Check Against Delivery

ADDRESS BY H.E. MR. GEIR H. HAARDE, PRIME MINISTER OF ICELAND, AT THE NATO PARLIAMENTARY ASSEMBLY TUESDAY 9 OCTOBER 2007

President of the Assembly, Speaker of the Althingi Secretary General, Excellencies, Ladies and Gentlemen,

I am greatly honoured to have this opportunity to address the NATO Parliamentary Assembly and I would like to commend the Althingi for having taken on the task of organising this session in Reykjavík. It is truly a pleasure to be able to meet so many fellow parliamentarians who concern themselves with our common security.

From a historical perspective, prolonged peace and security is very rarely the norm. Human history, particularly that of Europe, has repeatedly been stained by bloody conflict. Therefore, the post-Second World War period is a remarkable aberration. Although, it was for many decades characterised by the imminence of war, it is so far the longest period of peace seen by most Europeans for many centuries. It is no coincidence that this is analogous with the existence of NATO. Even in the one exception, the tragic conflict in the former Yugoslavia, it was NATO which restored the peace.

Under such welcome circumstances, it is easy to take peace and security for granted. Mindful of history and the tremendous sacrifices which were made in the Second World War, we must, however, not become complacent. Fortunately, there is no likelihood of a major conflict in the Euro-Atlantic area in the foreseeable future, but there are some trends which could negatively affect our security. It is a matter of concern if major powers approach international relations as a zero-sum contest, rather than acknowledging that a constructive contribution to the common efforts of the world's democracies yields influence and security. It is also worrying if the proliferation of weapons of mass

destruction and missile technology continues unabated and empowers irresponsible or even irrational regimes as never before.

The international community has the means of addressing such concerns, but the same does not readily apply to potential threats of a new character. The most ominous prospect is that of international terrorists acquiring weapons of mass destruction. Treaties on arms control and disarmament are not respected by non-state actors such as terrorist organisations. Nor are they necessarily deterred by the retaliatory capabilities of nuclear powers. The probable consequences of terrorist use of weapons of mass destruction would affect all of us. Therefore, it is a threat which needs to be countered collectively and effectively.

The role of NATO in the 21st Century needs to be considered in this context. The Alliance is still undergoing transformation and perhaps this needs to be a continous process of adaptation. During the long decades of the Cold War, NATO was focused on a single visible threat, but now

it needs to be both multi-dimensional and flexible. As the concept of security broadens, so must NATO's role. Who could have predicted military operations in Afghanistan, humanitarian relief in Pakistan or logistic support in Sudan and who knows what tomorrow may bring? The Alliance remains politically and militarily indispensable.

A new and broader role for NATO is not incompatible with the organisation's core function of collective defence. In today's world it is difficult to envisage a situation where Article 5 would be invoked, but the option alone has tremendous military and political significance and in itself contributes to security and stability. Its remains the raison d'etre of the Alliance and embodies the mutual commitments across the Atlantic. It is the primary reason why emerging democracies in Europe aspire to membership. While Allies are preoccupied with new challenges and tasks, it is important not to forget that Article 5 is still the cornerstone of the Alliance.

The collective defence commitments, the trans-Atlantic link and the integrated military structure set NATO apart from the European Union, insofar as security issues are concerned. However, as the membership, basic values and interests are largely the same and the EU has begun the development of a common European Security and Defence Policy, close consultations and cooperation are natural. There is no inherent contradiction between a strong NATO and a viable ESDP. Although Iceland is a founding-member of NATO and not a member of the EU, we recognise that a close organisational relationship is important for maintaining European security.

Iceland has the unique position in NATO of not having national armed forces. This means that NATO-membership and a bilateral Defence Agreement with the United States dating from 1951, with a more recent Joint Understanding, form the pillars of Icelandic security and defence policy. Throughout the Cold War, Iceland had a particular geostrategic importance to the Alliance and US forces were based here for fifty five years. Now the Cold War is over and the military personnel have

departed. This situation makes new demands on Iceland. We continue to rely on NATO and US commitments for times of tension or conflict, but it is the ordinary peacetime maintenance of security which is challenging. The assertion of sovereignty and adequate preparedness are the tasks at hand.

We have, first of all, reacted with an enhancement of the civilian institutions which are relevant to our internal security, for example, the Coast Guard and police. Secondly, we have designated a special Security Area at Kelfavík Airport, for use during military exercises and for other defence-related purposes. Thirdly, we have assumed responsibilities as a host-nation for NATO facilities and military exercises in Iceland. Fourthly, we have initiated bilateral talks with neighbouring Allies and signed Memoranda of Understanding on possible cooperation in the northern North-Atlantic, with the purpose of creating increased synergies. Fifthly, we have sought and received an agreed concept for regular NATO Air Policing over Iceland. Finally, we are embarking on

an extensive review of the implementation of our security and defence policy. All of this has been done in less than one year.

It is accepted in Iceland that we will have to assume increasing responsibility and expenditure for our own security and defence. Similarly, the great majority which supports NATO-membership realises that we need to contribute to Alliance operations in a manner which is compatible with our capabilities and relevant to NATO. So far Iceland has taken on defined tasks within KFOR and ISAF, for example commands at the airports in Pristina and Kabul, as well as having personnel in PRT's and arranging heavy-airlift for the benefit of other Allies and partners. The fact that we cannot draw human-resources from armed forces and rely on voluntary civilian experts, means that the scope of our participation will always be restricted. However, we will continue to endeavour to develop niche-capabilities which benefit the common effort.

I would be remiss in leaving the topic of Icelandic security and defence, without mentioning strategic prospects in the North-Atlantic and the Arctic. It is clear that claims to seabed areas and rapidly improving technology, will bring the utilisation and transportation of energy sources from the far North into sharp focus. This will affect energy-security and maritime security, as well as environmental security, in the Euro-Atlantic area. The effects of climate change could become an additional factor. Some Allies have begun to broach the strategic implications of this development and it is important for the Alliance as a whole to recognise that more attention needs to be paid to this part of the world. For obvious reasons, NATO is preoccupied with the Mediterranean and Afghanistan, and individual Allies have commitments in Iraq, but it would not be prudent to completely disregard the old backyard.

Before concluding, I would like to briefly mention the importance of the work being done by the NATO Parliamentary Assembly and by individual delegates. It is an essential addition to the deliberations of national assemblies and to the policy-making and decision-making of

governments. I have some experience of inter-parliamentary activities and know the value of not only connecting parliamentarians, but also providing creative feed-back to the makers of policies and decisions. The phrase "thinking outside box" is very appropriate for what goes on here and I can assure you that it is useful in capitals.

I wish you the best of luck in your important work.