



TRADE POLICY REVIEW

REPORT BY

NORWAY

Pursuant to the Agreement Establishing the Trade Policy Review Mechanism (Annex 3 of the Marrakesh Agreement Establishing the World Trade Organization), the policy statement by Norway is attached.

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1 INTRODUCTION

1.1. Norway is a trading nation. Support for, and dependence on, open international trade are key features of Norway's international profile.

1.2. A strong, stable, rules-based trading environment is of fundamental importance to Norway's national interests. Being a relatively small country with a medium-sized economy, Norway is dependent on a level playing field in international markets and a predictable trading environment. Trade policy is an integral part of the Government's policy to promote sustainable growth, domestically and globally. The World Trade Organization (WTO) agreements, the European Economic Area (EEA) Agreement and the European Free Trade Association (EFTA) free trade agreements are the cornerstones of Norwegian trade policy.

1.3. Norway has a fundamental interest in a strong multilateral system with clear rules that minimizes the opportunity for misuse and provides maximum transparency, as well as an efficient dispute settlement system. The WTO and the multilateral trading system constitutes an indispensable part of the global governance architecture and must be preserved and strengthened. Norway will continue to support the multilateral trading system in any possible way, including through further development of rules in order to take into account the realities of the 21st century.

1.4. Norway's long-term interests and fundamental commitment to an open, predictable, well-functioning and rules-based trade regime have not changed. Our policies and approaches must however be adapted to changes that are taking place. Norwegian trade policy reflects changes in the Norwegian economy, with an added emphasis on investments and trade in services, areas in which the trade policy framework is less well developed than for trade in goods.

1.5. In Norway's trade policy profile, the agricultural sector differs from other sectors due to high tariffs and extensive subsidies. A number of factors make agricultural production in Norway challenging, and the Government will maintain a certain amount of flexibility in agricultural trade policy in order to compensate for the disadvantages agriculture faces in Norway. At the same time, Norway remains committed to play a constructive role in global agricultural trade policy, acknowledging that all WTO Members are committed to achieving progressive liberalization in agriculture in accordance with Article 20 of the Agreement on Agriculture. Norway will fulfil the commitments stemming from WTO decisions including from the Bali and Nairobi Ministerial Conferences, phasing out all remaining export subsidies by the end of 2020.

1.6. The Government's trade and economic policy is designed to promote sustainable development in economic, social and environmental terms. While openness to trade is necessary, it is not a sufficient condition for inclusive growth, job creation, and overall prosperity. Trade policy and other elements of economic, social and structural policies are integral parts of the totality of the Norwegian Government's policies that not only stimulates growth and secures jobs, but also ensures decent working conditions and an equitable distribution of the benefits of trade and economic growth to the Norwegian population.

1.7. Trade agreements provide an opportunity to help shape the course of globalization through international cooperation. The objective is to maintain and develop a trade framework that maximises Norwegian value creation while at the same time contributing to global growth and sustainable development. This is particularly important in a time of considerable geo-economic and geopolitical turmoil.

1.8. Globalization is under pressure. In many countries, we see protectionist tendencies. However, openness to trade is of key importance for sustainable social and economic development at the global level. Norway attaches great importance to inclusion and integration of all countries into the world economy and the multilateral trading system.

1.9. In this report, we will present some highlights of Norwegian trade policies. For more detailed information on Norwegian trade and economic policy, please see the Secretariat's report.

2 RECENT ECONOMIC DEVELOPMENTS

2.1 Norway's economy and trade patterns

Facts on Norway's trade

2.1. For geographical and historical reasons Norwegian trade primarily takes place with our European neighbours. The global character of major Norwegian exports and imports means that the well-being of the Norwegian economy is directly linked to the overall health of the world economy. Norway's principal exports are raw materials, intermediary goods and infrastructure services, while a very large proportion of both finished and intermediate goods and services that consumers and businesses demand are imported. Thus, trade openness and access to global value chains are crucial to the smooth functioning of the Norwegian economy. In order for Norwegian firms to benefit from economies of scale, Norway must participate in international markets. An open, stable and predictable trading system anchored in the WTO allows Norway to employ its comparative advantage.

2.2. Since oil was discovered off the Norwegian coast in the late 1960s, Norway has become a significant petroleum producer. Oil and gas today constitute about 40% of Norwegian exports, while less than 3% of the workforce is employed directly in the petroleum sector.

2.3. The petroleum sector makes a large contribution to Norway's positive trade balance. The so-called mainland trade balance, which excludes oil, gas as well as ships and oil platforms, is negative and has been so for a long time. Since the beginning of the 21st century, Norway has been running relatively large current account surpluses, although the surplus has fallen significantly in recent years, following the fall in oil prices.

2.4. Norway exported goods for Nkr 846 billion in 2017 and imported goods for Nkr 683 billion. Norway's largest trading partners are the EU countries, China and the US. 65% of mainland exports (excluding oil, gas, ships and oil platforms) were exported to the EU in 2017, and 60% of mainland imports were from the EU. Sweden and Germany are Norway's largest trading partners in the EU for mainland goods. When including the petroleum sector, the UK is Norway's largest export market. Norway is an integral part of the single market of the European Union (EU) through the EEA agreement, which also secures free movement of services, persons and capital.

2.5. Over the past few decades, exports of services have increased substantially. In gross terms, goods play the definite lead role in Norwegian exports. Looking at trade in value-added terms, however, services account for nearly 40% of total exports, almost twice as high as the share in gross terms.

High labour force participation, collective wage bargaining and equal income distribution

2.6. Norway is a medium-sized economy, with a GDP per capita among the highest in the world. Measured by the Gini coefficient, the distribution of income in Norway is among the most equal in the OECD. The public sector is large and provides free education and health care and some insurance against loss of income.

2.7. In an international context, Norway has a high labour force participation rate. High labour utilization is important for both economic growth and the sustainability of public finances. The Government is committed to ensure high employment and low unemployment. More women, elderly people, and immigrants are part of the labour market than in most other countries. In 2017, 67.1% of Norwegian women participated in the labour force. Improving the economic status of women is beneficial to society as a whole as it leads to increased tax revenues, economic growth and poverty reduction. Nearly 80% of the workforce works in the services sector. Manufacturing and other secondary sectors employ close to 20%, and the primary sector employs less than 3%.

2.8. A large part of economic activity in Norway takes place in smaller businesses. 60% of the workforce is employed in small and medium-size businesses, defined as businesses with less than 100 employees. Norway has a high rate of union membership, although it has been falling for some time. Wage formation in Norway is a coordinated bargaining process and follows a

wage-leader model. The model seeks to retain the competitiveness of Norwegian businesses. Wages in export-oriented manufacturing industries are negotiated first and set the norm for other industries and sectors. The social partners are responsible for bargaining on collective agreements, where the specific regulation on wages are decided. The authorities are responsible for institutional arrangements to support the coordination. In addition to the central bargaining for wages and collective agreements, bargaining normally also takes place at the company level. There is no universal minimum wage in Norway, but the extension of collective agreements within sectors provides minimum wages for certain types of jobs. The Norwegian workforce is well educated and the level of productivity is relatively high.

2.2 Current economic climate: Growth is rising

2.9. The sudden drop in oil prices in 2014 was a negative shock to the Norwegian economy. Petroleum investments, which had been a major contributor to GDP growth for years, fell sharply, and unemployment increased.

2.10. Faced with the most severe oil and gas price slump in 30 years, the Government used fiscal policy to counter unemployment. Norges Bank lowered the key policy interest rate to a record low level. A depreciation of the krone exchange rate together with lower wage growth led to a strong improvement in cost competitiveness for Norwegian businesses. Targeted fiscal policy and low interest rates have served to improve competitiveness, promote growth and reduce unemployment, including in areas where economic activity was the most affected by lower oil prices.

2.11. Recently, economic growth has increased and unemployment is decreasing. The oil price has also rebounded, and the fall in petroleum investments seems to be levelling off. Economic growth is expected to have been in line with trend growth in 2017 and higher than trend growth in 2018. The unemployment figure based on Statistics Norway's labour force survey was 4.1% in November 2017.

2.3 Restructuring the economy: Going green and blue

2.12. The petroleum industry is important for Norway's economy – and will continue to be so for many decades to come. However, the petroleum industry will no longer contribute as strongly in supporting activity in the mainland economy. Norway is working to make full use of the export potential in other industries, so that the Norwegian economy will have a broader base. The main challenge today is to strengthen other parts of the private sector and facilitate growth and employment in industries exposed to international competition.

2.13. The world is facing climate challenges that require transition into a more sustainable, low-emission society. "Thinking greener" implies that many of tomorrow's low-emissions solutions will come from or through cooperation with industry. In order to limit global warming in line with the goals of the Paris Agreement, there will be a continuous need to develop new production methods. This creates opportunities for competent and innovative Norwegian businesses.

2.14. In a white paper to the Storting (Parliament) the Government has presented its strategy on how to reach our commitments to the climate goals after the Paris agreement. In cooperation with the EU, the 2030-goal for non-quota emissions will be reached mainly through reductions in national emissions and necessary use of the EU-regulations' flexibility mechanisms.

2.15. More than 70% of Norwegian exports comes from so-called ocean industries. Norway is one of the world's largest producers of oil and gas, one of the world's largest and most advanced maritime nations and the world's second largest exporter of fish and seafood. Furthermore, Norway has a world class offshore supply industry. This provides great opportunities for the Norwegian ocean industries in the future.

2.16. The decreased activity in the offshore petroleum sector over the last few years has contributed to a restructuring of the Norwegian ocean industries – maritime, oil and gas, fisheries and aquaculture – the so-called blue economy. Businesses are increasingly applying industry expertise and technology across the traditional sectoral divides. This is particularly evident in the emerging offshore aquaculture, offshore wind and marine biotechnology segments.

2.17. The shift towards a more integrated blue economy is accompanied by a need to ensure sustainable use of the oceans. In 2017, the Government issued a coherent ocean strategy where sustainable development of the ocean is a key priority. The strategy highlights policies for how restructuring of the ocean industries can contribute to economic growth in new areas and at the same time contribute to Norway's international commitments on environment and combatting climate change.

2.4 Innovation and Technology

2.18. Norway's total R&D (research and development) expenditure is around 2% of GDP, much of it in the petroleum-related sector, and ranks in the middle of the OECD member states rankings. The most recent European Innovation Scoreboard on broader innovation measurements, presented by the European Union last year, ranks Norway as 12 of 36 EU and neighbouring countries.

2.19. R&D and innovation policies are high on the agenda of the Norwegian Government. Budget allocations to R&D have increased since 2012. Public research in universities and research institutes is above the long term target of 1% of GDP. Current policy aims at supporting the development of excellent research groups and key enabling (generic) technologies.

2.20. The Norwegian Research Council (Norsk Forskningsråd) handles most R&D related support, and is responsible for both industry and the academic sector. The Norwegian Research Council has a formal role in Skattefunn, a tax credit programme, which forms the backbone of Norway's support for business innovation. The programme has been gradually expanded since its introduction in 2002. One of the strengths of the scheme is that it is refundable and helps innovative enterprises at an early stage of development. A ceiling on annual cost limits total support through the scheme.

2.21. Innovation Norway is in charge of broader innovation and entrepreneurship schemes. Over the past decade, there has been a reduction in regional presence of Innovation Norway, with about a 15% reduction in employment in the regional offices since 2010. In the same period, support and involvement in "green business" has increased, with dedicated schemes in a new agency (Enova) and late stage funding (testing and demonstration objectives) through Innovation Norway.

2.5 Fiscal policy framework insulates the budget from fluctuations in oil and gas revenues.

2.22. The State's net cash flow from petroleum activities is transferred in full to the Government Pension Fund Global (GPF), and returns are reinvested in the Fund.

2.23. The GPF is a financial investor. The objective of the investments is to achieve the highest possible return, within an acceptable level of risk. The Fund is invested solely abroad, in listed equities, fixed-income securities and real estate. The strategy for the investments is expressed in the management mandate for the Fund issued by the Ministry of Finance. Operational management is carried out by Norges Bank in accordance with the mandate.

2.24. The use of petroleum revenues, i.e. withdrawals from the Fund, fully covers the non-oil budget deficit, which amounts to about Nkr 230 billion for the budget year of 2018.

2.25. The fiscal guidelines stipulate a gradual use of petroleum revenues over time, in line with the expected real rate of return of the GPF. The estimated annual real rate of return over time has recently been reduced from 4% to 3%.

2.26. In any given year, the use of petroleum revenues can deviate from the 3% path to help stabilize economic activity and thereby support high capacity utilization and low unemployment. In the event of large fluctuations in the Fund's value, implications for the use of petroleum revenues will be phased in over several years.

2.27. Monetary policy is the first line of defence against a cyclical downturn. Interest rates may be changed swiftly if economic prospects indicate the need. Interest rates are currently low, stimulating economic activity.

2.6 State ownership

2.28. The Norwegian State is a large direct owner of companies in Norway. This is a result of different historic developments which include the creation of public corporations in the industrial sector post World War II, public ownership connected with the exploitation of oil and gas from the 1970s and the banking crisis in the 1990s, as well as reorganization of government agencies into companies. A common denominator of state ownership has been a desire to safeguard the public interest. The State owned around one third of the values listed on Oslo Stock Exchange at the end of 2017, through large holdings in some of the biggest companies. The State also owns several large unlisted commercial companies. The State is a professional owner, whose main aim is that these commercial companies have long-term value creation.

2.29. The Government's aim is to reduce the State's commercial ownership over time. At present, the Government has parliamentary approval to decrease state ownership in eight commercial companies. Decisions to buy or sell are made on a case-by-case basis, and reductions in ownership are undertaken when considered to be commercially beneficial for the State.

2.30. The management of the State's commercial ownership is designed to maintain the role of owner separate from the roles of policymaker, regulator and supervisor. The Minister of Trade, Industry and Fisheries exercises the ownership role in most commercial companies where the State is an owner. The State's exercise of its ownership is in line with generally accepted principles for corporate governance, and with the division of roles set out in Norwegian company legislation.

2.31. To enhance the transparency of state ownership and further develop state ownership policy, the Government presents a white paper to Parliament approximately every four years. In addition, the Government publishes a yearly ownership report on the exercise of the State's ownership and on the companies' operations and results.

2.7 Investment policy

2.32. In general, Norway has an open investment regime for foreign investors, apart from some restrictions in certain sectors, notably the exploitation of natural resources such as petroleum and gas, farmland and forests, and power supply rights. With regard to investment promotion, Innovation Norway, the Government's body for business development creation, operates an investment promotion agency, Invest in Norway, which aims to attract and facilitate foreign direct investments in Norway. It serves as a central point for potential foreign investors to get key information, assess opportunities, and organize meetings/networks.

2.33. The basic principles of the EEA on foreign investments apply in Norway as in other EEA member States, including freedom of establishment and free movement of capital.

3 TRADE POLICY DEVELOPMENTS

3.1 WTO

3.1. The primary focus of Norwegian trade policy is the multilateral trading system embodied in the WTO. Other elements of Norwegian trade policy, be they regionally through the EEA or EFTA, or bilaterally, are based on the fundamental principles of the multilateral trading system and are complementary and supplementary to Norway's WTO commitments.

3.2. Norway was a founding member of the GATT in 1947 and the WTO in 1995 and remains strongly committed to the multilateral framework under the auspices of the WTO. The WTO continues to demonstrate its value as the global defence against protectionist pressures. The peer pressure exercised through the Trade Policy Review Body and regular committees, as well as the dispute settlement system, has generally functioned in the interest of the membership. As an open, medium-sized economy, it is essential for Norway that the multilateral trading system remains relevant, valid and actively in use by the membership.

3.3. Norway has fulfilled the commitments stemming from WTO decisions including from the Bali and Nairobi Ministerial Conferences by

- Notifying its acceptance of the Trade Facilitation Agreement in December 2015,
- Completing the WTO procedures and implementing the revised ITA product coverage in 2016,
- Implementing the revised list of pharmaceutical products following the 4th review of product coverage,
- Completing the procedures for adopting the revised Government Procurement Agreement in April 2014,
- Notifying on 28 February 2018, its revised schedule phasing out all export subsidies by 2020, and by
- Notifying in June 2015 the preferential treatment which Norway has made available to services and services suppliers of least-developed countries with effect from 1 July 2015.

3.4. Norway will continue to pursue regional and bilateral agreements, in conformity with Article XXIV of the GATT and Article V of the GATS, in order to expand trade and economic cooperation with its partners and safeguard Norwegian business opportunities. In addition to the multilateral work and negotiations through the WTO, Norway pursues its trade policy objectives along two main tracks: Regional integration through the Agreement on the European Economic Area, and free trade agreements, primarily in cooperation with its EFTA partners: Iceland, Liechtenstein and Switzerland.

3.2 European Economic Area (EEA)

3.5. The EEA Agreement is the mainstay of Norway's European policy. For more than 20 years, it has broadened and deepened the cooperation between the EU and Norway, Iceland and Liechtenstein.

3.6. The agreement has provided a stable and predictable framework for Norway's economic relations with EU member States and has made an important contribution to Norway's economy and development. It has had great significance for the business sector and for working life in Norway.

3.7. There is broad support in Norway to continue to be part of European cooperation through the EEA Agreement, the Schengen Agreement and our other agreements with the EU. The Government pursues its European policy within the framework of these agreements.

3.8. The EEA Agreement ensures that Norway takes part in the EU single market with access to the benefits of the free movements of persons, goods, services and capital. It guarantees non-discrimination and equal rules and competition throughout the area. It gives Norwegian businesses access to Norway's largest export market – the EU single market. Norway has one of the highest proportions of EU labour migrants compared with EU member States.

3.9. The EEA Agreement is dynamic in character. It is continuously updated and amended to incorporate new single market legislation in order to maintain homogeneity across the EEA. Since 1994, Norway has implemented more than 10,000 pieces of EU legislation, of which around half are in effect today.

3.10. Norway does not participate in the EU decision-making process. However, Norway has the right to give input during the preparatory phase, when the Commission draws up proposals for new EU/EEA legislation that is to be incorporated into the Agreement. This includes the right to participate in expert groups and Commission committees.

3.11. The EEA Agreement also covers cooperation in other important areas, such as research and development, education, social policy, the environment, consumer protection, tourism and culture.

3.12. The Agreement does not cover the EU common agriculture and fisheries policies, the customs union, the common foreign and security policy, justice and home affairs or the monetary union.

3.3 Brexit

3.13. Negotiations between the EU and the UK on the consequences of UK's decision to leave the EU are ongoing, and the results are far from clear at the time of this report being written (March 2018). However, certain consequences for Norway are already evident.

3.14. When the UK leaves the EU, it will most likely no longer be a member of the single market. Norway will remain a participant in the single market through the EEA Agreement, but the EEA Agreement will no longer be the foundation for Norway's trade relationship with the UK.

3.15. It is in Norway's interest that the EU and the UK succeed in negotiating an orderly UK withdrawal from the EU and a framework for their future relationship. Norway and the EU share common rules, notably with regards to the single market and Schengen. Norway and the EU cooperate closely in most policy areas. This relationship stands firm. At the same time, Norway has strong economic, political and historical ties with the UK. Norway's objective is to continue as close and extensive cooperation as possible with the UK after its withdrawal from the EU.

3.16. Norway shares the priority of preserving the integrity of the single market, to the benefit of citizens and businesses in the 30 States (EU27 + EFTA3) remaining in the European Economic Area (EEA) after the UK's withdrawal. In that context, Norway, Iceland and Liechtenstein are not ordinary third States in the UK withdrawal process. Therefore, it is Norway's policy that the terms – including the timing – the EU and the UK agree on with regard to withdrawal and/or transition pertaining to the single market, should be extended to all the EEA countries in order to prevent a fragmentation of the single market. There is broad consensus that this is a sensible course of action.

3.17. The UK is one of Norway's most important trading partners and the single largest market for both Norwegian goods and services exports. It is a goal for the Norwegian Government to negotiate a new set of agreements that enables continued preferential access to the British market when the EEA Agreement ceases to apply to the UK. Such a future trade agreement between Norway and the UK will to a significant degree depend on the future agreement between the EU and the UK. Solutions found between the EU and the UK will in many cases be solutions that also will be relevant for a future legal framework governing the relations between Norway and the UK.

3.18. The timetable for concluding both an agreement on relevant withdrawal terms, a transitional arrangement and an agreement on the future relationship is the same for Norway as for the EU27.

3.4 Free Trade Agreements

3.19. Since the early 1990s, Norway and its partners in the European Free Trade Association (EFTA) – Iceland, Liechtenstein and Switzerland – have established an extensive network of free trade agreements. Since 2012, Norway has signed agreements with Montenegro, Bosnia and Herzegovina, Costa Rica, Panama, Guatemala, the Philippines and Georgia. As of March 2018, the EFTA network consists of 27 free trade agreements with 38 countries and 6 declarations on cooperation. EFTA is currently negotiating with Ecuador, India, Indonesia, Malaysia, Mercosur and Viet Nam. Negotiations with Algeria, Russian Federation/Belarus/Kazakhstan and Thailand are currently on hold. In addition, Norway is negotiating a bilateral free trade agreement with China.

3.20. While the scope varies from one agreement to the other, the free trade agreements normally cover trade in goods, services, investments, protection of intellectual property, competition, dispute settlement, government procurement and sustainable development.

3.21. EFTA's free trade agreements with developing countries take into account the different level of economic development in the partner countries by providing for an asymmetrical approach. In these agreements, the EFTA States grant free trade from the date the agreement enters into force, while the partner countries have transitional periods of tariff dismantling for certain sensitive products. This gives the partner country time to adapt their economy to open trading conditions.

3.22. Norway participates in the Pan-Euro-Mediterranean system of cumulation of origin. This is a network of free trade agreements that has identical rules of origin thereby allowing for diagonal cumulation of origin among the members and has been an important step to facilitate trade in the region. The Regional Convention on Pan-Euro-Mediterranean Preferential Rules of Origin will supersede and further simplify challenges related to the management of the around 60 bilateral protocols on rules of origin that exist in the region.

3.5 Public support

3.23. The trade policy continues to enjoy broad political support in Norway and the concerns seen elsewhere questioning the value of trade and globalization is less prominent. The public debate on trade policy is, however, extending beyond the traditional debate on the economic merits of trade and development. Increased emphasis is placed on issues such as health, the environment, climate change, food security, public sector services, data protection and consumer safety as well as aspects of progressive trade such as labour standards, gender policy and anti-corruption. The Government performs consultations on trade policy regularly and ad hoc with non-governmental groups, including representatives of trade and industry, employee organizations, consumer and other interest groups. Over the past years, the Government has striven for greater openness regarding ongoing negotiations by making public Norwegian negotiating proposals. Consultations and such publication contribute to increased transparency around trade policy formulation in Norway.

4 THE WAY FORWARD: TRADE POLICY IN A CHANGING WORLD

4.1. Safeguarding the rules-based multilateral trading system continues to be Norway's primary trade policy priority. Trade plays a strong role, and can play an even stronger role, in fulfilling the sustainable development goals.

4.2. Norway is deeply concerned by developments in 2017-18, from the lack of substantial results at the Ministerial Conference in Buenos Aires, through the stalemate over the appointments of Appellate Body members, to the threat of unilateral measures in the face of overcapacity in major industries.

4.3. Norway strongly believes that binding, enforceable multilateral rules and open markets continues to be the right approach to economic growth, peaceful cooperation, job creation and development, including as a contribution to fulfilling the Sustainable Development Goals.

4.4. Multilateral agreements will always be first best.

4.5. At the same time – provided that they are pursued as building blocks – not as stumbling blocks – towards further multilateral agreements, Norway sees promise in pursuing its interests through joint initiatives with those who want to take part, such as the initiative on electronic commerce from the ministerial conference in Buenos Aires. Such initiatives should be open to all, and as far as possible kept under the WTO umbrella.

4.6. The growing scepticism against globalization and the trend towards increased protectionism must be addressed. Inclusive growth and distributing benefits of globalization can be achieved through appropriate national policies and international cooperation. Challenges related to unresolved burden sharing between developed and emerging economies must find workable solutions.

4.7. Norway strongly supports the integration of developing economies into the global trading system. How trade can work for development in the 21st century is a conversation that WTO members need to have, in order to build trust and secure the future of the multilateral trading system. Insufficient integration of developing economies into the global trading system must be addressed. Special and differential treatment should not primarily mean that developing Members remain outside the framework, but that emphasis is placed on identifying what needs to be done in order for them to be included.

4.8. The 2030 Agenda is a strategic priority for Norway. The Sustainable Development Goals (SDGs) make it clear that all countries, rich and poor alike, have work to do at the national level.

Norway has the means and the political will to be a contributor in the implementation of the SDGs, both through national efforts and internationally. The SDGs reflect the fact that the framework conditions for international cooperation and development assistance have changed. The relative importance of development assistance is falling as other flows of capital increase. With many developing countries, Norway is moving towards a new type of cooperation. There will be a gradual transition from a bilateral relationship based mainly on development assistance to a relationship increasingly based on common interests, trade, investment and cooperation on research, culture and multilateral issues. Within Norwegian development cooperation, low-income and least developed countries are prioritized.

4.9. Trade and environment must be integral parts of a global agenda focused on inclusive and sustainable growth. Norway has always been an active supporter of cooperation between trade and environmental policymakers. The 2030 Agenda and the Paris Agreement represent important frameworks for the global challenges. Trade represents a positive element in solving environmental challenges, for example by reducing trade barriers for environmental goods and services, fishery subsidies reform, fossil fuel subsidies reform etc.

4.10. Norway will work to promote full economic rights for women and equal opportunities for women to participate in the labour market. Inclusive trade policies can contribute to advancing gender equality and women's economic empowerment. Improving women's access to opportunities and removing barriers to their participation in national and international economies contributes to sustainable economic development.
