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An increasingly globalized world poses challenges to us all, to governments, to the WTO system and to the international community as a whole. But it also offers unprecedented opportunities. We must make sure that these opportunities are evenly distributed and that interests are safeguarded in a balanced way. Thus trade-induced growth will continue to play an important part in combating poverty and raising standards of living.

Since the conclusion of the Uruguay Round, the WTO has developed into an institution with unquestionable competence and integrity. Although much has been achieved during the past 50 years, there are still important tasks ahead with regard to strengthening the rules and improving market access. This should be done with the interests of producers and consumers in mind, in developed and developing countries alike.

If we start by looking ahead, the overriding challenge for the future is to secure the relevance of the multilateral trading system to all Members. Due account should be paid to the objective of sustainable development as reflected in the preamble to the WTO Agreement.

The WTO's so-called built-in agenda gives certain directions for further development of the multilateral trading system, in particular on agriculture and services. Let me briefly comment on both issues.

Through the Agreement on Agriculture (Article 20) we are all committed to initiate negotiations for continuing the agricultural reform process with the long-term objective of substantial progressive reductions in support and protection. However, while a reduction could be substantial, it signifies by no means an elimination of agricultural subsidies. The coming negotiations could only be one step towards this end. Any reductions will also depend on the various factors and conditions spelt out in Article 20, including the so-called non-trade concerns, specified as, *inter alia*, food security and the need to protect the environment. As pointed out during the Uruguay Round, for Norway non-trade concerns continue to be vital elements in our agricultural policies and extend not only to food security, but comprise also elements such as environment, rural policies and social aspects. The concept of multifunctionality pays ample attention to non-trade concerns. The 1996 World Food Summit stressed the importance of food production in low potential areas. Such production may depend on considerable levels of support and protection. Therefore, while maintaining the trading system and safeguarding the interests of developing countries, this multifunctional character of agriculture will have to be a key feature in future deliberations. Norway intends to contribute to a broad analytical process on these aspects.

The Uruguay Round concluded with a framework agreement on services. We have since succeeded in reaching agreements on increased market access in important sectors. WTO Members are committed to continue negotiations on all sectors, including maritime transport services, as we aim to make GATS the global framework for all trade in services.

Work on several other issues, such as environment, investment and competition policy, should be intensified and concluded well in time for the preparations for the Ministerial Conference in 1999. We agree with the Director-General that there is a need to inject political impetus into the work on trade and environment, and would support the idea of organizing a High-Level Meeting on this issue. In addition to this, we should consider taking on new tasks in order to improve and expand the rule of law in international trade, provided by the WTO. Electronic commerce is increasingly important and offers great opportunities in global trade. We welcome a mandate for the WTO to ensure the application of WTO rules of non-discrimination and transparency in the electronic market.

In order to maintain the credibility of the system and respond to legitimate concerns voiced by the public, I see an obvious need to discuss in more detail how we best could accommodate the qualitative aspects - like health and environment - of the multilateral trading system. The substantive work on these issues primarily takes place in other international institutions. But it is important that we all strive towards continued improvements of the global framework in this respect.

The Organization - as well as its Members - must also consciously endeavour to counter marginalization of the poorer countries in international trade. Without the full integration of the least-developed countries in the multilateral trading system, the WTO will never become a genuinely global organization. Coordinated technical assistance from all relevant institutions is one important means. In order to increase predictability and the possibilities for long-term planning in the WTO, our aims should be to cover such activities through the regular budget.

In addition to technical assistance, market access for LDCs must be improved. I noted with interest the idea put forward this morning by the Director-General to eliminate all tariffs on LDC products, and we should all - developed as well as the more advanced developing countries - go as far as possible in order to accommodate this request.

Accession, the process of enlargement of the WTO, is essential for achieving the genuine global character of the Organization. Thirty-one countries are currently applying for membership, of which several major countries. Norway supports the early accession of these countries to the WTO on the basis of acceptance of the WTO rules and on meaningful market access terms. Special consideration should be given to the need for leniency in terms by which developing country Members, and in particular the least-developed developing countries, acceded to the WTO.

In our declaration from the Singapore Ministerial Conference we made clear our commitment to the observance of internationally recognized core labour standards. These are standards subscribed to by most WTO Members. Important work is going on in the ILO, work that will hopefully lead to the adoption of a declaration on labour standards at the ILO conference in June. In the context of the follow-up of that declaration Norway intends to take the initiative to a seminar in Geneva, to which we will request involvement of the ILO, and with the participation of the Secretariats of WTO and UNCTAD. Our challenge is to build a consensus that open trade and globalization should promote not only economic wealth, but also recognized, core labour standards. The WTO has also a role to play in this connection. Addressing the issue in the WTO will contribute to maintaining support for the multilateral trading system and to preventing that unilateral sanction and protectionist measures are resorted to. Norway believes that such standards should be integrated into the WTO framework.

Norway gives high priority to the full and timely implementation of the Agreements. The credibility and smooth functioning of the multilateral trading system is just as dependent on Members' ability to implement as on their capability to deal with new challenges. Because the system cannot function without full support, all Members - regardless of their level of development - are *demandeurs* when it comes to implementation.

Transparency is one of the WTO's basic principles. It comprises notification of national laws and regulations, and modifications therein. But it also encompasses the inclusion of civil society in deliberations on trade policy, in particular at national level but also internationally. Lack of compliance with notification requirements must be pursued. I call for increased discipline. However, I recognize that, in particular for the least-developed countries, imperfect notification is often closely related to administrative capacity. Efficient and relevant technical assistance could hopefully remedy this situation.

Finally, Mr. Chairman, let me assure you of Norway's continued support for the multilateral trading system. As a small country with a heavy dependence on foreign trade, we have both a national and a systemic interest in this. Consequently, we look forward to participating actively and constructively in the preparations for the upcoming negotiations, as well as in the negotiations themselves.
