Prime Minister Jan P. Syse

Bergen 14 May 1990

ACTION FOR A COMMON FUTURE - THE MINISTERIAL SESSION

Ministers, Excellencies, Ladies and Gentlemen,

This is - as some of you will know - the second time I address this Conference. I do so with great pleasure. In fact, as Ministers you are not here to open, but rather to conclude the Bergen Conference. That does not mean that you will "jump to conclusions". Ministers normally don't - and shouldn't. But in our common effort to save the environment for future generations, conclusions are needed. And may I add; conclusions are expected. A warm welcome to Bergen and to the Ministerial session of this Conference.

The scene has been prepared for your arrival. For a week the stage has been occupied by those who give politicians their mandate. Representatives of non-governmental groups have joined forces with government officials. My gratitude goes to all of them.

But it goes first and foremost to the representatives of the non-governmental organizations. They have been constructively impatient. It has certainly not been easy. Paying the price of compromise never is. Being in charge of a coalition government, I know all about it. But I also know that coalitions can produce tangible results. The round-table concept is a vital instrument for bringing about environmental results. We are all concerned. We are all a part of the problem. We will all have to be part of the solution.

General de Gaulle suggested that politics is too serious a matter to be left to politicians. I would add - left to politicians alone. In protecting the environment we are all decision-makers.

Political will - that is what \underline{we} are here to demonstrate. No matter the size of the environmental round-table - the final responsibility rests with the politicians.

Lack of final scientific proof must not be taken as an excuse for postponing political decisions. Of course, I do not consider the sifting of evidence is a waste of time and resources. Our complex environment does not call for simplistic answers. But it is - and will remain - the view of my Government that the precautionary principle is of fundamental importance.

This also implies that we have to make better use of basic market economy principles. To date our environmental policies have largely been based on the use of regulatory instruments. So far so good. But not good enough.

The price-mechanism must be used to encourage households and industry to pollute less. And to stimulate the search for cleaner technologies and processes. This can be achieved through the introduction of "green taxes". In next year's budget the Norwegian Government will suggest such taxes. It will be a first.

Shifts towards taxation of environmental costs will be combined with a further reduction of marginal tax rates. Our impatient ambition is to be able to say: "What is good for the environment is good for the economy."

A regional strategy is urgently required - and possible. No country can carry the burdens alone. When addressing the environmental challenges we are brothers in arms. When operating in the market place we are competitors. If basic market conditions differ, companies will be tempted to relocate. We need international guidelines for the use of economic instruments in environmental policies. The OECD

deserves our unambiguous support in its efforts at developing such guidelines.

For the pollutants, Europe was never divided. We - the politicians - should now focus more on which sources pollute us most - and <u>less</u> on where they are located. Today, the cost of reducing the sulphur dioxide emissions by one kilo in Norway would be sufficient for a ten kilo reduction in Eastern Europe. Such basic facts must be reflected in the shaping of a regional strategy.

The Norwegian Government is ready to pool resources and to develop new patterns of cooperation with the countries of Eastern and Central Europe. This will also include bilateral efforts:

- This week, together with Norwegian industry, we will embark on a new dialogue with the Soviet Union. Our aim is to reduce emissions from the Soviet nickel plants on the Kola peninsula; emissions which pose a serious threat to the vulnerable Northern environment.
- Also this week, we will open talks with Czechoslovakia to conclude an agreement on environmental cooperation and concrete projects.
- In the very near future, we will propose a number of cooperative efforts for the transfer of environmental knowledge and technology between Norway and Poland.

Reaching effective agreements among 34 nations is cumbersome and time-consuming. A policy of the lowest common denominator risks becoming a policy of modest and hesitant steps.

Some countries - or groups of countries - must take the lead and demonstrate what can be done. A few years ago, the United

States decided to introduce catalytic converters on cars. It paved the way for other countries to do the same. Last year, Norway decided to curb emissions of CO2 not to exceed 1989-levels by the turn of the century.

The power of the example matters. But it will not take us all the way. We shall need a decision-making machinery with the necessary inter-governmental authority to act as an vehicle for change.

This autumn the 35 countries of the Conference on Security and Cooperation in Europe will meet at the highest political level. The future political order of our continent will be on the agenda. Our common environmental challenge must form an integral part of that agenda. The Summit could launch a process of hammering out an environmental decision-making machinery.

The newly created European Environmental Agency could also provide such a framework. That would require an equal participation of other European states. I welcome the European Community's decision to take a first step in this direction. We should certainly be flexible as to which framework is finally chosen. But we need to get down to work.

Within this framework we should also develop a binding environmental "Code of Conduct". The following steps should be considered:

- First, to give a suitable European forum the task of presenting periodic reviews on the environmental policies of member states. The first steps in that direction have been taken here in Bergen.
- Second, to arrange for annual multilateral examinations of individual member states and thus ensure that their environmental policies meet common requirements.

- Third, to agree on commitments to notify and to keep each other informed about potential environmental risks and plans which may have transboundary effects.
- Fourth, to agree on ways to monitor and inspect projects and facilities which may cause transboundary pollution.
- Fifth, to equip future international agreements with stringent provisions to secure that they are fully respected by all.

An environmental "code of conduct" would serve to strengthen agreements on emission controls and reductions. It would also ensure that information about possible environmental hazards is given promptly. Such information would allay concern - when concern is unjustified. And it would secure that proper measures are taken - when this is required.

Ministers, Excellencies, Ladies and Gentlemen, this is a regional conference. But the challenge is global. It must be met at that level. We <u>must</u> give the developing countries evidence that our responsibility goes beyond the borders of our region; and that we are willing to assume that responsibility. Resources must be made available.

The Bergen Conference is a breakthrough in a double sense. It is the first major environmental conference to take place after the revolutions in Eastern and Central Europe; and the first to include governments and non-governmental organizations as equal partners. These achievements must now be fully exploited.

We are on the right track. But we certainly need a stronger momentum. Even if we are on the right track we will be run down if we just sit there. Together, we can do something about it. And we will. I wish you success.