Your Excellency, President Grímsson, Distinguished Mrs. Dorrit Moussaieff, Excellencies, Ladies and gentlemen.

I would like to thank you for a cordial reception and kind words of welcome. It is a pleasure for me to visit your marvellous country for the first time as the Estonian head of state. A country that has grown very close to the hearts of Estonians during the recent decades, a country that is known to us not only for its fire and ice, but also as a stronghold of democratic values and freedom.

The playwright Jón Atli Jónasson, whose plays also have been successfully staged in Estonia, has said that he has achieved his goal if his play has made people think that we should care for each other, since we are so few as it is. My visit today serves the same goal.

We remember what Iceland did for Estonia; we shall not forget the decisive and rapid action of your Parliament in 1991, when the AlÞingi adopted the resolution supporting Estonia's, Latvia's and Lithuania's independence. Actually, the vote by Iceland back then was quite natural, for the AlÞingi is the world's oldest parliament. Just as it was natural that ten years ago we honoured your valiant decision by renaming the square in front of the Estonian Foreign Ministry Iceland Square. Our first step back to the world was through Iceland. And so too it is every day when an Estonian diplomat ventures forth into the world.

Yet we were not accustomed for someone, even smaller than we, to take our cause to the heart and pursue it to its logical and moral conclusion.

We have learned this from you, my friends: that small nations have a special responsibility to stand up for others when they need help. That no one is too small, at least in the West. For the smallest of all is the individual, whose rights to freedom, dignity and expression form the foundation of our common European culture.

Today, we all had the pleasure to step across the threshold of Höfði house and see with our own eyes the historic place where our faith in solidarity was reborn.

Mr President, you have said that despite the progress of the recent decades Icelanders continue to hold dearest the values enshrined in your culture, arts and democracy, the heritage that is a covenant for a free and open society. We Estonians have partaken in this heritage via the old Sagas of Icelanders, the works of Halldór Kiljan Laxness and many other authors. Works by Jaan Kaplinski and Viivi Luik can be found in the homes of Icelanders and many a town and village in Iceland has an Estonian music teacher.

Milan Kundera has said that had the Sagas of Icelanders been written in English, the names of the heroes would be as well known to us today as those of Tristan and Isolde. It is an accident of size that makes some works of genius known world-wide and other works of genius unknown except among the specialists and fanatics of literature. This is one of the challenges of size we both face in a world where numbers so often drown out quality.

These epic stories, half history, half fantasy, reflect the spirit of ancient Icelanders, their imagination and wondrous transformation into art of the harsh lives they led. These stories provide both discovery and recognition for Estonians. We see a people who have learned to live in harmony with nature, a people who are stubborn, steadfast, industrious and full of boundless optimism about the future, come what may – a people just like us.

Eistland and Island – even our names are reflected in each other just as our faith in survival and in a better future is reflected in us. We are by no means small in this respect and we shall succumb to no hardship.

It is this faith that sustained us when Iceland's population dropped by a third due to smallpox, famine and natural disasters 300 years ago or when Estonia lost almost one-fifth of the population in World War II and from mass deportations to Siberia.

Today, Iceland's population exceeds 300 000 and Iceland is the world's leading country in developing new medicines. Estonia has returned to its natural position in the West and has turned from a country that consumed security into one that generates it. As partners in NATO we both actively shape the future of the world's most powerful defence alliance and participate in peace support missions far beyond NATO's borders. We live in a society where every individual is important, and where the rights and freedoms of citizens are protected. "In my world it is possible to fulfil all aspirations, and therefore all aspirations are in themselves good". This was what a folk poet Ólafur dreamt of in Laxness's novel "World Light" and this is how the world has changed since.

Tonight we are here at Bessastaðir, a sacred place for Iceland. Today, we sit together and share our thoughts and experiences, discuss issues crucial for the future of both nations. One of such issues is the accession of Iceland to the European Union. Although economic recession has played a role in alienating people from politics and has introduced theatrics to the political landscape in both Iceland and Estonia, I am sure that this is a passing phase. . I am convinced that a nation with a high self-awareness and such deep roots has nothing to lose in the European Union, on the contrary, it would benefit all of us, you, us, all Europeans.

We Estonians are also a nation that likes to consider and weigh things, sometimes it seems interminably; as the proverb goes, we measure nine times, cut once, When we look back at our decision of six years ago, however, we clearly only have benefited from it. Were this not so, we would not be able to speak today about the introduction of the Euro. Even if it is not a panacea for our economy in today's global downturn, but the Euro will definitely bring a fresh breeze into our sails. Nor would we be able to help steer the European Union Neighbourhood Policy or assist our friends to prepare for accession.

Yes, the pros and cons have to be carefully considered for every important decision, and this one is no exception. But one thing is clear: just as Iceland stood out supporting our independence nineteen years ago, you can count on the support of Estonia on your path to the European Union.

## Distinguished Ólafur Ragnar,

I deeply admire the way your people have been able to maintain your traditions, including keeping your ancient language untouched by corrupting external influences. I admire too the ability of Icelanders to modernize their country and society, to develop and implement innovative solutions. We know Iceland is among the world's leading countries in green energy and gas production, as well as gene technology. The European Union and Iceland – they stand not in opposition, like fire and ice. Rather integration is part of the natural course of things, where small nations see that pooled efforts can lead to better lives for our citizens, as you have seen yourselves as members of the Schengen Area and the European Economic Area. 27 countries with a similar frame of mind, Estonia among them, are looking forward to welcoming you. For Estonia, Iceland is larger than any other country in the world.

One could ask why is it that this mysterious island so full of contrasts – bubbling in the inside and calm on the surface – and its special inhabitants are closer to us than could be assumed if judging by the distance separating us. It is so, because friendship does not render itself to be measured by numbers and it is not easy to express it in words either. This is a feeling that comes from the heart and makes all matter-of-fact words too common and even bland for such a glorious moment. Therefore allow me to turn to a bard for help. These lines were written 50 years ago by the Estonian poet Vladimir Beekman, inspired by the unique way how Iceland's nature and its people live together:

And then Man straightened
His back one more time,
Took hold of despair,
And broke its neck,
With two bare hands he attacked the rocks,
And gained a foothold on the stone.
He built on this foothold
His home /.../

Ladies and gentlemen! Let me propose a toast to the people of Iceland and to our standing together! And to your health, Mr. President and distinguished Mrs. Dorrit!