The Meeting of EFTA Heads of Government Oslo, 14-15 March 1989

Prime Minister Gro Harlem Brundtland

Mr. President, Prime Ministers, Excellencies, Mr. Secretary General, Ladies and Gentlemen,

It is a pleasure to welcome you to Norway - to this fifth summit of EFTA Heads of Government.

In Luxembourg five years ago, EFTA and EC Ministers agreed to extend and deepen their cooperation and to work together to create a dynamic European Economic Space. Since then, our practical cooperation with the EC has been steadily developed and widened. Experience has shown that the Luxembourg Declaration was an important milestone that reflected the political will to expand our cooperation.

Since the EFTA summit in Visby five years ago, we have experienced a remarkable development in European relations. The White Paper on the completion of internal market from the EC Commission and the adoption of the Single European Act have resulted in an unparallelled new dynamism in the European integration process.

The EC-EFTA cooperation areas have multiplied. The EC's plan to complete their internal market and the steps taken to implement it have given a new dimension to our conception of the European Economic Space. We have become increasingly aware of the necessity to ensure that EFTA trade and industry will be able to compete on an equal footing with their EC competitors.

The European integration process is spreading to new fields. We have realized that our cooperation with the EC has to go beyond the internal market. It must extend into fields such as the environment, education, research and development and the

social dimension.

If we judge EFTA's success on the basis of our original goals, we are indeed a successful organization. But confronted with today's challenges we see that cooperation based on the present system has its limitations.

To a great extent these limitations certainly emanate from the basic differences between the EC and EFTA systems. But they are also due to the lack of formal links, and EFTA's lack of an institutional framework strong enough to ensure balanced cooperation.

On issue after issue we reach crossroads. Progress in areas such as public procurement and state aid appear to be dependent upon new mechanisms for surveillance and enforcement. We are clearly approaching the stage where we must admit that the Luxembourg Declaration is no longer sufficient to defend our interests.

Today we need to focus on stronger political ambitions and new goals and aspirations if we are to fulfil our potential for real partnership. It is time for us once again to review our experience and define our common interests in and perspectives on taking part in the shaping of the future of Europe.

I am grateful for the positive response of all the EFTA governments to my invitation and for their efforts in the preparation of this meeting. The challenge posed by the President of the EC Commission to our own process has also been a stimulus to our analyses and perspectives.

We are gathered here today to discuss the future of EFTA and to seek better and deeper cooperation with one another - and with the Community. It is our responsibility to prepare the political ground for a qualitative step forward in our cooperation with the Community.

It is my hope and ambition that at the conclusion of our meeting tomorrow, we can give a clear political signal of our intention to develop further EC-EFTA cooperation so that it is better organized than the present system. This is necessary if we are to produce the results we are aiming at.

Accordingly, the tasks of this meeting should be:

- to initiate a process of deeper and broader cooperation with the EC;
- to formulate targets which we can all support and which open new perspectives for future cooperation;
- to agree upon ways to effect the strengthening of our organization which is essential if we are to fulfill EFTA's tasks as a platform for our cooperation with the Community;
- to make it clear that the EFTA countries want to contribute to and influence the European integration process;

And let me add: We must underline the importance we attach to the social and environmental dimensions of the European integration process.

These are our tasks. Trusting that we will be able to arrive at satisfactory solutions, I am convinced that we are launching an important process which will benefit <u>all</u> our countries.

After this meeting we will no doubt be entering into an active period of exploration and talks with the EC on the issues and modalities of our future cooperation. It is therefore important that our conclusions be well-suited to serve as guidelines for the further strengthening of our organization.

Cooperation between nations is a process which involves change. We must remain open-minded and willing to update our targets and change our means in the light of new circumstances and opportunities.

Therefore the time has come for us to make better use of our organization. The time has come to expand and reinforce our special relationship with the EC based on a balance of rights and obligations. To achieve this, we must work with the EC to find the most appropriate framework to reach common goals.

We have received positive statements from the EFTA Committee of Members of Parliament, the EFTA Consultative Committee and the Conference of EFTA Trade Unions as well as from the European Trade Union Confederation - all supporting the idea of a closer cooperation between EC and EFTA. I feel we have a very broad basis for our discussions here today.

We should as far as possible clarify our positions concerning the questions that remain. Only in this way can we create enduring and reliable solutions.

In a few days EFTA and the EC will have a joint ministerial meeting in Brussels where we can expect to get a clearer picture from the EC of the ideas and possibilities they envisage for our future cooperation. We should then be in a position to enter into a process which will hopefully lead us towards a firmer system and better basis for cooperation between EFTA and the Community.

Now I would like to hear the views around the table concerning the issues mentioned.