

I C E L A N D

Statement of offers

Assessment of negotiating position

MINISTRY FOR FOREIGN AFFAIRS

Reykjavik, May 9, 1966.

J. No. 56.B.2.

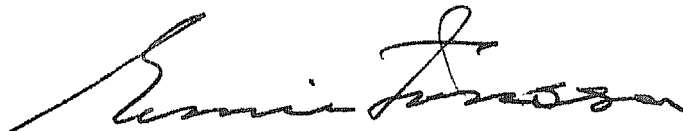
Sir,

I have the honour to inform you that the Icelandic Government has decided to submit the following offer in the present trade negotiations:

The Icelandic Government declares its intent of offering a fifty per cent linear tariff reduction. This offer applies to all products except those listed in Chapters 2, 4 and 7 of the Brussels Nomenclature, the exclusion of which is necessitated by reasons of overriding national interest. This offer is conditional upon equivalent concessions being obtained by Iceland in the negotiations for Icelandic export products. These products consist almost exclusively of fish and fish products for which it has been indicated by Iceland that linear tariff cuts would be the most appropriate treatment.

The base date for the tariff reductions undertaken by Iceland as a result of the present negotiations will be the date of approval of Iceland's provisional accession to the General Agreement, March 5th, 1964.

Accept, Sir, the assurances of my highest consideration.



Emil Jónsson
Minister for Foreign Affairs

Mr. E. Wyndham White,
Director General,
Villa le Bocage,
Palais des Nations,
Geneve,
Switzerland.

AMBASSADE D'ISLANDE

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TEL. LABORDE 81-54

ADR. TELEGR. ISAMBASSADE

PARIS, 14th December 1966

56.A.4.a

Sir,

Attached I am sending you a memorandum from my Government on Iceland's position in the current trade negotiations. I am instructed to request that the memorandum be circulated to members of the Trade Negotiations Committee.

Accept, Sir, the assurance of my highest consideration.



Einar Benediktsson

Mr. E. Wyndham White
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Original

Memorandum on Iceland's Position in
the Trade Negotiations.

1. The Icelandic Government has on various occasions pointed out that the main reason for Iceland's provisional accession to the General Agreement in 1964 was to use the unique opportunity to ease Iceland's trading problems which the Kennedy Round negotiations seemed to provide. Icelandic exports are based on fishery products, but they are hampered by the prevailing protection of domestic fishing industries in many countries. Moreover, Iceland's main markets in Western Europe are split into two trading blocks and the free trade arrangements within the EEC and EFTA are now resulting in increased discrimination against Iceland's exports.
2. The Icelandic Government has submitted a full linear offer in the present trade negotiations with a minimum number of agricultural exceptions. This offer was submitted in the anticipation of early offers for reciprocal treatment of fishery products by the importing countries. Anticipating a favorable outcome of the negotiations, the Icelandic Government has, furthermore, since its provisional accession carried out a number of tariff reductions which are included in its offer.
3. Unfortunately, progress in the negotiations on fishery products has been disappointingly slow, and the offers have generally been limited and insignificant. As far as Iceland is concerned, the position of the United Kingdom and the European Economic Community still remains uncertain and unsatisfactory. The United Kingdom has submitted no specific offers on fishery products nor indicated when this may be done. The EEC has submitted an initial offer in this field which does very little indeed to safeguard Iceland's trade interests. The United States, which at the outset exempted from the negotiations an important export item of Iceland, has on the other hand made an important contribution to the negotiations by the improvement of its fishery offer announced on November 30th 1966.
4. In view of the above, the Icelandic Government wishes to call attention to the fact that, as the trade negotiations enter

their final phase, they so far include only very limited concessions of value to Iceland; indeed, were it not for the United States offer referred to above they could be regarded as being of negligible value. Bearing in mind the avowed purpose and scope of the Kennedy Round negotiations, the Icelandic Government would like to urge the major negotiating partners, who have not already done so, to submit soon full and significant offers on ^{fish and} fishery products in order to prevent that the Kennedy Round should, as far as Iceland is concerned, end in failure and consequently ~~with~~ necessitating a withdrawal of a major part of the Icelandic offer.

December 8, 1966.