MULTILATERAL TRADE

NEGOTIATIONS

THE URUGUAY ROUND

Trade Negotiations Committee Meeting at Ministerial Level Marrakesh (Morocco), 12-15 April 1994

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NORWAY

<u>Statement by Mrs. Grete Knudsen</u> <u>Minister of Trade and Shipping</u>

The launching of the Uruguay Round in Punta del Este and our meeting here this week in Marrakesh demonstrates the increasingly global nature of the trading system and that it is being shaped to become universally relevant. I would like to take this opportunity to pay tribute to Uruguay and its Government for the role they have played during the many years of negotiations. Similarly, I would like to extend Norway's gratitude to the Kingdom of Morocco and its Government for their hosting of this historic event.

Two people deserve special recognition: both the former and present Director-Generals of the GATT, Arthur Dunkel and Peter Sutherland. They have been true guardians of the multilateral trading system, and without their wisdom and contributions we would not have had an agreement.

We are here to summarize our experiences and to plan ahead. In that respect our challenge is to strike the right balance between digesting and implementing what we have accomplished through seven years of negotiations, and to face and tackle new and unresolved issues in order to maintain the dynamism and relevance of the trading system.

Our highest priority should be the earliest possible implementation of the WTO and the Uruguay Round agreements and decisions. Norway will work with the aim of obtaining ratification by our Parliament in order to be ready for implementation by 1 January 1995. It is widely recognized that early implementation will lead to increased trade and is therefore of real significance to the world economy, and to an improved employment situation.

For Norway, the stronger and clearer legal framework resulting from the Round is of particular importance. We will participate actively in the work of the Preparatory Committee to set up the WTO, and it is our hope that no momentum will be lost in pursuing the various items on its agenda. We are particularly keen to see the continuation of the negotiations on services. Shipping being a major international services sector of interest to Norway will make us pay particular attention to the forthcoming negotiations on Maritime Transport Services, and we will actively follow up the deliberations during the Round.

We are also preoccupied with the question of the scope of the future membership of the WTO. We should work towards accommodating the applicants for membership, and avoid legal complications in the treatment of new members prepared to undertake the obligations of membership.

I strongly welcome that the issue of trade and environment has now been put firmly on the agenda of the future multilateral trading system. Norway has been actively engaged in

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GATT SECRETARIAT

international efforts focusing on sustainable development, and we would like to see work initiated without delay by the Preparatory Committee building on the work already done in the GATT, and drawing also on activities in other international organizations. The aim of making trade and environment policies mutually supportive in the pursuit of sustainable development poses a great challenge on the multilateral trading system. There is a need to examine whether and how the WTO and its covered agreements can take appropriate account of environmental concerns.

It is a fact of life that the increasing globalization of trade and investment has a growing effect on domestic issues and constituencies. The trading system should be responsive to the debate on new issues, and we should all be willing to analyse carefully whether and how they could be usefully treated in a multilateral framework. In so doing, we should aim at maintaining the transparency and multilateralism that have been the cornerstone of the GATT.

I would in particular draw attention to the issue of social rights and labour standards. This issue should therefore be put on the agenda of the WTO. We should have a broad-ranging discussion of this on the basis of the fundamental principles of GATT, and the multilaterally agreed standards of the ILO, with the aim of contributing to economic development and improved welfare in all countries, developed and developing alike. In our view, there is no contradiction between economic and social progress. On the contrary, our Nordic experience, with an active and constructive dialogue between the social partners - respecting fundamental labour rights and the existence of free and independent trade unions - has provided a peaceful labour market and ensured that improved social conditions go hand in hand with economic growth. Measures which result in a hampering of trade rarely contribute to such a development even though this may be the pronounced goal.

By creating the World Trade Organization we are ending the interim character of GATT. The WTO will become the anchor of the multilateral trading system, and will receive regular Ministerial attention. This will enable the organization to see the interrelationship between the multilateral trading system and other issues, while maintaining the fundamental principles on which the GATT has been based.