

CHECK AGAINST DELIVERY

“New local and geopolitical dynamics in the Arctic”

Excellences, ladies and gentlemen,

On behalf of HRVP Borrell - thank you for the invitation to address this year's Arctic Futures Symposium. He sends his sincere regrets for not being here with you today. He thanks the organising committee for its hard work to ensure that the Symposium takes place annually in Brussels.

There is no doubt that we are facing **new, complex local and geopolitical dynamics** after the unprovoked and unjustified Russian war of aggression against Ukraine launched in 2022. This has had effects across the entire world and even places that once seemed untouched by geopolitics and security concerns - such as the Arctic - have felt the repercussions.

The Arctic regions are set to undergo **major transformations** in the coming years – partly as a result of this increasingly complex global environment, but also as a result of longer term such as climate change that are already starting to impact the region. In this context, the **EU will need to continue its engagement** and, where required, further enhance its Arctic capacities.

The major transformations will touch every aspect of the Arctic – the environment, their economies, the social fabric, legal structures and many other fields. In the next decades, demographic shifts will see population increase in some areas while other areas may become uninhabited.

Arctic shipping, mining, tourism and probably agriculture are likely to become major economic sectors – with potential transformative effects for local

inhabitants and local authorities and with major repercussions on broader geopolitical dynamics.

Although the **Arctic States will continue to carry the primary responsibility** for decision-making and the development of their territories (eg in licensing and permits, infrastructure development, etc), it is also clear that a number of challenges will transcend national geographic and political boundaries. With regard to such cross-border issues, regional and multilateral cooperation is essential. **The EU can be an important partner in this context.**

Then of course, there is one of the most pressing challenges facing us all – and particularly acute in the Arctic - climate change. We know the facts and have been reminded of them again just ahead of COP28 starting on Thursday in Dubai. The global average temperature increase is forecast to reach 2,9C by the end of the century. Arctic temperatures are rising 3-4 times faster than in any other parts of the globe, causing **ice on land and at sea to melt and permafrost** on land and under the sea-bed to thaw.

Climate change is threatening the livelihoods of local inhabitants including indigenous peoples and will transform physical landscapes and lead to biodiversity loss. Local authorities, businesses and the Arctic States are **struggling to get to grips with the ecological, economic and social effects of climate change.** (For example, energy companies are monitoring the risks to pipelines, port authorities are monitoring impacts on maritime traffic and infrastructure, armed services are monitoring cracks in airstrips and other installations).

For the EU, it is essential that we **slow the effects of climate change** while supporting the sustainable development of Arctic regions to benefit their communities, not least Indigenous Peoples, and future generations. This, in turn, will also help us to deliver the targets of the EU Green Deal.

While protecting the Arctic is essential in achieving our climate objectives – it is also a matter of “geopolitical necessity” (*as per EU’s Arctic Policy*).

There is great interest in **Arctic resources**, which are likely to become more accessible as climate change advances. This includes fish, fossil fuels and critical raw materials, as well as potential for renewable energy and other infrastructure (data centers, radars, cables). Together with growing interest in **Arctic sea-lanes**, it is clear that the world is gearing up to engage more comprehensively and actively in the Arctic.

As demand for critical raw materials increases, alongside issues with security of supply will likely increase the **geo-strategic importance of the Arctic**.

Access to sufficient resources is key for the EU’s **economic security** – and indeed - access to a secure and sustainable supply of critical raw materials is also a shared challenge for the global community;

This is also the idea behind the inaugural event of the **Critical Raw Materials Club** this Saturday (2 December) in Dubai in the margins of COP 28 – which promotes inclusive international cooperation amongst a diversity of countries from different regions at different levels of development, resource needs and availabilities, and trade profiles, and aims to achieve mutually beneficial outcomes, including sustainable industrialization and value creation in resource-rich nations.

Geopolitically, the Arctic is also becoming an important region for **competing security interests**.

Russia has reinforced its military assets across its Arctic regions and Russian military exercises have become frequent. The Arctic States and NATO have responded by increasing their surveillance and by conducting large exercises.

Despite the changed circumstances following Russia's war of aggression against Ukraine, the **EU continues to believe that a safe, sustainable prosperous and peaceful Arctic** is important not just for the Arctic itself, but also for the European Union and the world.

The EU will contribute to tackling these challenges in a robust, sustainable and inclusive manner, by working with like-minded States, local authorities, indigenous peoples, civil society, business, researchers, and think tanks.

The **Arctic region is fast-changing** – from a region that was previously seen as largely disconnected from geo-politics and security concerns to one that is clearly now much more at the centre of geostrategic discussions. We cannot ignore the **local and global importance of the coming transformations across the Arctic regions.**

I wish all participants at this year's Arctic Futures Symposium a fruitful conference.

Thank you for your attention.