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ICELAND

Statement by H.E. Mr. Halldór Ásgrímsson Minister for Foreign Affairs and External Trade

It is obvious that globalization is a force of tremendous power. It is equally obvious for a country like mine, small and heavily reliant on trade, that this force must be harnessed by the rule of law. We must ensure fair rules which put all countries on an equal footing. We will make a major contribution in this direction by launching a new comprehensive round of negotiations to further develop trade rules and to strengthen the multilateral trade system. In this context I welcome the newly concluded agreement between the Governments of China and the United States, as an important step for China's accession to this Organization.

I would first like to single out and elaborate on the issue of the environment and the over-exploitation of renewable resources.

Fisheries is the most important economic activity of my country, generating over half of our foreign currency income. Responsible management, with the aim of preservation and sustainable utilization of the fish stocks, is permanent priority on my government's agenda. During the last 20 years we have managed to develop a system which embraces these elements. We believe that this approach will secure our access to the resources for the future, so that they can continue to be a major well of our prosperity and a viable food source for consumers around the world.

Of particular concern to us are fisheries subsidies. Such subsidies, which promote over-exploitation and over-capacity, are harmful to the sustainable development of the fishing stocks and distort trade. Thus, Iceland advocates that rules and disciplines be further developed in this respect in the context of the next round of negotiations, with the ultimate aim of eliminating all such subsidies.

I am particularly pleased to observe that proposals Iceland has submitted at the WTO forum regarding fisheries subsidies have found their way into drafts for the Ministerial Declaration. I would like to use this opportunity to thank all Members who have supported our approach. If we succeed in eliminating subsidies on fisheries, we will achieve a "win-win-win" situation. We will ensure the continued availability of these valuable food resources; protect the environment; and secure non-distorted trade. We will also show that the WTO has the will and competence to take positive action to protect the environment.

As to more general points, it is Iceland's belief that implementation must be a central issue in the new round. Without effective implementation of the present agreements, it makes little sense to develop new rules. Furthermore, we must ensure that all Member nations can execute the new rules we establish. We are thus fully committed to supporting every exercise to review the present agreements in an effort to improve implementation for the benefit of the developing and developed countries alike.

In parallel with improving implementation, we must continue to further liberalize multilateral trade rules, to eliminate protectionism, and to remove trade barriers and trade distorting measures. In my mind this applies to agriculture, to services and to industrial tariffs. To this end we ought to show flexibility, sensitivity, good will and, not least, vision in our negotiations. At the same time, we must be aware of the need to adapt the trading system to the real needs of our societies - and recognize that certain sectors have many functions, I am thinking here of the non-trade concerns of agriculture.

I would also like to emphasize the importance of negotiating commitments, rules and disciplines in fields such as government procurement, trade facilitation, environment, development and electronic commerce.

Let us aim at a successful round of negotiations which addresses the justifiable expectations of all residents in our global village. Chief among these must be increased prosperity, sustainable development to protect our global environment and the fostering of democratic ideals. If we lose sight of these higher objectives, then many in the world will continue to see globalization as a threat and this great venture will fail to get the in-depth support it needs to succeed.
