

Northern Lights - Ottawa, February 3, 2012

In spite of being born just south of the Arctic circle, and having spent much time in Northern Sweden and Finland, it was ONLY after I had the chance to travel across the Canadian Arctic last summer I fully realised the magnitude of the challenges that are facing the people in the (if I may say the real) Arctic.

I think I dare to say that for many in the Swedish government offices in Stockholm the present Swedish chairmanship of the Arctic Council is in a way a similar kind of eye opener as my Arctic tour last year.

Arctic matters have now been brought to the attention of decision makers at the highest political level, including at my own Ministry for Foreign Affairs.

While we have been a proud member of the Arctic Council since its foundation in 1996, and there have been pockets of expertise on Arctic matters in Sweden for many years, we have been lacking a government sanctioned policy on Arctic affairs.

However, inspired by the up-coming chairmanship of the Arctic Council, a comprehensive Swedish strategy for the Arctic region was developed and adopted just in time before Sweden took over the chairmanship at Nuuk in May last year.

Bearing in mind that the living conditions and challenges in the Swedish Arctic are quite different to those in the more remote parts of the Arctic region, the Swedish strategy might have been relatively limited if it would not have been for our involvement in the Arctic Council. While many of the challenges facing the Arctic may not have direct effect on Sweden they certainly have a strong in-direct effect. The agenda of the Arctic Council thus inspired us to address many of these challenges in our national strategy.

I also believe that our capacity to understand and contribute in Arctic matters have been strengthened by the process leading up to the adoption of the strategy. For the first time, we established a comprehensive Swedish network of people and organizations,

including among different ministries, engaged in Arctic matters to address the complex set of issues at stake. Experts who at best vaguely knew of each others' involvement in Arctic matters came together to develop our national strategy. I am sure that this new cooperation will be to the benefit of our future engagement in Arctic matters.

Senator Rompkey has asked us to focus on how international partnerships can benefit the Arctic and its inhabitants, in particular, when it comes to economic development, environmental challenges and the involvement of indigenous peoples.

Sweden's view is that the Arctic Council is well positioned to provide a platform for cooperation and engagement among Arctic nations and peoples in all these areas. We do not need to reinvent the wheel in this respect. Through its unique composition of government representatives and permanent participants it provides an umbrella under which different kinds of cooperation and exchange of ideas and best practices can be initiated and promoted.

While the Arctic Council has served its purpose well over the years, including by producing valuable results in the scientific and environmental area, we are asking ourselves if we are using the Council to its fullest potential. For example, when it comes to the human dimension of the Arctic, including how to promote sustainable economic development, there might be scope to expand the activities of the Council.

In view of the many new challenges now facing the Arctic the demand for concrete action and results are increasing. As chairman we are working with all our fellow Council members to see how we can jointly define the role and activities of the Arctic Council in these rapidly changing circumstances.

I will now turn to three specific issues Senator Rompkey has asked us to address.

1. (Increased economic activity in the Arctic) Resource research and development in areas such as mining, oil and gas, fishing, tourism, shipping and air transport and communication.

While the changing climate in the Arctic is of great concern from an environmental perspective it is also opening new business opportunities in the north. Companies from all over the world are today actively exploring these new opportunities. And we are probably only in the beginning of a process that will lead to further increased economic activity in the Arctic.

If monitored and managed carefully, taking into account all aspects of the sensitive nature and human environment, the economic development in the Arctic is to be welcomed. It brings with it new possibilities of employment and income for people living in the north.

Although there are a number of international organisations that are relevant to the Arctic, including the UNCLOS and IMO, the Arctic Council has a key role in addressing the pan-Arctic challenges which

come with the intensified economic activity. The *search and rescue agreement* is a concrete result in this regard. Another one is the *Instrument on Cooperation on Marine Oil Pollution Preparedness and Response*, which is now under negotiation. Furthermore, we think that the Council can contribute by providing a platform for business to business and people to people contacts.

One area that has been highlighted by the Swedish Chairmanship is corporate social responsibility, *CSR in the Arctic*. In view of the many sensitivities associated with economic activities in the north, CSR can be a very helpful tool to reassure that companies operating in the Arctic will respect and follow internationally agreed guidelines on responsible and sustainable business behaviour.

The Swedish experience shows that CSR works best if it is voluntary and company driven. However, governments do have a role to play when it comes to developing the guidelines and encouraging companies to follow them.

Many Swedish companies early realized that CSR is not necessary a cost but rather something that improves the image of the company. By showing that the company adheres to responsible business practices its approval rate in the society often increases, and so do its revenues. We are currently looking at how CSR could be encouraged to become an integrated instrument for companies operating in the Arctic.

2) Environmental stewardship

While the changes and climate effects due to global warming may not be as dramatic in Sweden's north compared to the rest of the Arctic, the Swedish indigenous people, the Sami, are also experiencing the effects on their lives and living environment.

And there is no doubt that the Arctic is one of the most sensitive ecosystems in the world. At the same time, the region is rich in natural resources. The challenge is to seize the opportunities and - at the same time - avoid and minimize the risks. This is a balancing act that the whole international community is facing. It tests our ability to work together also in relation to the Arctic.

A warmer Arctic creates greater pressure on the environment from increased activities, such as transports, fishing and exploration of natural resources. As I already indicated, Sweden is not in favour of stopping economic development in the north. But we need to make sure that it happens in a sustainable way. We see three basic challenges in this respect:

- Firstly, we need increased knowledge of the sensitive environment of the Arctic.
- Secondly, we need tools to protect the Arctic and to use its resources in a sustainable way. Improved environmental assessments of different activities can play an important role in safeguarding sustainability. The development of minimum requirements or standards should be considered.
- Thirdly, specially sensitive areas need to be protected from exploitation.

Over the last 20 years the Arctic Monitoring and Assessment Programme, AMAP, has provided policy-makers and others with research and analysis on the current state of the Arctic.

The most recent assessments, including in the SWIPA-report (Snow, Water, Ice and Permafrost in the Arctic), show the alarming state of climate change. The urgent message of these reports is that actions cannot wait. It is obvious that anything related to the Arctic needs a climate perspective. And that the global climate negotiations needs an Arctic perspective.

The SWIPA report also shows that a holistic approach is required - climate, chemicals, biodiversity all must be covered - to fully understand the sensitive ecosystems of the Arctic and how human activities affect them.

In view of this I would like to indicate a few areas on which the Swedish chairmanship of the Arctic Council is putting special emphasis:

- How to further improve groundbased monitoring and develop remote sensing methods.
- On the Task Force on SLCF (Short Lived Climate Forcers), established at the meeting in Tromsø in 2009. Black carbon and other short lived climate forcers are especially potent as drivers of climate change in the Arctic. Urgent action is needed. The Arctic countries have a special responsibility to minimize these emissions.
- A resilience project, as part of the Arctic Change Assessment. The project will address questions on how the Arctic is affected by current and planned activities, how negative effects can be minimized, and how resilience can be strengthened.
- As a follow-up to the AMAP Mercury Assessment, presented at the Arctic Council at Nuuk the Swedish Chairmanship will continue to support the negotiations for an ambitious international agreement to phase out the use of mercury.

As a sign of the importance we attach to environment related aspects of the Arctic the Swedish Minister for the Environment is planning to

host an informal high-level meeting for her colleagues and fellow Ministers in the Arctic countries at the beginning of 2013.

3) Briefly on how to engage indigenous peoples in a meaningful way, bearing in mind especially that young people are a growing cohort in the north.

We must refrain from a paternalistic approach when we discuss how to engage indigenous peoples. I am sure that they have a strong self interest in being involved in matters that concern their own living environment. In this respect the Arctic Council is again a very useful organisation. It provides the six Arctic indigenous organisations¹ that are members of the Council a unique platform to bring forward their views, initiate projects that are of particular interest to them and participate fully in the Council's work to shape the future of the Arctic.

Arctic Athabaskan Council (AAC), Aleut International Association (AIA), Gwich'in Council International (GGI), Inuit Circumpolar Council (ICC), Russian Arctic Indigenous Peoples of the North (RAIPON), Saami Council (SC)

However, to be able to engage does require a certain level of resources, both financial and personnel, which indigenous peoples do not always have at their disposal. And it has been noted that is sometimes an overwhelming task for indigenous organisations to follow all the aspects of the Council's work to the extent that capitals would like them to do.

This is an area where the Arctic Council could be better equipped in order to give support to the indigenous organisations. Sweden will initiate an *open dialogue* with indigenous peoples in the margins of the up-coming meeting of the Sustainable Working Group of the Arctic Council. If this format turns out to be constructive, we are ready to develop it further to deepen the dialogue with the indigenous peoples' organisations.