



THE PRIME MINISTER

Oslo, 24 November 1992

Mr. President,

The Norwegian Government hereby has the honour to apply for membership of the European Communities and to inform you that Norway is prepared to enter into negotiations on the conditions for admission.

Yours sincerely,

A handwritten signature in dark ink, reading "Gro H. Brundtland".

Gro Harlem Brundtland

The Rt. Hon. Douglas Hurd, M.P.
President of the Council of Ministers
of the European Communities.

Prime Minister
Gro Harlem Brundtland

Statement to the Storting concerning the application for
membership of the European Communities

16 November 1992

Madam President,

In its inaugural statement to the Storting on 6 November 1990, the Government emphasized that Norway must continually reassess developments in Europe and seek to find those forms of cooperation which can best serve our national interests. This has always been the Labour Party's basic attitude to how we can best develop our relations with other countries.

Our most important task today is to ensure full employment. The economic growth we generate together must be equitably distributed and provide the basis for further development of our welfare. If we are to achieve the goals we set for Norwegian society, we shall need a joint effort both in Norway and in cooperation with the other Nordic countries and the rest of Europe.

When the Labour Party Government submitted a report to the Storting on "Norway and European Cooperation" in 1987, the Storting had the opportunity to hold its first thorough debate on Norway's position as regards European cooperation since 1972.

At the time, we were already witnessing the beginnings of change in the Soviet Union and more open relations between East and West. Nevertheless, the EC's efforts to complete the internal market posed the main challenge for Norway and the other EFTA countries.

A broad-based majority in the Storting endorsed the view that the 1973 free trade agreement would not adequately safeguard Norwegian interests when the EC internal market entered into force on 1 January 1993. A more comprehensive cooperation agreement between EFTA and the EC was required to give Norwegian enterprises equal access to our most important export market, and thus safeguard the very basis for Norwegian jobs and Norwegian welfare.

Since then, three governments have, with broad-based support in the Storting, worked towards an EEA agreement. The Storting finally approved the agreement by a majority of more than three-quarters on 16 October this year.

The EEA Agreement is the first step towards a better-organized European economy. For Norway, the agreement represents the free trade agreement of the 1990s; it represents a solution to the market challenges Norway and the other EFTA countries will be facing during the decade.

Our Nordic neighbours Sweden and Finland have applied for

membership of the EC and are now preparing for negotiations. It is indicative of the current situation that countries that have remained neutral for several hundred years now believe their interests to be best served by joining the EC.

The major changes that have taken place since the end of the 1980s have not primarily been concerned with issues related to market access, which is provided by the EEA Agreement, but with the political challenges in a new Europe. The Cold War between the free democratic world of the West and the totalitarian East has come to an end with the dissolution of the Soviet Union and the liberation of Central and Eastern Europe.

Madam President,

All countries, including Norway, must constantly assess whether current cooperation arrangements are the best way of meeting the challenges of tomorrow. We must consider whether solutions we chose under very different conditions still give us sufficient freedom of action and influence.

In many countries, there is a growing scepticism to politicians and political activity. One important reason for this appears to be that decisions in national and local democratic institutions alone cannot resolve the problems that concern most people in their daily lives.

The aim of our political efforts is to find solutions to the tasks facing us and achieve our goals for Norwegian society. An increasing number of these tasks also require action across national borders. Thus, it is not satisfactory that most of the political instruments at our disposal are only national.

In order to regain control of many of the forces that shape our daily lives, we must be able to make democratic decisions that truly enable us to meet our challenges. It is no longer possible with any claim to credibility to tell Norwegian voters that we can carry out all our tasks by means of decisions in Norway alone. If we cut ourselves off from the fora where important decisions are made, we are in reality restricting our own freedom of action.

In recent years, the EC has developed into the most important organization for cooperation in Europe. When Norway applied and negotiated for membership twenty years ago, the EC comprised only six countries. The political cooperation had not progressed very far, and there was no immediate prospect of an end to the division of Europe.

Today the EC comprises 12 European democracies. The Community is prepared to begin the first round of membership negotiations with the EFTA countries in 1993. After that, negotiations can be initiated with the many democracies in Central and Eastern Europe that now wish to join.

Thus, it is possible that in a few years' time, the EC will comprise more than 20 democratic countries, including the great majority of the people of the Nordic region and our NATO allies.

Such a community would reflect the cultural diversity of its member countries. It is the current and new member states that will determine the further development of the EC. It is the EC member states that will determine how European cooperation is to deal with the many problems related to promoting peace, employment, welfare, economic growth and sustainable development.

The EC is made up of sovereign states, and this will continue to be the case. EC cooperation is a continually developing process, as it must be when democratic countries join forces to find common solutions to common challenges. The current debate is not only concerned with the substance of this cooperation, but also with its means. There is a need for more openness. The democratic decision-making process must be continually developed and decentralized. Supranational cooperation must be used as a catalyst to strengthen democracy at all levels.

The EC countries have been expanding their political cooperation to encompass an increasing number of areas since the 1980s. The Maastricht Treaty provides for closer cooperation on economic affairs and monetary and foreign policy issues, a greater joint effort to resolve environmental problems, a more definite focus on the social dimension of European cooperation and closer cooperation to prevent and combat terrorism, drug trafficking and other forms of serious international crime.

We know that decisions of great importance to the future of Europe as a whole will be prepared and taken in the EC. Therefore Norway, too, has reached a crossroads where we must decide how and with whom we can best safeguard our interests in the years ahead.

The Nordic countries are faced with a completely new situation now that both Sweden and Finland have applied for membership of the Community. In 1972, many viewed Nordic cooperation as an alternative to European cooperation. This is no longer the case. Unless we ourselves decide otherwise, the EC may in a few years' time comprise all of Europe except for Norway, Iceland, certain countries in the Balkans, and Russia. This is a dramatically different prospect than the one we faced in 1972.

It is natural for Norway to take part in binding cooperation with the other democratic countries in our part of the world. Together with the forces that share our values, we shall work to ensure that EC cooperation is concerned with employment, the environment and social justice. The Government underscores that we can best safeguard Norwegian interests by pleading our

own cause when important decisions are made concerning Norway's and Europe's future. Cooperation within the EC would not provide the answer to all our problems, but it would put us in a better position to solve them.

It is the view of the Government that Norway would have greatest freedom of action by supporting the EEA Agreement on the one hand and applying for membership of the EC on the other, so that we have an opportunity to negotiate and become a member together with countries that share our interests.

The Nordic countries and their EFTA partners have an opportunity to negotiate EC membership now, not in a few years' time. The fact that these negotiations will be conducted in parallel strengthens these countries' position in the negotiations. By taking advantage of this opportunity, we will be able to clarify the conditions for Norwegian participation in and joint responsibility for future political cooperation in Europe.

A referendum will be held after the negotiations have been concluded. Thus, the final decision will be the responsibility of the Norwegian people.

Madam President,

The Government has made efforts to provide information about Norway's relations with Europe that is as comprehensive and objective as possible.

The Proposition to the Storting on the EEA Agreement provides a thorough account of Norway's economic relations with the EFTA and EC countries. Last year, the Government announced that it would submit a general study on Norway's participation in European cooperation and the consequences of various forms of association with the EC. The following issues have been covered: foreign and security policy, Nordic cooperation, welfare, the environment, democracy and participation, culture, research and education, and business and industry. A general report, a number of research papers and a report on the status of the Sami people have also been presented.

The reports have been sent to all members of the Storting, political parties and organizations, and have been made available to the general public. It is the Government's intention that this material should be accessible to all those who wish to take part in the vital debate on the future of Norway and of Europe.

The main conclusion of this study is that we must deal with the many challenges facing Norwegian society, regardless of the form of association with the EC we choose. If Norway should choose not to close its borders to the rest of the world, the growing process of internationalization would have an even greater effect on the Norwegian economy, which would also enhance our ability to contribute to peace and

cooperation in Europe.

The advance of technology cannot be stopped. The global economy will continue to bind countries more closely together. Our possibilities of safeguarding employment will become increasingly dependent on our ability to sell goods and services to other countries. The environmental problems are not going to disappear, and the need for Europe to make a concerted effort to help the Third World is only going to increase.

This is the reality facing Norway today, and the challenges facing Europe are also our challenges. Most of the political decisions that affect people's daily lives will continue to be made in Norwegian political bodies, in our municipalities and counties, and here in the Storting. However, many important decisions will also be made by the countries of the EC.

Therefore, the Government is of the view that Norway's interests would be best served by making full use of the democratic process in our cooperation with the other European countries as well. Membership of the EC would enable Norway to take part in a new arena for political action that extends beyond the national arena. We would then be able to participate in the democratic process and strengthen political cooperation in Europe, just as we do in our own country.

Madam President,

The Government wishes to emphasize several important factors that support its contention that Norwegian interests would be best served by full political participation in the EC.

The next ten years will be decisive in terms of how we all make use of the opportunities to expand European cooperation presented by the end of the Cold War. Norway and the other Nordic countries also have a responsibility in this respect. At the same time, Europe is responsible for reversing current trends in the Third World. These trends can only be reversed by a concerted international effort, and what the EC countries are able to achieve together will be decisive. This applies not only to direct aid, but also to the questions of market access and measures to ensure greater stability of prices for exports from the developing countries. The EC has developed broad-based, comprehensive cooperation with the developing countries which is similar in many respects to Norwegian development cooperation policy. Membership of the EC would give the Nordic countries, which have always attached great importance to a policy of solidarity and development cooperation, an opportunity to work together to ensure that vital environmental and development issues are placed at the top of the agenda.

The countries of Europe are facing a new security policy situation which enhances the need for closer political cooperation with our European allies. We are no longer facing

common adversaries, but common dangers. National, social and ethnic conflicts pose new threats to freedom and revive memories of dark chapters in the history of Europe. All of Europe, including the countries of the West, must now join forces to safeguard democracy and to ensure an economic and industrial reconstruction in the East that takes account of environmental considerations.

The economic problems in the former Soviet Union have led to dissatisfaction and unrest. The danger of a return to authoritarian rule and militarism is greatest where the democratic roots are anchored in the thinnest soil. We must be prepared to live with uncertainty for many years to come. This entails new demands as regards political cooperation and the willingness to cooperate in Western Europe. Our interests will not be served by instability and uncertainty in neighbouring countries.

The EC will become an increasingly important foreign policy factor in Europe. The members of the Storting have expressed a general desire to achieve the closest possible foreign policy cooperation with the EC. NATO membership and cooperation between North America and Europe will continue to be vital to Norway's security.

However, Europe will have to take more responsibility for its own security in the years ahead. The fact that Norway does not participate in all the fora in which our European allies adopt common positions on foreign and security policy questions creates problems for us. It is extremely important for us to be able to plead our own cause when the countries closest to us are defining their common security. One important reason why Norway ought to apply for membership of the EC is that this is the only way for us to participate fully in European cooperation on foreign and security policy.

A basic characteristic of a community is that its members meet tasks and challenges together. One of the most important tasks for Norway is to ensure that our foreign policy challenges are also the challenges of our European allies. Our relations with neighbouring Russia will be a major challenge in the years ahead. Our ability to deal with the truly difficult problems in the North, particularly in the environmental field, will depend on their also being recognized as EC problems.

In today's world, all countries need many international contacts in order to safeguard their interests. We, too, must work to ensure that Norway does not lose contact with those countries that are closest to us.

If Sweden and Finland join Denmark in the EC, 80 per cent of the people of the Nordic region will be inside the Community. This could create a division in the Nordic region with negative consequences for Nordic cooperation. The border between Norway and Sweden could become the border between Norway and the EC. This would not only have important

consequences for trade across the border. It could also have unfortunate consequences for investments, which could in turn affect Norwegian jobs.

The majority of the EFTA countries may also become members of the EC. This would considerably weaken EFTA, which would also affect the functioning of cooperation within the EEA.

In the open world of today, it is essential that the countries closest to us recognize and understand Norwegian interests. This can only be achieved if we are present where joint initiatives are taken and decisions are made. Membership of the EC is the only satisfactory means of ensuring this.

The Government regards full employment and the further development of the welfare society as its major national task. Political decisions made in Norway will continue to be especially important in this context. Our economic freedom of action depends primarily on our own efforts. It is our responsibility, and no one else's, to build confidence in the Norwegian economy. What we have to distribute will continue to be determined by our own ability to sustain economic growth. And our policies will still be determined by the way Norwegian voters vote in Norwegian elections.

However, developments in the rest of Europe have an important bearing on the Norwegian economy, our welfare and employment. In an open world economy, a country's ability to maintain and expand its welfare system is closely bound up with developments in the international economy.

The ability of our companies to sell their products and services will be largely dependent on their being given the same conditions as those enjoyed by companies in other countries. The EEA Agreement ensures that the same rules will apply to all companies in the market that absorbs more than 80 per cent of Norwegian exports. The access to the internal market provided by the EEA Agreement will mean lower prices, which will benefit both consumers and the business sector.

Predictability and market access will not, however, solve all our problems. The greatest challenge facing Europe and Norway is to create new jobs. In order to deal with this problem, Europe needs a stable, predictable economic situation where countries are prevented from unloading their problems onto others and where companies are given an opportunity to deal with one another without being exposed to abrupt fluctuations in the finance and foreign exchange markets.

Thus, one of the principles on which this statement is based is that closer cooperation on economic policy and employment in Europe is absolutely essential. Better coordination of the economic policies of the various European countries is required if we are to eliminate unemployment, encourage new investments and promote industrial growth that is in keeping with environmental considerations.

The Norwegian Government has taken the initiative in accordance with the EEA Agreement to propose closer cooperation to promote full employment. Earlier this month, a letter was sent to the heads of government of all the EFTA and EC countries inviting the European finance ministers to come together to discuss the causes of and possible solutions to the problems facing all of us.

The stability of the foreign exchange markets during the decades following the war was an important factor in the general economic prosperity that Norway shared.

Instability in the finance and foreign exchange markets makes an even greater impact when countries' economies are as closely interlinked as is the case in Europe today. The uncertainty in the foreign exchange markets this autumn has demonstrated the vulnerability of small countries in particular to fluctuations in the world economy. Our neighbours Sweden and Finland have been forced in the space of a few months' time to make considerable changes in welfare systems that took several decades to build up.

The state of the Norwegian economy made it possible for us to stand up to the pressure. This is because we have been making a determined effort since 1986 to restore confidence in the Norwegian economy. It was also a definite advantage that the Syse Government decided in October 1990 to link the Norwegian krone to the ECU. It is easier for a small country to maintain confidence in its own currency by cooperating with other countries. Without such cooperation, Norway might have been facing a far more difficult situation.

The EC's goals of closer economic cooperation and greater financial and monetary stability are important ones. These arrangements are intended to improve cooperation between countries. Only one to two per cent of the member states' GDP goes to the EC's joint budget; the remainder is allocated by the respective countries' elected representatives. It will still be our own elected representatives who decide on the distribution of our own wealth.

The fact that the countries of Europe cooperate in setting limits to excessive budget deficits and public debt is a sign of progress in the economic cooperation. The objectives set out in the Maastricht Treaty as regards growth with a low rate of inflation, coordination of exchange rates and long-term balance in the fiscal budgets are both important and necessary. However, it is not possible to achieve a balance in the economy without reducing and, eventually, eliminating unemployment. Economic balance must be restored by pursuing an active employment policy and guaranteeing the necessary public revenues.

Countries have a tendency to unload their problems on one another when speculation is allowed to prevail in the

international economy. Today all countries are aware that the free movement of capital creates problems of control. The only way to achieve better means of control and clearer rules is through cooperation with other countries.

We do not know how and when the EC countries will be able to achieve the objectives set out in the Maastricht Treaty. New decisions will be made towards the end of the decade. Economic stability and the ability to cooperate on foreign exchange issues are also extremely important for our companies. Uncertainty affect investments and jobs, and it ultimately also has consequences for each individual's private economy.

It is by cooperation within the EC that important premises will be established for foreign exchange and interest rates. Whatever the results arrived at by the EC countries, these will have an important bearing on Norwegian economic policy. In this, as in a number of other areas, Norway would benefit from having a vote and a say, together with others who share our interests, when important decisions are to be made.

The environmental problems facing us constitute a common European challenge. The thorough analysis set out in the general study on Norway's relations with Europe shows how Europe as a whole is facing the task of integrating environmental considerations into all sectors of society in such a way that they are reflected in all aspects of the economy. Only by integrating the requirement for sustainable development into areas such as energy, industry, transport and technology will we be able to ensure that developments proceed in the right direction.

Given the interdependence of the various countries in an open world economy, it is obvious that no one country can cope with this task on its own. We cannot achieve binding agreements without coordination within Europe and the EC. We need a common awareness, common goals and effective political instruments to achieve them. The EC has adopted the principle of sustainable development as one of its overriding objectives. There is no other organization that has such a broad-based range of cooperation that covers so many key areas. Thus, the best way for us to contribute to sustainable development is to join forces with all those who share our concern about a far-sighted environmental policy.

Madam President,

Norway and the other Nordic countries can make an important contribution in a new, enlarged EC. The Government favours a Norwegian application for membership of the EC because it would place us in a better position to take part in efforts to promote peace, welfare, employment and the environment in Europe.

When entering into negotiations on membership of the EC, the Government's aim is to achieve an agreement that it can

recommend and that is acceptable to the Norwegian people.

After having expanded towards the south in recent years, the EC is now prepared to expand towards the north. This means that Northern Europe will make its contribution to the European diversity. We are applying for membership of a Community that has developed its own rules and traditions. We wish to join the other countries in developing them further.

However, this also means that today's member states must appreciate the fact that special measures are required to maintain economic growth and settlement under harsh climatic and geographical conditions. Norway is a long, narrow country, and much of it is sparsely populated. It is essential that Norway retain control over its natural resources in the future. An acceptable negotiating result is contingent on our finding satisfactory solutions as regards our primary sector and regional policy.

Fisheries are of particular importance to incomes and settlement patterns in our country, particularly in the north. It is our hope that the EC will not underestimate the significance of the fisheries issue for Norway this time, as it did in 1972. If so, we know that this will make it difficult to rally support for membership of the EC, not only in the north, but throughout the entire country. Therefore, it is extremely important that the EC countries show in the negotiations that they understand that the Norwegian coast also represents part of European reality.

EC fisheries policy is based today on the principle of relative stability. Norway's major concern is to retain its historical rights to fisheries in its own waters.

The livelihood of the coastal population, and thus of the northern part of our country, is dependent on these rights. We will stress the importance of sustainable management of our fisheries resources. We, too, have experienced the impact of short-sighted assessments and misjudgments on the management of these resources.

We have learned from our experiences, and we are determined not to forget them. We shall work to gain recognition for our experience and our situation. The recovery of the Norwegian stocks of spring-spawning herring and Arcto-Norwegian cod has attracted international attention. This successful example of resource management shows how Norway, as one of the world's leading fishing nations, possesses considerable expertise and experience that would benefit EC fisheries policy.

Norwegian agriculture yields much less per unit area than the average in the EC today, and our degree of self-sufficiency as regards food is the lowest in Europe. At any rate, in a situation where international trade agreements such as the GATT will also establish an important framework for agricultural policy, we must continue our efforts to develop

an agricultural sector that is less cost-intensive, but at the same time viable and progressive.

A small country that remains outside strong trade organizations could be vulnerable in a situation where there are no clear rules for trade between countries. It is worth noting that in the Uruguay Round the EC has attached great importance to retaining arrangements that ensure the possibility of diversified, viable agricultural practices.

We shall do our best to gain recognition of the fact that Norwegian agriculture is subject to conditions that differ considerably from those further south in Europe. Our agricultural sector is not involved only in food production. This point of view is also gaining ground in the EC. We shall attach great importance to finding solutions that will ensure an extensive, viable agricultural sector, and to achieving arrangements that make it possible to maintain stable and viable settlement patterns in our long, narrow country. Neither we nor the EC countries have anything to gain from the depopulation of rural communities in Norway. On the contrary, a vital, vigorous rural Norway is in everyone's interests.

As far as the primary sector is concerned, the Government would emphasize the Sami interests involved. It will take care to keep representatives of the Sami population informed of relevant issues in connection with the negotiations.

The principles of regional policy in the Nordic countries are different from those that apply in Central Europe. The EC regulations are designed for densely populated areas with good communications and a varied economic base. This does not apply to our country, where 4 million people inhabit an area covering 300,000 km².

Our arguments in favour of these special conditions will be stronger if we negotiate in parallel with our Nordic neighbours. If Norway, Sweden and Finland should become members, the area of the EC would be extended by almost 50 per cent. This would obviously influence EC policy in many areas. The EC adjusted its legislation and measures in connection with previous enlargements, and there is no reason why it should not do so this time as well.

The EC has no common energy policy. A main principle is that the management of energy resources is a national responsibility.

Successive Norwegian governments have stressed the importance of a sound, long-term petroleum policy with an emphasis on the environment, fisheries and regional considerations, security, and long-term management of our petroleum resources.

Norway is the country that will be primarily affected by energy policy decisions concerning petroleum. During the last couple of decades, Norway has become one of the major

suppliers of energy to Western Europe. Norwegian gas is being increasingly used to replace more polluting sources of energy. Thus important energy and environmental interests are bound up with the development of Norwegian petroleum resources.

There is a long tradition of international competition for licences and other contracts on the Norwegian continental shelf. The Storting has recently adopted amendments that do away with certain arrangements that could be interpreted as being discriminatory. We, too, have competitive oil companies that have acquired great expertise through their work under demanding conditions in the North Sea, and more recently in Arctic waters.

The State plays an important role in imposing standards and laying down stringent regulations in activities that take place under difficult climatic conditions.

In view of the forthcoming EEA cooperation and the fact that the Government now advocates that Norway apply for membership of the EC, the Government presumes that Norwegian views are given equal consideration and weigh heavily when the EC countries discuss legislation that covers the petroleum sector.

As in 1972, these are among the issues that will have the greatest significance for the way in which the negotiation results are viewed by the Norwegian people.

Madam President,

We shall never be able to say that the development of the EC is fully and finally concluded. During the past year, we have witnessed an intense debate on the further development of the Community in the member states. The referendums in Denmark and France and the British Conservative Government's attitude to cooperation on the social dimension have shown that both the direction and the extent of the cooperation are controversial.

What remains indisputable is that the EC has succeeded in making the promotion of peace, the environment, social rights and employment into a common European effort. This shows that the EC countries have taken responsibility for the most fundamental issues of our time. It is within this framework that the countries of Europe will be able to join together in adopting common measures to steer developments in the right direction.

It is the countries that participate in the cooperation that will determine its further course, not those that remain on the outside. Given that decisions taken by the EC will have a profound effect on our country, we should also participate in this important new phase of European cooperation as we have done in EFTA throughout the entire post-war period.

We must not lose sight of our goals for EC cooperation.

Cooperation in Europe must respect European diversity. People must be able to relate to decisions taken as close as possible to those concerned. The EC needs greater openness and transparency, and less bureaucracy.

Better use must be made of the opportunities provided by EC cooperation to strengthen employment policy, place a greater focus on the social and environmental dimension, ensure that European policy has the support of the people and further develop democracy within the Community. We must work to ensure that the EC incorporates employment policy as the most important objective of its economic policy.

The dialogue between the social partners should become a more integral part of the decision-making processes in the EC. The Government will maintain contact with employers' and employees' organizations throughout of the negotiations. The social dimension must be further developed in order to prevent social dumping and inequitable conditions for employees. We shall maintain our ambitions as regards equal status policy. Equitable distribution of income between women and men in all phases of life must be an objective of the equal status policy pursued both in Norway and in Europe.

Madam President,

The EC issue has always aroused strong feelings in our country, and this is still true today. The Government stresses the importance of our maintaining respect for one another's views in the debate on the form of association that would best serve Norwegian interests.

On the basis of an overall assessment of developments in Europe, the Government has come to the conclusion that Norway, too, should take part in the political cooperation on our continent, and that we should seize this historic opportunity to negotiate in parallel with our Nordic neighbours. We would be evading our responsibility if we were to turn our backs on the challenges because they were demanding or controversial. A viable democracy like the one we enjoy in Norway must be equal to the task of dealing with difficult issues without losing sight of all our other important challenges.

The debate will continue with great intensity through the negotiating phase and until the people themselves decide the question of membership through a referendum. We are well served by such a debate about our future. A democratic debate on the form we wish our society to take must never cease.

The tasks we are facing in the years ahead will be demanding, and it is essential that everyone is aware of the various opportunities and possibilities. We may disagree on many things here in Norway, but we do not disagree on everything. There is general agreement as regards fundamental values relating to peace, employment, the environment, maintenance of settlement patterns and representative government.

It is the Government's hope that the Norwegian people will demonstrate the sense of responsibility and solidarity called for when our country is involved in important negotiations with other countries. Thus, on behalf of the Government, I would call on the Storting to give its support in the demanding negotiations ahead of us.