



**INTERNATIONAL POLAR FOUNDATION:
ARCTIC FUTURES SYMPOSIUM 2011**

**A Speech
by
the President of Iceland
Ólafur Ragnar Grímsson
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Your Excellencies
Ladies and Gentlemen

In recent years the Arctic region has indeed moved centre stage, becoming crucial to the future of the world, to developments in energy production and global transport, to the monitoring of climate change and the future well-being of those who rely on the ice and the oceans for their very survival.

One could even say that with respect to the Earth as a whole, the Arctic has become the new intellectual frontier calling for research, discoveries and active, scholarly cooperation in the same way as in previous centuries, exploration on frontiers in different parts of the world was both influenced by and led to academic endeavours.

Taken together, these developments have also included the creation of a political system which I decided in St. Petersburg a few years ago to call “the New North” – an effective, broad and elaborate framework of cooperation.

New regional organisations now provide an interlocking network of systematic consultation embracing the entire area from Russia across the Baltic and the Barents Sea through the Nordic countries, over the Atlantic Ocean and Greenland into North America.

Furthermore, the federal structures of Russia, Canada and the United States have enabled regional, provincial and state governments to seek cooperation with the smaller nation-states in the Northern regions.

The Arctic and the North can now be seen as a laboratory of new ways of solving problems. In global terms it is highly democratic, allowing citizens and scholars, students and activists, entrepreneurs and business leaders to come forward with ideas, propositions, projects and plans. Political innovation in the North has produced a framework for cooperation and dialogue that offers many opportunities for initiative and progress, no longer hindered by the boundaries of old diplomatic rules.

The Arctic is now vibrant in dialogues and discussions, choirs of different voices in a harmonious performance.

This summer and fall this was on display in Iceland and Greenland, in Alaska, Rovaniemi and Arkhangelsk. All these places served as venues for forward-looking conferences and forums, with both Arctic participation and a strong global involvement.

As we all know the future of the Arctic signifies the fate of the world: our destiny is also that of others.

It is paradoxical : new venues for economic progress and the well-being of our nations are being opened up, while at the same time we are reminded that the threat of climate change has become urgent. A failure to reach international agreements on carbon-emission reductions will expose us to the possibility of man-made disaster on a catastrophic scale.

In galvanising all nations to join forces to prevent irreversible climate change, we in the Arctic must prepare constructively for the future. While the ice will continue to melt, we must hope that humanity will come to its senses, saving planet Earth so that children not yet born will be able to rejoice in the majesty of creation.

It is an indication of how global these concerns have become that last month, scientists, experts, public leaders and officials from the Arctic countries who attended the Northern Research Forum's Open Assembly in Iceland were joined by their colleagues from the Himalayan regions: from India, China, Nepal and Pakistan, and also from other parts of the world. It was indeed an historic occasion. It was the first time that such Arctic-Himalayan dialogue had taken place, the theme being "Our Ice Dependent World". My country was honoured to be the host.

During my Presidency, I have frequently encountered the growing interest on the part of China and India in the evolution of the Arctic. A delegation from the China Polar Institute which visited Iceland this

summer stated that next year, they might send the icebreaker Snow Dragon from China across the North Pole to Iceland in order to demonstrate both the reality of climate change and the need for constructive engagement and cooperation.

In recent years the Arctic has become a major pillar in Iceland's foreign policy, a welcome transformation from the Atlantic military tension which dominated our choices in previous decades. The Icelandic Parliament, the Althingi in March unanimously passed a comprehensive resolution on our Arctic vision, stating that: "Iceland will concentrate its efforts fully on ensuring that increased economic activity in the Arctic region will contribute to sustainable utilisation of resources and observe responsible handling of the fragile ecosystem and the conservation of biota. Furthermore, to contribute to the preservation of the unique culture and way of life of indigenous people which has developed in the Arctic region."

Within this policy framework, we have constructively sought to strengthen our cooperation with neighbouring Greenland, mapping out new dimensions which have now become an everyday reality, strengthening the friendship between the people of Greenland and Iceland, two small nations whose future is so intertwined with the fate of the Arctic.

The success of the cooperation between Greenland and Iceland also carries the message that innovation and new venues are now possible in the Arctic.

Icelandair provides passenger and cargo transport to many locations on both the east and the west coasts of Greenland; an Arctic dimension as is the Icelandair-Yakutia cooperation within Russia. Our health system serves communities all over Greenland; treatment at high-tech hospitals in Reykjavík is available to people in even the most remote villages in that vast country.

An Icelandic construction company built the impressive new school in Nuuk and our engineers and technicians are participating in other projects. In September the universities in Akureyri and Nuuk jointly hosted a high-level international conference on Polar Law where many of the critical legal challenges of the Arctic were addressed.

For centuries, the people of Iceland and Greenland lived in worlds that were deeply separated from each other, even though our countries are geographically so close. Now we enjoy the benefits of multi-dimensional networks of cooperation; a model of what can be done in the Arctic with vision and determination.

The utilisation of resources – minerals, oil, gas, hydro-power – and the opening up of new sea routes will bring challenges to our countries; hopefully agreements among the Arctic states will allow these developments to harmonise with both the conservation of the environment and the economic and social progress of the indigenous communities.

The fate of the Arctic does indeed reflect the fate of the world, and our concerns must therefore be both global and regional, national and local.

Energy provides a good illustration. The profile of the Arctic in global media and in discourse among leaders in other countries is dominated by its plentiful supplies of gas and oil; reservoirs of fossil resources, representing perhaps as much as a quarter of the untapped global reservoir.

What tends to be forgotten is the pioneering of clean energy that can also be found in Arctic countries, for example in Iceland and Norway.

In my early youth, Iceland was still so dependent on fossil fuel that over 80% of our primary energy came from imported oil and coal. We were a poor nation of farmers and fishermen with life-styles and traditions that can still be found in the northern communities of Russia, Alaska, Canada and even in three Scandinavian countries.

Through systematic utilisation of our geothermal and hydro resources we have transformed our energy system and now 100% of the electricity and space heating comes from clean and sustainable resources.

Consequently, the country has become a magnet for foreign investment: aluminium smelters, data storage and other energy intensive operations for which a long term access to clean energy at stable prices provides an enormous competitive advantage.

A similar transformation from fossil fuel to clean energy can be executed all over the Arctic, bringing clean energy to communities and providing attractive opportunities for investments. The geothermal potential of many Arctic regions has perhaps been the forgotten secret of their energy future.

During my Presidency I have had the privilege of initiating discussions on geothermal possibilities in both Alaska and Russia, in Chukotka and Kamchatka, bringing with me Icelandic experts, scientists, engineers and project managers, presenting a vision where a geothermal progress could not only provide electricity to aluminium smelters and other industries, but also hot water for heating cities and villages, for

swimming pools and spas that improve quality of life and strengthen the growth of tourism.

This is not an idle dream but a realistic programme which could in the coming years be executed based on the proven track record of my country.

Similarly, the hydropower potential of the Arctic offers enormous possibilities, especially in the light of the successful operation of the ocean electric cable between Norway and the Netherlands. This is for example of great relevance for Greenland which possesses ample hydro power resources. Through a network of ocean cables from Greenland to Iceland and hence to Scotland and the European grid and also through cables from Greenland via Canada towards the American grid, Greenland could, in the near future, become one of the major new providers of clean, hydro-based electricity to the Western World, enjoying the favourable position of having a choice between Europe and America.

Clean energy and the sustainable use of natural resources could indeed become major pillars in revitalising the economy of the Arctic regions. In this respect, the management of fish stocks will also be of crucial importance.

Michel Rocard, the former Prime Minister of France and now President Sarkozy's ambassador to the Arctic, has recently pointed out that climate change will soon challenge us to negotiate how to control, in a sustainable and successful way, the open sea fisheries that the melting of the ice will make possible, that we must come together and develop a durable mechanism for sustainable Arctic fishing.

Our oceans are the home of important fish stocks that could be threatened if we fail to reach agreements on the management of these critical resources. If, however, we succeed, Arctic fishing could become a significant and profitable part of the global food production, especially since other parts of the world have failed in developing successful and sustainable fishing industries.

Powerful corporate interests from far-away countries are now knocking on Arctic doors. Consequently, our decisions and cooperation have become more crucial than ever.

The opening of the northern sea routes brings my country, strategically located in the North Atlantic, both opportunities and challenges.

For decades already, Iceland has served as an important hub in air transport, helping to connect cities in Europe and America. Similarly our

geographical position could make Iceland a convenient hub for cargo ships and other vessels which will use the northern sea routes to connect Asia with the Western World. How this will be done is a complicated challenge, but already harbour authorities in northern and eastern Iceland are examining the potential, analysing the need for infrastructure and land in order to provide container depots of the required size.

Similarly, the opening by the Icelandic National Energy Authority of bids for exploration of oil in the so called Dragon Area, off the northeast coast of Iceland in the Jan Mayen ocean we share with Norway, indicates how the resource-rich North faces us with unexpected tasks. Iceland, a country that has prided itself on its clean-energy success, with all electricity and space heating now derived from green energy resources, is cautiously taking the first steps into a potential oil-production future.

In all these endeavours, active and forward-looking cooperation in the Arctic is an essential requirement for success.

We can all bring significant experience, advice and suggestions to the table.

We have already demonstrated through the Arctic Council and various networks of Arctic cooperation that our policies must be based on science and the search for knowledge.

We are deeply aware that fate has made us guardians of some of the most sensitive, beautiful, dramatic and exotic places on earth.

We are not only people of the Arctic, but also citizens of the world: we carry a profound global responsibility.