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Today, the Arctic – and Arctic cooperation – is globally more important than ever. The backbone of our work in the Arctic Cooperation and Arctic Council is **the fight against climate change, and the adoption of the 2030 Agenda for Sustainable Development**. To be successful enough we all need innovations and ideas – elements that help us to find new, common solutions.

**The effects of climate change have a severe impact to the Arctic.** Urgent measures are necessary. One of the most acute concerns in the Arctic is black carbon. Black carbon speeds up the melting of ice and snow. The good news is that the ways and means to reduce the black carbon emissions already exist. **The long-term goal of the Paris agreement** requires a significant replacement of the fossil fuels by renewables as well as enhancing energy efficiency and energy savings. We need to focus our attention to balanced global business approach and sustainable development — from infrastructure to services, from transport to tourism.

**New green and clean technology** is the key, as well as circular economy, and objectives to achieve a carbon neutral and carbon negative world as soon as possible. We face global challenges that have major impact to the Arctic region. Simultaneously, we see new economic opportunities in the Arctic that we should tap into in a sustainable way. It is important to make full use of the new technology and opportunities. The role of the companies and organizations with experience and knowhow working in arctic conditions is important.

New shipping routes and better access to exploitation of natural resources such as oil, gas, forests and minerals **draw global attention, but also challenge everybody to respect the environment**. In addition to attractive environment for new businesses, we have to pay attention the context to create better places to live for all its inhabitants in

the North, including indigenous communities. **Finland and other arctic countries have an opportunity to become pioneers in responsible mining.** That presumes utmost efforts in preventing and resolving any possible conflicts of interest between mining companies, the environment and the surrounding community.

**Finland supports continued and strong EU policy in the Arctic.** To focus the common challenges and goals of the EU, to support jobs and growth and sustainable development, it is important to try to achieve the best possible mix of big and smaller grants and other financial support. That should base on identification of feasible projects in the Arctic benefitting the whole Europe, including Norway, and regions and their people. As an example, and part of the next long-term EU budget 2021–2027, the European Commission has proposed a €43 billion investment for European transport infrastructure, energy and digitalization. Extension of the so-called Trans-European Transport Network (TEN-T) is core in the railway investments.

**Improving connectivity in the northern regions is indeed crucial** – connecting Europe and Asia also via telecommunications cable running through the Northeast Passage. For Finland (and other Nordic countries + Baltics), the Commission suggests **an extension of the North-Sea Baltic Corridor north and across the border Tornio-Haparanda to Luleå.** In Finland and Sweden, we have worked also for so called **Bothnia Corridor** to achieve the extension and of prolonging it to all northwest to Narvik. Proposal by the Commission anticipates growing importance of the Arctic policy in the EU, and support strongly the idea to have **later an Arctic railway corridor from Rovaniemi to Kirkenes.** The EU will partly finance these railway connections, which will be a part of the Trans-European Transport Network linking the Mediterranean with the Norwegian Ocean and the Arctic.

The proposal from the Commission will be handed over to the European Parliament and the EU Council for further debate and voting. Nordic Governments need to work closely with all stakeholders and EU Members States in order to achieve these goals.

**A Finnish-Norwegian working group has completed its report on the Arctic railway.** For the time being, it does not present any further measures for promoting the

railway project. However, eventually a political decision on the implementation of the project have to be made in Finland and Norway. It is necessary to assess all factors affecting the rail project (incl. the development of the annual transport volumes in relation to maintenance costs). The Arctic railway would strengthen the link between Lapland and the wider Arctic area, between Europe and Asia at the end. The planning and permit process would be long and include multiple phases in both Finland and Norway. Even at its fastest rate, the planning and construction of the railway would take at least 15 years.

If the project was to be promoted, **the participation of the indigenous people, the Sámi**, must be ensured so that no irrevocable damage is caused to their culture or livelihoods. There are several measures and procedures in international legislation, as well as in the national legislation of Finland and Norway, ensuring that the internationally recognized special status and rights of the Sámi to their homeland, language and culture are duly respected. The Sámi, reindeer herders and other parties affected by the railway project must take part in the planning process from the beginning.

Nowadays, European Arctic is a true gateway, as the High Representative and Vice-chairman of the Commission, Federica Mogherini mentioned in the High-level Arctic event in Oulu, June 2017. **Europe and Asia** together comprise already 55% of global trade, 60% of the global population, 65% of the global economy, and 75% of global tourism. By engaging Asian countries, we can make our goals and vision especially on connectivity converge. We want to deal with these issues **within the framework of a rules-based international system**. Our trade with Asian countries should be based on reciprocity, to be free and fair.

**We need strong and continuous investments in Arctic research and innovation.** Increasing human activities will lead to growing demand for the best available scientific knowledge, as well as training and field-testing of cold climate solutions. Horizon 2020/Europe and future framework programs should include Arctic research in a strengthened, concise and coherent manner. Europe can act well and in accordance

with its goals to support economic growth and creation of jobs in the Arctic and at the northern areas respecting simultaneously all commitments linked to the environment and climate change.

**Our bilateral relation** is close and based on mutual trust. We work together in the fields of foreign, security and defense policies, infrastructure, environmental issues and innovations in the health sector to name some. There **is a huge potential to increase our bilateral trade**. A recent study by the state-owned financing company Finnvera shows that Finnish export companies see Norway as the third most attractive market in the world. Some Finnish companies, as we will hear today, have made their way to Norway and are contributing to the green conversion. There are wind power projects in the arctic, and charging stations (for electric vehicles) along the Norwegian roads delivered by Finnish companies. Intelligent roads are important for the future; Finnish and Norwegian authorities have cooperated closely in the project Aurora Borealis evolving the route 21 between Kolari and Tromsø to a state-of-art arctic intelligent road.

**Visit Arctic Europe** is a partly EU-financed project (started in 2015). Companies connected to tourism in Northern Norway, Finland and Sweden work together in order to attract tourists especially from Asia and Central Europe to the “Arctic Europe”. The first phase of the project successfully brought more tourists and 38 000 MEUR extra revenues creating 400 new jobs (man-year). 125 companies participate in the project, which will focus now in the sustainable tourism and growth of tourism in the low season (which would create more year-round jobs).

Let me finish by stressing that **we have to find best possible conditions for people and companies to move freely between our countries; we should intensify our efforts in** ensuring that new national legislation and implementation of EU legislation by Nordic countries do not create new barriers to freedom of movement in the Region.

Thank you.