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OFFICIAL VISIT TO NORWAY BY MR JACQUES DELORS

Mr Jacques Delors, President of the European Commission, will pay an official visit to Norway from 17 to 19 October.

He will have talks with the Prime Minister, Mrs Gro Harlem Brundtland, and several members of the government, and will also meet a number of Norwegian politicians and businessmen. Mr Delors will be received by His Majesty King Olav V.

EEC-Norway relations

Together with the other members of the European Free Trade Association, Norway and the Community form a free trade area which includes almost all Western Europe and its 350 million or so consumers. This is the result of the free trade Agreements signed in 1972 and 1973 following the decision of two EFTA members (the United Kingdom and Denmark) to become full members of the European Community.

Norway also signed the Accession Treaty in 1972, but following a referendum decided not to ratify it. The Community subsequently offered Norway the same type of industrial free trade agreement as it had offered to the other members of the European Free Trade Association.

Agriculture and fisheries

At the same time, the Community made unilateral tariff concessions for certain Norwegian fishery products and the Norwegian authorities proposed similar concessions for certain Community agricultural exports.

No major difficulties arose during the transitional period, which ended in 1983, and since then trade in industrial products has been free of all customs duties and quantitative restrictions.

Although agriculture as such was not included in the initial Agreement, the contracting parties agreed to encourage the harmonious development of trade in agricultural products and, in 1983, the two parties negotiated an agreement on trade in cheese. An annex to the 1972 Agreement also lays down specific rules clearly defining the way tariff reductions would be applied to the industrial element of processed agricultural goods.

The rules of origin

One of the annexes to the 1972 Agreement sets out the rules of origin. These define the terms under which industrial products qualify for preferential treatment and ensure that goods do not enter the free trade area through the country with the lowest external tariff. They also provide for a system of bilateral cumulation which encourages joint production of industrial goods by the Community and Norway, which is fully in line with the economic thinking behind the free trade Agreement, namely to encourage economic integration in Western Europe. With this in view, the rules for engineering products were simplified in 1983.

Beyond the Agreement

In the last ten years, cooperation has gone well beyond the scope of the original Agreement. A completely new pattern of relations has developed in a pragmatic fashion between the Community and Norway, which allows either party to raise any matter of mutual interest. Contacts have also intensified at political level, through annual consultations at ministerial level, held alternately in Brussels and Oslo, and also regular visits in both directions.

The sixth high-level EEC-Norway meeting was held in Brussels in June this year. The delegations were led by Mr Knut Frydenlund, the Norwegian Foreign Minister, and Mr Willy de Clercq, Member of the Commission with special responsibility for external relations.

These meetings at political level, together with the regular meetings of the Joint Committee set up by the Agreement, have consolidated the existing close relations between the Community and Norway and have provided an impetus that will assist the future development of these relations.

Cooperation covers the following areas.

Steel

Each year since 1978, the Community and Norway have negotiated agreements on steel in order to regulate trade during the continuing recession in the steel market.

Fisheries

The Community and Norway negotiated a framework Agreement on fisheries in 1978, which they signed in 1980. Annual agreements have since been concluded within this framework regulating the two parties' fishing rights and drawing up conservation measures for joint fish stocks in the Skagerrak. In 1983, however, the two parties were unable to agree on their respective shares of the herring catch.

Science and technology

Norway participates in the Community programme of cooperation in scientific and technical research (COST). Its main areas of interest are data-processing, telecommunications, meteorology, oceanography, transport, metallurgy, environment and biology. On 10 March this year, the Council approved a framework agreement on science and technology, which was signed on 27 June.

Euronet

In September 1984, the Commission and Norwegian authorities signed an agreement on linking the Norwegian data transmission network to the Community's network Euronet, along with the Finnish, Swedish and Swiss networks.

Other sectors

There are regular meetings of experts to exchange information on a whole range of subjects, including sea and air transport, environmental protection, energy policy, state aids, economic and monetary policy, consumer protection and development aid.

Structure and development of trade

There has been a substantial increase in trade since the industrial free trade Agreements entered into force. Norwegian exports to the Community increased from 1873 million ECU in 1973 to 17 349 million ECU in 1985, in which year the Community received 70 % of all Norwegian exports. Over the same period, Norwegian imports from the Community increased from 2 252 million ECU to 9 272 million ECU ; 45 % of Norway's imports came from the Community in 1985.

Norway is the Community's ninth largest consumer, taking 2,5 % of the EEC's total exports.

In 1984, more than 50 % of Community imports from Norway consisted of fossil fuels, mostly oil and gas. Machinery, transport equipment, chemicals and other manufactured goods accounted for 5 % and primary industrial products (non-ferrous metal, iron and steel, textiles and paper) accounted for a further 15 %. Community exports to Norway consisted of machinery, transport equipment and chemicals (43 %), primary industrial products, especially iron and steel, non-ferrous metals and textiles (- 20 %), and other manufactured goods (15 %).

TRADE BETWEEN THE COMMUNITY AND NORWAY

	(million ECU) (*)							
1973	1975	1978	1980	1982	1983	1984	1985	1986
EC imports	1873	2795	5426	8444	11357	13976	15869	17439
EC exports	2252	3272	3864	5141	6867	6862	8038	9247
Balance	379	477	-1562	-3303	-4490	-7114	-7031	-8092

Source : EUROSTATØ

(*) The exchange rate ECU/dollar varies daily as the various EC currencies, which make up the ECU, vary against the dollar. One ECU was worth US\$ 1.2 in 1973, US\$ 1.27 in 1978 and US\$ 1.39 in 1980, US\$ 0.98 in 1982, US\$ 0.89 in 1983, US\$ 0.82 in 1984 and US\$ 0.75 in 1985.

