



Göteborg

Ministerial and Summit
Meetings
11-15 June 1990



Gothenburg, 13 June 1990

**Background press information on the signing of joint
Declarations of co-operation with Czechoslovakia,
Hungary and Poland**

At their meeting on 12 December 1989, the EFTA ministers warmly welcomed the progress of economic and political change in Eastern Europe and the efforts in some of those countries orientated towards a market economy, as well as the establishment of political pluralism and democratic systems. They accepted their responsibility to support these reforms and entrusted the EFTA Council to enter into dialogue with individual countries in Eastern Europe.

In the past few months contacts have taken place between EFTA and a number of East European countries. As a first result of these contacts three joint Declarations of co-operation were signed on 13 June 1990 between the EFTA ministers and ministers of the Czech and Slovak Federal Republic, the Republic of Hungary and the Republic of Poland.

Signing the Declarations in Gothenburg, Sweden, were: Vladimír Dlouhý, Deputy Prime Minister of Czechoslovakia; Dr Béla Kádár, Hungarian Minister of International Economic Relations; and Dr Marcin Świecicki, the Polish Minister for External Economic Relations.

The EFTA countries will further reflect on how to develop their future relations with the countries of Eastern Europe. The degree and nature of change in the countries concerned will be taken into account.

The Declarations establish multilateral frameworks for the encouragement of a number of different forms of co-operation with the three countries concerned, thereby contributing to the transformation and the regeneration of their economies. The declarations are complementary to the co-operation and actions of support taken by the EFTA countries bilaterally, or in other multilateral contexts, such as the G 24 and their participation in the European Bank for Reconstruction and Development.

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The Declarations cover trade promotion, economic, industrial, technical and scientific co-operation as well as issues related to tourism, transport and environmental protection. The areas of future co-operation are not limited to those indicated in the Declarations which also allow for an extension to other areas of mutual interest. In institutional terms they imply the setting up of joint committees between each of the three countries and the EFTA countries. These committees will have the task of translating the intentions expressed in the Declarations into practical forms of co-operation. It is likely that the joint committees will meet for the first time in the autumn of this year.

It can be expected that the Declarations will play an important role in the further evolution of relations with the three countries concerned. Thus, they include provisions for the joint examination of the possibilities for establishing free trade areas with the three countries. An examination of these possibilities will begin later this year.

Finland has already concluded free trade agreements with a number of East European countries. It is understood by all sides that the market access provided for by these agreements will also be assured in a situation where free trade areas are established by the EFTA countries and the three countries concerned.

Among the individual fields of mutual interest mentioned in the Declarations are:

- reduction of technical barriers to trade,
- promotion of trade via seminars, business weeks, exhibitions and fairs,
- promotion of co-operation between business circles and their organisations, including Chambers of Commerce,
- fostering and securing favourable conditions for investments, including joint ventures,
- promotion of investments, capital flow and joint financing of projects by business operators,
- increase of technical and scientific co-operation,
- encouragement of joint tourism projects and investments by economic operators.

DECLARATION

The Republic of Austria, the Republic of Finland, the Republic of Iceland, the Kingdom of Norway, the Kingdom of Sweden, the Swiss Confederation and the Principality of Liechtenstein (hereinafter called the EFTA countries)

and

the Republic of Hungary (hereinafter called Hungary)

Adhering to the same values, attached to the principles of democracy, inspired by the common objective of overcoming divisions in Europe and of fostering unfettered human, cultural and economic contacts across borders,

Convinced that political pluralism, human rights and social justice are conducive to peace and progress,

Aware of the particular importance of international trade and other forms of economic co-operation in building prosperity and promoting contacts in various fields,

Taking note of the recently held free elections in Hungary which constitute a decisive step towards the establishment of a pluralist society,

Having regard to the process of comprehensive economic liberalization taking place in Hungary, leading to the establishment of a market economy, thus further integrating Hungary into the world economy,

Recalling the EFTA countries' support for the efforts undertaken by Hungary in the restructuring process, and noting that the EFTA countries participate in the co-ordinated aid of the Group of 24 to help Hungary to achieve its objectives,

Reaffirming their international commitments, in particular those arising from the General Agreement on Tariffs and Trade,

Having regard to the Final Act of the Helsinki Conference on Security and Co-operation in Europe, the Concluding Documents of the Madrid and Vienna meetings and the Document of the Bonn conference on economic co-operation in Europe,

Bearing in mind the work pursued within the Economic Commission for Europe,

Desiring to enhance the traditional and wide-ranging relations already existing between individual EFTA countries and Hungary by utilizing the new opportunities offered by the ongoing process of European integration and the transformation of the Hungarian economy,

Recalling the intention of Hungary to participate actively in the process of integration in Europe and expressing their willingness to co-operate in seeking ways and means to strengthen this process,

Determined to take action to promote, expand and diversify trade and economic co-operation, thus creating a more favourable and supportive environment based on equality, non-discrimination, mutual benefit and reciprocity,

Considering the present differences in the level of economic development between Hungary and the EFTA countries,

With a view to making all efforts to develop the relations between the EFTA countries and Hungary, which may lead, conditions permitting, to the establishment of a free trade area,

Recognizing the EFTA countries' and Hungary's desire to strengthen their institutional relations,

Hereby declare their will to strengthen their relations in order to develop their overall co-operation, inter alia, in the following fields:

Trade

1. The EFTA countries and Hungary shall examine concrete ways and means of intensifying and liberalizing their trade with due regard to their international obligations.
2. The EFTA countries and Hungary shall seek to facilitate their mutual trade, in accordance with the principles and provisions of the GATT, *inter alia*, by reducing technical barriers to trade, for example, through improved co-operation and co-ordination in the field of technical regulations and standards and through participation in the Conventions and Schemes for reciprocal recognition of tests and inspections sponsored by EFTA.
3. The EFTA countries and Hungary will:
 - promote trade in such ways as encouraging seminars and business weeks, as well as participation in each other's commercial exhibitions and fairs,
 - promote co-operation, in particular direct contacts, between the interested business circles and their respective organizations, including Chambers of Commerce,
 - sustain and improve a business environment conducive to the expansion of commercial co-operation.
4. The EFTA countries and Hungary will jointly examine the conditions for gradually establishing a free trade area and possible actions to be taken to this end, taking into account the provisions of the GATT in particular those in Article XXIV.

Economic, industrial, technological and scientific co-operation

5. The EFTA countries and Hungary shall encourage measures aimed at:
 - fostering and securing favourable conditions for investments, including joint ventures, *inter alia*, by the protection of investment and

by facilitating the transfer of capital and of investment-related technology,

- promoting investments, capital flows and joint financing of projects by business operators,
- facilitating the exchange of economic information,
- increasing technical and scientific co-operation in sectors to be designated by interested parties, inter alia, through promotion of exchange of relevant information and scientific research.

Tourism

6. The EFTA countries and Hungary will further develop their co-operation in tourism, inter alia, through:

- facilitation of passenger traffic formalities,
- market studies and publicity activities with a view to increasing the flow of tourists,
- encouragement of joint projects and investments by economic operators.

Transport and telecommunications

7. Recognizing their mutual interest in questions regarding transport and telecommunications and taking into account the work being carried out on these subjects by existing international organizations, the EFTA countries and Hungary will provide for regular exchange of information.

8. Considering the need to improve transport and telecommunications facilities and related infrastructure, the EFTA countries and Hungary will encourage investors to explore projects of common interest in this field.

Environmental protection

9. Taking into account the global nature of many environmental issues and work going on in international organizations, the EFTA countries and Hungary will exchange information on a regular basis, facilitate the dissemination of technology and know-how and encourage co-operation regarding, inter alia, the implementation of international environmental conventions and the harmonization of environmental monitoring systems.

Joint Committee

10. The EFTA countries and Hungary hereby declare the establishment of a Joint Committee, comprising representatives of the EFTA countries on the one hand, and representatives of Hungary on the other.

11. The Joint Committee shall review the co-operation in areas referred to in the present Declaration and shall discuss any other issue of mutual interest. The Joint Committee shall formulate appropriate recommendations on any co-operation between Hungary and the EFTA countries.

12. The Joint Committee shall analyse the trade flows and shall make recommendations with a view to improving the conditions thereof.

13. The Joint Committee shall normally meet once a year at an appropriate level in the EFTA countries and in Hungary, alternately. It may set up sub-committees to assist it in carrying out its tasks.

14. The Agenda of the meetings of the Joint Committee will be agreed beforehand.

15. The secretariat services for the Joint Committee shall be performed jointly by the EFTA Secretariat and the Ministry of International Economic Relations of Hungary. The Secretary-General of EFTA or his representative will attend the meetings of the Joint Committee.

DONE at Gothenburg, at a meeting at Ministerial level, this 13th day of June 1990.

FOR THE AUSTRIAN DELEGATION

Wolfgang Schüssel

FOR THE HUNGARIAN DELEGATION

Béla Kádár

FOR THE FINNISH DELEGATION

Pertti Salolainen

FOR THE ICELANDIC DELEGATION

Jón Baldvin Hannibalsson

FOR THE NORWEGIAN DELEGATION

Kaci Kullmann Five

FOR THE SWEDISH DELEGATION

Anita Gradin

FOR THE SWISS DELEGATION

Delamuraz

FOR THE LIECHTENSTEIN DELEGATION

René Ritter

I certify that this is a true copy of the original Declaration kept in the archives of the EFTA Secretariat in Geneva.

Geneva, 27.7.1990



Georg Reisch
Secretary-General