

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

MTN.TNC/MIN(90)/ST/31
3 December 1990
Special Distribution

Trade Negotiations Committee
Meeting at Ministerial Level
Brussels, December 1990

Original: English

NORWAY

Statement by Ms. Eldrid Nordbø,
Minister of Trade

We Ministers are faced with a fundamental challenge in the coming days: on behalf of our governments we have to choose whether we wish to maintain a global trading system, or whether we wish to see international trade in the future traumatized by bilateral and regional disputes. A successful outcome of the Uruguay Round is, in my view, the only acceptable alternative. Agreement on a comprehensive package of results is essential; not only to safeguard the open multilateral trading system, but also to secure equitable and sustainable development and economic prosperity for all countries.

GATT rules and disciplines are at the core of the multilateral trading system, and improving these rules is essential. It is the only way to ensure that all countries, small and large, have the same rights and obligations in international trade. In my view, it is also of the utmost importance that all participants give strong assurances that they intend to abide by the new rules and refrain from unilateral actions.

A multilateral set of rules and disciplines is not only of importance to small open economies such as that of Norway. The rules also serve to safeguard the interests of developing countries which often are not in a position to bargain or resolve trade disputes on a bilateral basis.

Another fundamental element of the open trading system, is the principle of most-favoured-nation treatment. This principle forms the cornerstone of the GATT, and attempts to undermine it should be avoided. It has served us all well as a catalyst for improving trade opportunities for all countries - not just for those able to negotiate improved conditions on a bilateral basis.

The launching of the Uruguay Round was a reflection of the need Ministers felt in 1986 for a fundamental reform and expansion of the multilateral trading system to adjust to new trade realities. Reform of the GATT has been, and should be a continuous process. We should make every effort to ensure that GATT is truly global by integrating developing

countries to a greater extent in accordance with their individual level of development. This will of course require that we are willing to ensure that the GATT also meets these countries' needs.

If the GATT is to continue to be the framework for international trade, it is evident that it must encompass all trade. It is therefore very important that we find solutions to the remaining problems in the areas of services and TRIPs. We, as Ministers, must demonstrate that we are truly willing and able to adjust the GATT to new conditions and concerns.

Since Punta del Este added importance has been attached to environmental concerns in all spheres of international debate, including trade. There is a growing recognition that sound environmental policies are a prerequisite for sustainable economic and social development. The interlinkages between environmental policies and trade have only partially been addressed in the Uruguay Round, for example in relation to agricultural trade. In that context it has been stressed by a large number of countries, including Norway, that support related to environmental policies should also be possible in the future.

In the agricultural negotiations environmental concerns form one of several other non-trade concerns such as regional goals, social goals and food security. These concerns are, and will remain, of vital importance to Norwegian agricultural policies. It is my hope that the results of the Round will reflect the legitimacy of such concerns as they also have a broader relevance. Regional concerns, for example, are, for a country such as Norway with a small widespread population, not only linked to agriculture. In our view these concerns will have to be taken into account in the GATT.

There is no doubt that there are important interlinkages between trade and environmental policies and these are not only linked to agricultural trade. The EFTA countries have tabled a draft statement which we hope can be endorsed by all Ministers. This statement emphasizes that priority attention in the future should be devoted to the issue of interlinkages between trade policy and environmental policy. We see this as a crucial theme in the GATT, and the contracting parties should at their December session take a formal decision on this.

In order to secure sustainable development we should strive at making trade and environmental policies mutually supportive. In my view one approach could be to take as a point of departure the so-called precautionary principle. That is, where there are threats of serious or irreversible damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental damage. It is, however, essential that a multilateral approach is chosen to safeguard against misuse. The concept of threats of serious or irreversible damage will of course need to be elaborated in a trade context.

In concluding, I wish to stress that Norway, as a small country acutely dependant on international trade, has always underlined the importance of a multilateral approach. We therefore urge all countries to assess their priorities at this final stage of the Round, in order to secure a successful outcome that will result in a strengthened and improved trading system. We are all called upon to make difficult political decisions in the upcoming days. This is the price we have to pay to reach our prime goal of strengthening the open multilateral trading system.