

**Address on Foreign Affairs**

**by H.E. Mr Össur Skarphéðinsson**

**Minister for Foreign Affairs and External Trade**

**Delivered at the Althing on 16 May 2011**

Distinguished Madam President,

The Foreign Service has been busy over the last year. This is expounded by the nearly 100-page report submitted here. The reason behind the ministry's intense endeavour is not least that besides pursuing its foreign policy objectives the Foreign Service has shouldered new responsibilities, for example due to the Icesave dispute and for the sake of Parliament voting in favour of Iceland's application to join the European Union, as well as new policy areas like the Arctic, which is now defined as a priority issue.

But I can also delight members of parliament with the fact that we have similarly applied our strength to a greater extent than before on behalf of ordinary citizens around the world, not least under encouragement from the honourable members, whom I want to take the opportunity to thank for keeping me on track. These include, for example, Chinese dissidents and the two Malawian men who were sentenced to 14 years in prison for their sexual orientation – and later released as

the case sparked international condemnation, which Iceland concurred. I also want to thank the people of Iceland for keeping me on my toes for the sake of the Iranian woman Sakineh Mohammadi Ashtiani. I raised the issue regarding her death sentence on their behalf during the UN General Assembly last autumn and later offered her asylum in Iceland during talks with a representative of the Iranian authorities.

Honourable Madam President,

In my tenure as Foreign Minister, I have been adamant about implementing systematically the manifest presented by the government in May 2009 as it relates to foreign affairs.

First, I want to accentuate rapid development in Arctic affairs and I also want to thank Parliament for particularly good cooperation in this policy area.

The Arctic Council, which now has finally come of age, held an historical meeting in Nuuk last week. From an Icelandic point of view, three important stages were reached. First, a legally binding agreement to cooperate in search and rescue efforts in the Arctic was signed. The agreement is particularly important, not only because of Arctic shipping, which will actualise much sooner than many expect, but also because it may turn out to provide a foothold for establishing a rescue centre here in Iceland. Second, it was agreed to make this agreement a precedent for an

agreement on the prevention of oils spills. Third, the eight Arctic nations underlined that disputes, which may arise, will be resolved within the framework of the United Nations Convention on the Law of the Sea. This will abolish any legal vacuum regarding dispute-settlement, for example about boundaries on the seabed, including ocean floor resources, and minimises the probability that tension will build up in the Arctic seas. All these factors rhyme with the policy approved by Parliament.

Parliament and the government had also agreed to consolidate the academic core of Arctic research in this country. Seeing the Norwegian ambassador in the public gallery, I can account that an important phase has been reached in that we are now in formal discussions with our kindred nation Norway about a strong partnership, with Akureyri as a focus point, and we may unhesitatingly consider this an important leverage effect for a growing academic discipline. The Foreign Minister of Norway, and a friend to Iceland, Jonas Gahr Støre and I aim to have this determined by an agreement during his visit to Iceland later this year.

In my mind, our Arctic policy is closely linked to climate change. This is an area where we Icelanders need to take an even stronger lead, not least in light of information about a considerable ocean acidification north of Iceland, which I addressed during the ministerial meeting in Nuuk. New and alarming information also emerged about rising levels of mercury pollution in the Arctic and sea levels,

which are projected to rise between 0.9 and 1.6 metres by 2100. In this respect, we Icelanders must offer greater resistance. Climate policy must be a key element of Iceland's foreign policy.

I would like to bring up another issue, which also links to the Arctic and to climate policy; a continued emphasis has been placed on strengthening cooperation with our nearest neighbours the Faroe Islands and Greenland. A new and remarkable agreement was concluded, under the leadership of Iceland's former health minister, on the extension of service to the Faroe Islands in the field of public health. The most innovative development for the time being, in my opinion, involves talks ahead for Greenland, Iceland and the Faroe Islands over partnership between the countries, particularly energy cooperation.

Greenland is rich of hydroelectric resources, particularly on the east coast, where only a small part of the population resides. Hydroelectricity generated on the east coast of Greenland and carried by a sub-sea electric cable to Iceland, the Faroe Islands and Europe could at once generate large revenue, considerably strengthening the infrastructure of the Greenlandic society, provide the Faroese with all the renewable energy they need and create a more profitable basis for a sub-sea cable between Iceland and Europe. Not to mention, of course, the benefit this would bring to the global climate.

I have discussed the energy triangle between Iceland, Greenland and the Faroe Islands with Greenland's Prime Ministers Kuupik Kleist and Kai Leo Johannesen the leader of the Faroese government. In short, the initiative by Iceland has been met with great interest. This equally applies to enterprises home and abroad, large and small, and the governments of the three countries.

Third, for the first time a proposal for a parliamentary resolution on development cooperation where the primary objective is to achieve the United Nations target to commit 0.7 percent of gross national product (GNP) to official development assistance in 2021 has been submitted. I want to express my thanks to the leaders of the opposition parties for their positive reception of this proposal.

We Icelanders must keep in mind that we are still among the richest nations of the world, despite recent economic adversity. We have an obligation to take full part in international efforts to reduce hunger, poverty and child mortality rates, to help the poorest help themselves and to promote sustainable development, particularly in fisheries and renewable energy.

The forth issue I want to mention, and which is also a novelty, is the preparation of a new national security policy.

I am convinced that Parliament is also in this policy area able to reach a broad consensus on the fundamental values and priorities of a new national security policy.

Distinguished Madam President,

Parliament voted in favour of Iceland applying for membership of the European Union with the support of members from all political parties. Public debate over whether joining the EU is positive or negative has run in all candidate countries. No one disputes the fact nowadays that EU accession led to prosperity and progress in these countries. No member country wants to withdraw from the Union. Does that not tell a story to which we Icelanders need to listen?

No one disputes either that a great majority of Icelanders wants the process to continue and to have the opportunity vote on an Accession Treaty. The inhabitants of Iceland wanted to determine the outcome of the Icesave dispute themselves. Icelanders also want to vote on whether to join the EU or remain outside the union, once the Accession Treaty has been negotiated. Icelanders are democrats and democracy is best served in this way – by putting all the options on the table and bringing the Accession Treaty to a national referendum, thus allowing the nation itself to determine the outcome.

The objective opinions of others are perfectly legitimate and they will no doubt be vigorously upheld during this debate. I base my own views on the following:

Iceland has always fared best in close cooperation with other European nations.

Each step we have taken towards a closer collaboration has brought us better living

conditions. Joining the European Free Trade Association (EFTA) in the past made a decisive difference for the nation. The Agreement on the European Economic Area (EEA) paved the way to new prosperity. At this very point, we are building for the future and all agree that we need increased investment to increase employment, create jobs and eradicate joblessness. The EU route is therefore an option that Icelanders should have the opportunity to choose or reject.

What have the consequences been for economic activity and investment in the small nations who last entered the EU, for Estonia, Latvia, Lithuania, Slovenia, Malta and Slovakia? Evidently, investment grew substantially and doubled in some places in the wake of the EU accession. Where did the investments come from? First and foremost from other member countries of the EU. We Icelanders need the same kind of investment from the EU member states, in order to eradicate unemployment in Iceland as soon as possible.

Distinguished Madam President,

The Icelandic krona has indeed sufficed as a weapon to get out of the crisis it caused in the first place, but the world's smallest independent currency, in an open global economy, will always be the rod of the weak. Therefore, the nation should have the opportunity to vote whether it wants to join the EU, adopt the euro and

European interest rates, facilitate the way out of loan indexing and lift currency restrictions.

It so happens, funnily enough, that in this matter I am in complete agreement with the Progressive Party. I wholeheartedly agree with a recent national party convention resolution, where it says, with the permission of Madam President, that: “... the nation should always have a direct involvement in large issues like accession to the European Union through a referendum ...” The honourable members of the Progressive Party know therefore where their allies are to be found, once they arm for battle in order to enforce the instructions of the party convention, according to the same resolution, which were word for word, with the permission of Madam President: “... to fight for that right.”

Members of the Progressive Party know that they have a brother in arms in the Foreign Minister, once they start putting the resolution into effect.

Madam President,

People talk of losing sovereignty through EU accession. Good heavens! What is the degree of sovereignty over our own affairs when every week we have to adapt to the EU, under the EEA Agreement, by adopting new rules, new regulations, new parliamentary resolutions, new legislation, where Icelandic parliament members, Icelandic ministers, the Icelandic public, doesn't have the power to change even a



single letter? Is that the kind of sovereignty we seek? At least, this is the kind of sovereignty promoted by the No-movement Heimssýn since its chairman votes in favour of alignment to the EU week after week and month after month here in Parliament, without ever having the opportunity to modify a single word. In fact, this process is the only ongoing alignment. In politics, it is often difficult to be self-consistent, as the fate of the honourable member Ásmundur Einar Daðason in this matter has demonstrated.

Who are our best allies during the application process? They are the small states. Do they complain of diminished sovereignty? No, they consider their sovereignty enhanced and strengthened. We are no different from them. Experience during the Icesave dispute taught us Icelanders that small states guard each other's interests by fighting tooth and claw. Therefore, our sovereignty is better guaranteed in cooperation within the EU than outside the bloc.

Distinguished Madam President,

The report submitted here describes in-depth the state of play in the EU application process.

I have at all stages of the accession process made sure that Iceland's representation is in accordance with the detailed road map approved by Parliament, and by the same token with Iceland's interests in mind. Each step has been made known and

explained to the members of the committee on foreign affairs or its working party on European issues, where the opposition parties have a majority. Similarly, the Parliament's respective standing committees and the parliamentary parties are also briefed on individual policy areas, as desired. All material is immediately placed on the Internet. Thus, the accession process has been completely transparent.

The screening process, which compares Icelandic legislation with the EU acquis, is gradually reaching its final stages. It has already produced important results, which alert and industrious honourable MPs have no doubt already read on-line. Some are interesting.

The chair of Heimssýn for instance maintained for a long time that EU membership would require six new institutions in the field of agriculture and rural development policy. Even employing thousands of citizens. A screening report, which agricultural representatives collaborated on i.a., has made clear that Iceland will not need to establish any new institutions. None, if they so wish.

Another honourable member, whose doctoral degree is much more distinguished than mine is, declared on many occasions that it could take Iceland up to 35 years to adopt the euro because of ceilings on sovereign debt stipulated in the Maastricht-criteria. The honourable gentleman would probably have needed another doctorate. Now, best estimates show that the debt burden of the Icelandic state is far from being an obstacle to Iceland joining the euro. With proper homework, Icelanders

could adopt the euro within three years of voting in favour of accession in a popular vote.

Madam President,

The screening process has also thrown light on more difficult parts of the process.

It will cost a lot of time and effort to make changes to various systems of administration, for example regarding computerised customs and registration systems. The good news is, however, that in accordance with official regulations the Union shares a considerable part of Iceland's cost as in the case of other applicant countries, which is perfectly normal. If the EU considers it necessary that Iceland change any part of its administration once the nation has voted in favour of joining the bloc, it is both logical and reasonable that the Union bear the main cost of such changes. In this respect, Iceland simply enjoys the same rights and obligations as other accession candidate countries.

Distinguished Madam President,

A few words about Libya. I supported measures against Libya, by virtue of UN Security Council resolution 1973 to protect civilians from Col Gaddafi's murderous exploits and to promote free elections – which I support throughout the whole of North Africa. Advocates of all parties in Parliament followed suit, not once but

twice. At that moment, the world faced the fact that the despot Gaddafi had gone on a murderous rampage against the people of Benghazi. His live statements about sparing no one and that no mercy would be shown to the population of Benghazi, bore witness to that fact. During a meeting in London, Mr. Ban-Ki-Moon secretary general of the United Nations related, in my hearing, that UN measures had saved thousands of lives.

I have come under criticism, however, for not using Iceland's right of veto when NATO took over a coordination role at the request of its member countries, not least our closest allies. Earlier, I informed Parliament of my position in plain words, from this very podium, and the ministry consulted with the foreign affairs committee. For five whole days, front pages of the world's media were filled with news of deliberation within NATO about its role in the measures against Libya. The salient point being that many events led up to this decision, my position was known and no member of parliament made any objection.

What is most important is this: When individual states began taking measures, before the alliance took over the coordinating role, it was made clear that some of them interpreted the UN Security Council resolution in such a way that whatever means were justifiable in order to weaken and debilitate Col Gaddafi. Some military powers openly discussed deploying troops to Libya, sending weapons to rebel forces or "taking Gaddafi out", in the words of one honourable member.

NATO rejected all those measures and interpreted UN Security Council resolution 1973 more carefully than some of the European military powers did. As a result, the alliance has rather dampened the escalation of the conflict. In my opinion, civilian casualties would have been much heavier without NATO's coordinating role had the nations in question been allowed to interpret the UN Security Council resolution after their fashion.

The Icelandic authorities believe that the UN Security Council resolution does not authorise the assassination of certain persons. Individuals like Col Gaddafi, should be brought to justice before an international court, which is why Iceland and other nations supported a resolution in the UN Human Rights Council calling for an investigation of Col Gaddafi's actions, which lead to the issue of arrest warrants for Gaddafi, his son and the chief of Libya's intelligence this morning.

Distinguished Madam President,

In recent days the Palestinians have managed to break out of a deadlock in a notable way. Fatah and Hamas have decided to join forces and support the new government. As we discuss foreign affairs here in Parliament a meeting has started in Cairo where a new government is being formed, which in the next weeks will probably declare support for a two-state solution, opposition to all violence and then work to support the independence of Palestine and statehood along the 1967

borders. We have been in contact with the Palestinians following this historical change of page, and when I spoke Saturday with Palestinian foreign minister Riyad Al-Malki he was even optimistic that the new government would succeed to start negotiating independently with Israel before the fall.

This development has created a new situation for Palestine which we need to closely monitor. Our policy has always been that it is an indisputable right of the Palestinians to live in peace in their own country, free from occupation. I will of course consult with the foreign affairs committee on how Iceland can best support peace building measures and justice in relation to this long dispute, which in fact is the root-cause of conflict and acts of global terrorism, also in our part of the world.