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Prime Minister
Gro Harlem Brundtland

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Ladies and Gentlemen,
Distinguished guests,

I am honoured by your presence here tonight. It is a pleasure to share with you some thoughts on future economic relations between Japan and Norway. In my view, the prospects for our relations are promising. Our two countries have much in common and there are many opportunities for strengthening our relationship that should be explored.

Geographically speaking, there are many similarities and ties between Japan and Norway.

- The two countries cover about the same area.
- Both have four distinct seasons.
- Both countries are long and narrow, with long coastlines.
- They both have Russia as their neighbour to the north.
- Norway is the Western European country closest to Japan - a nonstop flight from Northern Japan to Northern Norway would take less than 8 hours.
- The shortest sailing distance between Europe and Japan would be from Norway to Japan by the Northern Sea route north of Russia. This route might one day become more accessible.

Geographical similarities will often result in cultural similarities. Let me point to some examples:

- We are both countries of seafarers and fishermen with strong maritime traditions. Fish constitute an essential part of our respective diets.
- We have both used wood for centuries for our boats, houses and places of worship as well as for crafts. Our taste for harmonious and clean shapes has lead Japanese and Norwegian or Scandinavian design to fit each other remarkably well.
- We both enjoy reading and the amount of printed material sold per capita is among the highest in the world.
- We also like winter sports; we have both hosted the Winter Olympics, Oslo in 1952 and Sapporo in 1972, and both will do so again, at Lillehammer in 1994 and at Nagano in 1998.
- Our love for nature is in both countries far more than a taste for outdoor recreation, it is a deep-rooted respect

for the fundamental values represented by the power and fragility of our nature. This has led us both to adopt stringent environmental requirements.

- Both our countries number among the largest contributors of development aid, in absolute terms for Japan and per capita for Norway.

Of course, there are exciting contrasts between our countries which provide an additional basis for developing fruitful economic relations.

We in Norway are fully aware that in Japan only the best is good enough. I am here with Norwegian companies which represent tomorrow's Norway. We are convinced that the ties they are prepared to develop in Japan will prove to be mutually beneficial. The Norwegian Government will continue to support the "Access Japan" project which has been presented here today, and welcomes the many active endeavours which are undertaken in order to promote a closer economic cooperation between our two countries.

Norway has a relatively strong economy characterized first of all by its openness. Like Japan, our GNP per capita is among the highest in the world. The general growth rate of our economy has been even and steady. Our inflation rate is among the lowest in the OECD area. Norwegian state finances are very sound.

Our external economic relations account for a strong and positive balance of payments, based on rich natural resources, shipping and an industry at an advanced technological level. Norway is the second largest exporter of oil outside OPEC, and our production and exports of oil and natural gas are increasing. Our merchant fleet is the third largest in the world. Our industries benefit from an abundance of energy and a highly qualified and competent labour force at all levels.

Our present unemployment rate has recently reached an unacceptably high level of between 5 and 6 per cent. Economic growth and investment have over the last years been too much concentrated in the petroleum sector. What we now need is a greater focus on industrial investments in other sectors. The Norwegian Government would welcome increased Japanese investment in Norway. As it has already been underlined by Mr Halvorsen, this wish is shared by Norwegian business and industry. The general economic conditions, together with the availability of energy and our natural and human resources should make this an interesting option.

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I would like to say a few words about Norway's position in Europe and in a broader international context.

It is the policy of the Norwegian Government that Norway shall be an active partner in European integration and international

cooperation.

Norway is presently engaged in a debate on whether to apply for membership in the European Community. The decision will be taken in November this year. If Norway decides to apply, we expect to take part in the next round of negotiations on enlargement of the Community.

Regardless of the outcome of the membership issue, we expect to become a part of the European Internal Market which will take effect from 1 January 1993.

Together with our partners in the European Free Trade Association - EFTA, - we have in recent years been involved in intense negotiations with the EC on the establishment of a European Economic Area, or EEA. The aim of the EEA is to create an Internal Market comprising 19 European countries, including Norway.

We expect that these negotiations will be successfully concluded very shortly.

The "four freedoms" - free movement of goods, services, capital and persons - will be at the core of the EEA. The implications of the setting up of the EEA are far-reaching. Let me mention but one: Uniform rules will apply throughout the whole EEA as far as investment is concerned. Enterprises will compete on a level playing field regardless of where in the EEA they are located. Thus the choice of location open to non-European investors wishing to penetrate the European market will broaden considerably.

Both Norway and Japan are strongly advocate multilateral solutions to common problems facing the world. This also goes applies to world trade. We are currently engaged in what hopefully will be the final stage of the GATT-negotiations in the Uruguay Round. A successful outcome of the Uruguay Round is in my view of prime importance to the world economy, for developed and developing countries alike.

The present compromise proposal contains a necessary strengthening of the multilateral trading system through a clarification and modernization of current GATT rules and through an extension of the GATT system to new areas such as services.

Norway has an extremely open economy and is dependent on clear and enforceable rules for world trade. A GATT system preventing states from taking unfair unilateral actions with respect to trade is of vital importance for Norway.

Like Japan, Norway has been concerned with the proposals as regards trade in agricultural products. This is a difficult area for Norway. Norwegian agriculture plays a role in our society which cannot simply be measured in purely economic or trade policy terms. We believe this is the case for Japan as

well.

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Ladies and gentlemen, I see the exchange of diplomas between the Norwegian Trade Council and JETRO as a token of outstanding cooperation. It reflects that efforts by Norwegian authorities to bring our two countries closer correspond to Japanese priorities, and indeed to those of business in both countries.

Finally, Norway is proud to offer high quality goods and services as may be verified here tonight. We are deeply honoured by the presence of our Japanese friends, and in return we have the pleasure of serving you some Norwegian fish products that we hope you will enjoy. You may not have tried Norwegian salmon as **Sashimi** before. Well, neither had I before I came to Japan, but I can assure you that I shall recommend it at home in Norway .
Thank you for your attention.