

Madrid, 28 June 1990

Prime Minister Jan P. Syse

OPENING OF THE EB-SYMPOSIUM

Ladies and Gentlemen,

During the last years Spain has experienced an impressive period of economic growth. It is today among the ten largest industrial powers of the world. In the years to come, Spain will be the centre of several major events, such as the World Exhibition in Sevilla and the Olympic Games in Barcelona. It is therefore a particular pleasure for me to be present here today at the opening of your seminar. I see the seminar as clear evidence of the importance that Norwegian industry now attach to Spain as a market and as a partner.

Elektrisk Bureau - a Norwegian firm constituting an integral part of the Asea Brown Boveri company - has for several years been active in the Spanish market. It is now in the process of broadening its activities in Spain.

Elektrisk Bureau started its main operations in Spain in 1980, within the field of hydro electric power. Together with another Norwegian company - Kværner - EB has established Hidro-Hispana. EB owns a factory in Zaragoza, producing transformers. Another branch of the company -

EB Nera - is currently one of the leading competitors for a contract concerning radio link equipment to Retevision. Furthermore, EB has developed signal and security systems for rail-transport which is in the technological forefront. In connection with the extensive plans for infrastructural investments in Spain, the technological competence of EB will certainly be of great value. Altogether, the activities of Elektrisk Bureau in Spain are ambitious and wide-ranging.

This seminar is, of course, not an isolated event in the Spanish-Norwegian relationship. It forms part of a wider and encouraging context. Norway has chosen Spain as a priority area in its short-term export strategy. Our bilateral trade has undergone a very positive development over the last years. In 1989, Norwegian exports were up more than 50% over the previous year. We expect further growth in the years to come. There has been an increasing number of Norwegian investments in Spain. Some Norwegian companies have been established here for years, while others are about to start. Their positive experience has demonstrated that Spain is indeed an interesting partner. For a government whose main economic objective is to make Norwegian industries more competitive at an international level, this is indeed encouraging.

My government is now making serious efforts to re-orient our economic policy. Our general strategy implies a tight

budgetary and monetary policy. We are lowering tax rates. We will make sure that public expenditures increase more slowly than national income. We seek to stabilize the economy both in the short and the long term. Inflation has been brought down to around 4 per cent. Our competitiveness is improving.

Research and development are important factors in the restructuring of industry. They are prerequisites for continued economic growth. Norway has singled out several target sectors for enhanced research and development. Among them are information technology, biotechnology, environmental technology and aquaculture. Information technology represents by far the most comprehensive programme with an annual budget of 1.4 billion NOK.

The EB company is a well established and important part of the Norwegian high-technology industry. This seminar will give you all an opportunity to acquire in-depth information about the diversified activities of the company.

The Norwegian economy is closely integrated in the European economy. Nearly 70% of our exports go to European Community countries, whereas 50% of our imports originate in that area. The economic integration process in Europe is therefore of vital importance to Norway. We are firmly committed to taking an active part in that

process.

It is my conviction that the establishment of a European Economic Space between the EFTA countries and the Community will represent an important contribution to that process. Negotiations with this objective are now under way. They should be achieved in time for an agreement to enter into force by the end of 1992, in parallel with the completion of the internal market of the Community.

Inside the European Economic Space, the "four freedoms" of the internal market should be realized to a largest possible extent. In this way, we could secure identical legal conditions for the economic operators in the area. The agreement should also include extended cooperation on a wide range of sectors such as research and technological development, the social dimension, protection of the environment, consumer policy, education and company law.

A European Economic Space will bring the economies of 19 European countries closer together. It will bring Spain and Norway closer together. That will certainly lead to tougher competition. But in turn, tougher competition will release new resources, stimulate creativity, encourage technological progress, combat inefficiencies. It will create new possibilities and stimulate new economic growth. We need such a dynamic European Economic Space!

An EES will also represent more: It will form part of a new European order. A new order which must also contribute to extending the process of economic integration to the other part of Europe, that part which for so long has been cut off from normal economic and political links with our part of the continent.

Ambitious goals? Yes, of course. But Europe of the 1990's is ambitious. So let us be ambitious too.

As partners in a future European Economic Space, Spain and Norway must actively prepare the ground for a further expansion of our economic relations. Seminars of this kind, as well as information and marketing activities in general are important parts of our endeavours.

I therefore wish you success in your discussions today and in your future activities here in this beautiful and fascinating country.