

**Responding to emerging challenges in the Arctic:
Discussions about the leadership role of the Arctic Council.**

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Iceland has vested interests in the High North, from the Arctic sea to the North-Atlantic Ocean, as a coastal state whose livelihood is based on the sustainable exploitation of northern resources. All decisions on issues concerning the High North can therefore directly influence the livelihood and security of Icelanders. Iceland agrees with those that want to promote and strengthen that Arctic Council as the most important forum for circumpolar cooperation and political dialog on the future development of the Arctic.

The Arctic Council has been and should continue to be the main forum for shaping policy relevant research which leads to concrete actions and agreements such as the Arctic SAR agreement, which will be presented to us later today.

As the international interest in the High North intensifies, we are obliged as member states and permanent participants to ensure that the Arctic Council maintains its leadership in shaping the future development of the Arctic.

Iceland encourages high level political discussions on circumpolar policies and action within the Arctic Council. We should ensure that the council is seen as the only relevant forum for circumpolar political consultation.

The Council is now faced with ever growing demand for research, policy, action and outreach both by northerners and outsiders alike. Iceland has therefore welcomed discussions on ways in which the Council can reinforce its organizational structure to ensure that it maintains its leadership. *This might be done by providing core budget for projects, outreach and coordination and with a permanent Arctic Council secretariat.*

The good work of Arctic Council working groups has taught us that Arctic environment and societies are interlinked with processes elsewhere e.g. via transboundary pollutants, international shipping and the flow of capital.

Iceland has therefore been open to new applications for observers status to the Arctic Council (EU, Italy, Japan, China and South Korea), as we believe that inclusiveness and engagement with relevant actors that respect and understand the special responsibilities of Arctic member states and the unique role of the Permanent Participants will be beneficial for the future development of the Arctic at large.

Thank you, Mr. Chairman