

# WORLD TRADE ORGANIZATION

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## ICELAND

Statement by H.E. Mrs Valgerdun Sverrisdottir  
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We have come a long way since our attempt at launching a new Round in Seattle two years ago. We are now facing a different world and have learned from our experience in Seattle.

The world trading system is faced with various new challenges and threats. We have seen clear signals of cooling of the international trade environment and we are all too aware of the adverse effects of the recent terrorist outrage. The stakes are higher and the responsibility to succeed here in Doha is, therefore, heavier than before. If we do not launch a new round we risk deepening a growing recession, with unforeseeable consequences. The WTO and a new round of negotiations is an important antidote to the malaise the world economy is beginning to suffer. The world trading system has furthermore gained a more important role as a tool in building bridges and increasing stability in the world.

The multilateral trading system has proven to be a driving force for prosperity in the international trade environment and we are firmly of the view that WTO will again live up to its expectations.

On that note I wish to underline that negotiations are an exercise in compromise. We must accept that narrow national interest cannot be a basis for progress. Indeed, in order to achieve a balanced outcome in which every country sees a benefit, we must also accept to live with some disadvantages. Balance is the key to a successful outcome to the benefit of all Member states.

To achieve optimal benefits for all, we have to take closely into account the concerns of the developing countries. It is in this light that we see the Draft Declaration on improving disciplines in subsidies to fisheries while taking into account the importance of this sector to developing countries. It is ironic that direct government action in this area, through the medium of subsidies, is actually having widespread damaging effects - direct government action should do the opposite. If we are able to improve disciplines in fisheries subsidies, we will win by increasing trade, win by protecting the environment and win by assisting developing countries.

We must ensure that developing countries can harvest their resources for their long-term prosperity. This means that we need to help them acquire the technology and provide the appropriate trade and economic conditions to make sustainable use profitable. Sustainable use for the long term must entail conservation of the marine environment.

## TARIFF REDUCTIONS

Lowering of tariffs for industrial goods, including fisheries products, remains in our view a key priority for the upcoming round.

## IMPLEMENTATION

We are aware that many of the commitments taken on through the WTO demand capacity to implement them. We understand that developing countries in particular require understanding in this area, while at the same time being encouraged to live up to commitments made. We therefore welcome the proposals on a concrete action to remedy the problems.

## TRIPS

Another area where it is clear that a practical approach is needed to accommodate non-trade concerns, is medicines. Here we must ensure a balance between the urgent needs of poorer nations for pharmaceuticals versus the need to ensure intellectual property rights as a basis for further scientific and technological progress.

## ENVIRONMENT

Balance means looking beyond pure trade concerns. The launch of negotiations on trade and environment issues at Doha is an essential element in a balanced outcome. We hope that we will see further improvements in this direction in the final DOHA declaration.

## AGRICULTURE

Iceland is firmly committed to the Agreement on Agriculture and the continuation of the reform process as provided for in Article 20. Iceland is highly dependent on international food trade and imports more than half of its domestic consumption in calorific terms. It is, however, imperative that further negotiations address non-trade concerns in a meaningful and balanced fashion and take into account the different interests and sensitivities of all Members, be they developed or developing. Economic, social, environmental and natural conditions vary significantly between countries and the specificity of each requires a degree of respect within the multilateral trading system. Iceland will work constructively towards a balanced outcome of the agricultural negotiations that safeguards its legitimate trade and non-trade concerns.

## INVESTMENT

We would prefer a stronger commitment on investment. Indeed, we see no need to wait for the fifth round.

The increasing number of Members to the WTO bears witness to the Organization's success. With the Membership of China an important step is being taken in the history of the WTO. I would like to welcome China and other countries that have joined our Organization since the last Ministerial Conference, notably Albania, Croatia, Georgia, Jordan, Lithuania, Moldavia and Oman.

Finally, I would like to congratulate Your Excellency Mr. Yousef Hussain Kamal on your election as Chairman of the Conference and through you I would like to extend our gratitude to the State of Qatar and all the organizers of this important event for their warm hospitality.

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