

Iceland's Role in the Arctic – The Future of Arctic Cooperation

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Mr. President, Ólafur Ragnar Grímsson, excellencies, distinguished guests, ladies and gentlemen.

It is a pleasure for me to be here today and address the Arctic Circle Assembly.

This beautiful conference and concert hall, Harpa, the home of the Icelandic Symphony Orchestra and the Icelandic Opera, is an excellent place to gather and discuss the many pressing issues of the Arctic.

For millions of years this region has been changing – the Mid-Atlantic Ridge marks the place where the original rifting occurred that split the supercontinent Pangæa 200 million years ago. Since then, the plates on either side continued to move, pushing the continents away from the rift. These forces are responsible for the volcanic activity here in Iceland - so you can truly say that this island lies above a hotspot!

So why this chilly name for a volcanic island with frequent eruptions? In Landnáma, the book of settlement in Iceland, it says that one of the first Vikings to travel to the island, Floki, who followed his ravens, climbed a mountain and saw beneath him a fjord full of drift ice. Hence, the name Iceland.

The drift ice and our harsh climate is a reminder to Icelanders that we are an Arctic nation.

Iceland is, however, considerably warmer than its name and geographic location indicate. The Gulf Stream secures the habitability of Iceland as it brings us warmth from the south. The warm water and the cold Polar water masses meet off our coast and create prime conditions that provide Iceland with one of the world's richest fishing grounds.

Since settlement, we have based our livelihood on what nature has to offer, both on land and from the sea. Icelanders have learned to live and adapt to the changes in the environment caused by the difficult forces of nature.

Ladies and gentlemen,

In my United Nations General Assembly speech last month, I said that we who live in this region of the world know how urgent it is to act and plan for the future. The delicate environment must be protected, economic opportunities developed and the needs of the people who live in the Arctic respected. I also stressed that as caretakers of the Arctic we take our global duty very seriously.

In recent years the Arctic has received greater attention internationally. This is understandable.

While the causes of climate change are global, the effects are most rapid and visible in the Arctic. At the same time the environmental changes that we witness have repercussions elsewhere in the world. Entire countries are under threat of being submerged due to rising sea level and increased temperatures threaten food security.

Having the front row seat to witnessing climate change places special responsibility on the shoulders of the Arctic States.

That is why the Icelandic Government welcomes the initiative taken by the Arctic Circle and I applaud President Grímsson for his engagement. This conference broadens and deepens the debate on the Arctic. It supports the overall objective of strengthening our understanding of the issues that scientists, researchers, civil society, the private sector and policy-makers must jointly address.

The three Arctic events that have taken place in Iceland over the last few days – the “Arctic Week” as I call it – has provided an excellent opportunity to focus our attention on our region – the challenges and opportunities.

The Government has indeed used this week productively. We have discussed the Arctic issues and formulated the key priorities for our work in the months and years to come.

We have decided to establish a Committee of Ministers on Arctic Affairs, which the Prime Minister presides over. This ensures a whole-of government approach, focusing on policy coherence, internal coordination and effective participation in international activities.

Some of you may have listened to the Minister of Industry and Commerce a few days ago in Akureyri and the Prime Minister addressed the closing session of the Arctic Energy Summit.

At that summit the complexities of developing the resources of the Arctic were a central theme. As we move carefully along the path towards increased extraction of oil and gas in the Arctic, we need to continue to give priority to investments in renewable energy technology and resources.

Iceland's track record on sustainable utilization speaks for itself. Almost all of our electricity and heating needs are met with renewable energy. We have also emphasized in our international cooperation to share this experience and our expertise with other countries, not only in our region but also in other parts of the world, such as in Africa.

In addition to establishing the Committee of Ministers the Government has agreed on certain policy priorities that are aimed at sharpening our efforts and focusing on implementation of the Arctic Policy that was adopted with consensus in the Icelandic Parliament, the Alþingi, in March 2011.

These include expanding our cooperation with our immediate neighbors to the east and west, Greenland and the Faroe Islands. As a matter of fact we are formally opening our Consulate General in Nuuk on the 8th of November.

We are reviewing the feasibility of establishing an international rescue and response center in Iceland. Regional stakeholders need to jointly prepare for the security challenges that we are all faced with in the Arctic. Iceland's geographic location, search and rescue assets and strong infrastructure in various parts of the country, make it an interesting concept to pull together our capabilities in a smart way.

We will review how our financial resources can be used more effectively to strengthen our political, as well as scientific engagement on the Arctic.

In the multilateral context we will focus on gender equality in the Arctic, by launching a project within the Arctic Council, co-lead by Norway, to promote policy dialogue on gender equality issues in the region.

We have identified the Arctic as a priority theme in Iceland-EU relations and we will make better use of our embassies in Asia to present Iceland's Arctic priorities.

Last, but not least, we will promote enhanced cooperation with the business sector, both in Iceland and internationally.

Dear friends,

Even though the Arctic has recently been gaining more global focus, Iceland has participated actively in policy discussions on the future of the Arctic region for decades. In October 1987 an international conference was for example organized here in Reykjavík about the possibilities of Arctic shipping.

That same week, then General Secretary of the Soviet Communist party, Mikhail Gorbachev, gave a historic speech in Murmansk where he emphasized the growing need for more cooperation and collaboration with other nations in Northern Europe. This set the tone for confidence building in a new era of international relations in the north.

Based on the fact that that the eight Arctic States have a common responsibility and a mutual interest in the protection and sustainable use of the Arctic, the establishment of the Arctic Council in 1996 was a milestone of fundamental importance in our cooperation.

In this respect, the Government of Iceland places strong emphasis on the Arctic Council as the premier forum for Arctic cooperation. The Council has matured and evolved into a body that rightly allows for observers to contribute to our work.

With nations that represent half of the world's population as observers we can now say that the Arctic Council has been given a global reach. Iceland supported the invitation to new observers because this will promote even better understanding and dialogue on the Arctic issues and strengthens the work of the Council.

Ladies and gentlemen,

Looking ahead, the future of Arctic cooperation is bright. We have a well-structured and sound regional cooperation where our partners from outside the Arctic have a clear voice.

We have made great progress in deepening our cooperation with the signing of two legally-binding agreements among the Arctic States. In Kiruna the joint vision for the Arctic was agreed and a robust program on scientific cooperation outlined. We have established the Arctic Council Secretariat in Tromsø, which helps us to further strengthen our cooperation.

As regards economic development, the challenging policy question is to seek balance between conservation and utilization. The people in the Arctic and their societies must be able to benefit from economic activities, while sustainability and sound management of resources remains central in our considerations.

The private sector will largely drive the pace of developments in shipping, mining and oil and gas exploration. The Arctic Council is taking concrete steps in developing a framework for a constructive dialogue between the private sector and policy makers with the establishment of the Circumpolar Business Council.

In all areas it is vital that governments apply highest environmental standards and that the private sector has the clear policy to adhere to those standards.

We should also keep in mind that many of the companies that will make the initial investments are international enterprises that are registered in one part of the world, pay taxes in another part of the world and operate globally.

I cannot overstate the importance that these players must demonstrate strongest commitment to sound corporate social responsibility.

Given the lack of infrastructure and capabilities in the North, we have to work closely on prevention and emergency response. The burden and costs to address civil security and environmental threats must be shared by all parties that are going to draw wealth from the Arctic.

After decades of research we have better scientific information about the Arctic than ever before. We must build on that and expand further our knowledge about environmental, social and economic issues.

Ladies and Gentlemen,

In the end the question about the future of the Arctic is a fundamental one for Iceland. As an Arctic nation it touches more or less all the aspects of the way of life in Iceland.

For Iceland this will open up new possibilities that we need to manage in a responsible way. I am certain that we are ready to take on that challenge along with other nations in the Arctic. We must remain committed to give this region all the respect it deserves.

A wise man once said, everybody is talking about the weather but nobody does anything about it! Dear friends, we are doing something about it - and we will do even more! I am sure that coming out of this conference, new ideas and thinking has surfaced that will result in new policy and lead to concrete actions for our common good in the future.

Thank you.