EFTA

Introduction

The European Free Trade Association (EFTA) is an intergovernmental organization created in 1960 to promote free trade and economic integration between Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom. The EFTA was also established with the goal of being an economic counterbalance to the more politically-focused European Economic Community (EEC), which is now known as the European Union (EU). The main difference between the early EEC and EFTA was the absence of a common external customs tariff, and consequently each member of the EFTA was able to establish individual customs duties against, or individual free trade agreements with non-EFTA countries. Only four members, Iceland, Liechtenstein, Norway, and Switzerland, remain in the EFTA.

Number of member countries: 4
Region(s): Europe
Headquarters: Geneva, Switzerland
Composition: Plurilateral
Coverage: Goods & Services
Signed: January 4, 1960
Entry into force: May 3, 1960
Web Site: http://www.efta.int/

Member Countries

Iceland
Liechtenstein
Norway
Switzerland

History

1960 - The EFTA is founed by Austria, Denmark, Norway, Portugal, Sweden, Switzerland, and the United Kingdom.

1961 - Finland becomes an associate member of the EFTA. The EFTA Consultatitive Committee is established to help represent trade unions and employers' organizations.

1970 - Iceland becomes a member of EFTA.

1972 - Denmark and the United Kingdom leave EFTA to join the European Economic Community (EEC). The remaining EFTA members sign bilateral free trade agreements with the EEC during the 1970's.

1977 - The EFTA Parliamentary Committee is established and tariffs on industrial goods in trade are eliminated between the EEC and EFTA states.

1979 - EFTA's first free trade agreement is signed with Spain.

1984 - The Luxembourg Declaration on broader cooperation between EFTA and EEC is signed.

1985 - Portugal leaves EFTA to become a member of the EEC.

1986 - Finland becomes a full-fledged member of the EFTA.

1991 - Liechtenstein becomes a member of EFTA.

1992 - The Agreement on the European Economic Area is signed in Oporto, Portugal. Switzerland rejects participation in the EEA by referendum.

1994 - The EEA Agreement enters into force between the EU and five EFTA States.

1995 - Austria, Finland and Sweden leave EFTA to join the EU. Liechtenstein becomes a full participant in the EEA Agreement together with Iceland and Norway.

2001 - The updated EFTA Convention is signed in Vaduz, Liechtenstein, entering into force a year later.

2003 - An agreement on EEA enlargement is signed as ten Central and Southern European countries join the EU.

2004 - EU and EEA enlargement enter into effect simultaneously.

2007 - An agreement on EEA enlargement is signed as Bulgaria and Romania join the EU.

2009 - Iceland applies for EU membership. FTAs are signed with Albania, the Gulf Cooperation Council and Serbia.

2010 - Iceland begins accessions negotiations with the EU. The EEA EFTA Forum of Elected Representatives of Local and Regional Authorities is established. FTAs are signed with Peru and Ukraine.

2011 - FTAs are signed with Hong Kong China and Montenegro.

2013 - FTAs are signed with Bosnia and Herzegovina and with Costa Rica Panama.