtenstein).
- **These standards must be followed by all importers to the EFTA/EU markets**



All EFTAs Free Trade Agreements have provisions on Sanitary and Phytosanitary Measures (SPS), governed by and building upon the WTO Agreement on SPS.



EFTA-Montenegro FTA ARTICLE 12

Sanitary and phytosanitary measures

1. The rights and obligations of the Parties in respect of sanitary and phytosanitary measures shall be governed by the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.
2. The Parties shall exchange names and addresses of contact points with sanitary and phytosanitary expertise in order to facilitate communication and the exchange of information.
 - WTO SPS Agreement applies between the Parties
 - Co-operation
 - Expert consultations and contact points
 - Domestic Legislation
 - Support of the standards set by the international bodies



EFTA and SPS – Conclusions

- A consumer's perspective
- Knowledge and Science
- Aims for influence and development through international cooperation
- Exporters to EFTA need to
 - Base Production on international standards
 - Follow EU regulations (as a general rule)



Information on relevant authorities and websites on SPS in the EFTA Member States:

- **Norway:** The Norwegian Food Safety Authority - www.mattilsynet.no
- **Iceland:** The Icelandic Food and Veterinary Authority – www.mast.is
- **Switzerland:** State Secretariat for Economic Affairs SECO / Non Tariff Measures Division - www.seco.admin.ch
Federal Veterinary Office - www.bvet.admin.ch
Federal Office for Agriculture - www.blw.admin.ch
Federal Office of Public Health (responsible for foodstuffs) - www.bag.admin.ch



For more information about
EFTA

www.efta.int

Thank you!