

STATEMENT BY THE MINISTER FOR FOREIGN AFFAIRS OF SWEDEN, MR. CARL BILDT, AT THE 5TH SESSION OF THE ARCTIC COUNCIL IN SALEKHARD ON 26 OCTOBER 2006

- I am very glad to be in Salekhard – situated right on the Arctic Circle – this is an interesting and exotic place for many.

- First of all, I want to extend my thanks to the organisers of this Ministerial Meeting – we had a fantastic dinner last night and got a glimpse of the rich culture of the Yamal-Nenets Autonomous Okrug.

- The Arctic is a unique part of the world and it is important that we jointly discuss its future.

- I will highlight three areas of importance: climate change, energy and the environment.

- Climate change is one of the biggest challenges of our time. The effects of global climate change were first visible in the Arctic. Consequences of a warmer Arctic have global implications. Locally, indigenous peoples in Arctic communities might not be able to continue their traditional way of life. Species they depend upon might become extinct. It is high time that we address even more strongly, in the relevant international fora, the

causes and effects of climate change in this region. However, whatever we do to try to prevent it, climate change is to some extent already inevitable. It will happen.

- The Arctic Council has an important task in helping to identify, understand and address the need for adaptation that is required in order for the peoples of this region to continue to live and work and to thrive here.

- Prospects for large-scale commercial shipping in the Arctic Ocean are opening up with climate change. Transportation time for goods to the Far East from Europe might be shortened significantly. New trading routes will change global trading patterns. The Arctic Council should pay more attention to safety and environmental aspects of increased Arctic shipping that might be ahead of us.

- Energy – I welcome the inclusion of a discussion of different aspects of energy on the Arctic Council agenda. The importance of this region is increasing, as it is clear that its estimated exploitable fossil fuel reserves are of quite sizeable significance. My Norwegian Colleague referred to the Barents Sea as an emerging new natural gas region. The Yamal Peninsula is already of significant importance to Europe. However, this

energy supply potential comes with strong environmental challenges. The Prudhoe Bay pipeline experience earlier this year should serve as a warning.

- Sweden has launched a number of initiatives on energy and environment related technologies - some of them may be relevant to the Arctic Council energy cooperation.

- The environment – identification, assessment and elimination of critical sources of pollution in the Arctic is on our agenda – this work continues to be important. As an urgent example, I want to mention issues related to mercury.

- Sweden is among the countries most affected by acid rain. Major parts of the Arctic also have significant acidification problems. The Arctic Council's new report on this subject provides an excellent overview. We have registered some improvements but we need to do more to address this problem.

- Under the United Nations Convention on Biological Diversity, States have agreed to significantly reduce the decline of biodiversity as a target for 2010. The European Union and the Nordic countries have gone

further and agreed to do whatever they can *to halt* the decline of biodiversity by 2010. Sweden believes that biodiversity issues need better recognition by the Arctic Council.

- Some conclusions:

- The Arctic Council should continue to focus on the effects of climate change.

- The use of renewable natural resources must be sustainable and based on an eco-system approach. Exploitation of non-renewable natural resources must be undertaken with utmost care and not unless thorough analysis of the effects on the environment has been made and shows that such exploitation is advisable.

- We need a system of permanent long-term observation and monitoring of change in the Arctic. We need to know what is changing, and how it changes. Indigenous knowledge and community based monitoring should be an integral part of this system. On 1 March next year, the “International Polar Year 2007-2008” will start. The IPY is a major international scientific undertaking that will provide us with new knowledge on Arctic change.

- The Arctic has considerable resources and potential for entrepreneurship of different sorts. The Arctic is sparsely populated – but today there are new technologies to help us overcome the long distances and these challenges. We must do more to increase the opportunities for Arctic residents to start companies that will generate further employment.

- Finally, I would like to thank Russia and everyone here for good work done. We look forward to the Norwegian Chairmanship. And thank you again for bringing us to this beautiful part of the world. I look forward to see a little more of Yamal-Nenets this afternoon.

Thank you for your attention.