

Natural Resource Policies in the Nordic and Baltic Countries – Directions for the Future

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Mr Chairperson, Distinguished Participants, Ladies and Gentlemen,
It is a great honour for both our country and the Finnish Forest Sector to host this forum. I am delighted to see so many people from the Nordic and Baltic Countries and from different organisations here today. On behalf of the Finnish Government, I wish you all most welcome.

The Nordic and Baltic States possess remarkable natural and human resources and economic opportunities. The Baltic Sea region boasts stable democracies, institutional structures favourable to business, proximity of markets, good infrastructure, high education level, strong industrial traditions, and a shared history of co-operation and trade. Especially the high levels of education, know-how and technology constitute competitive advantages on the global market, and they will be increasingly significant in the future.

Compared to the rest of the world, the special challenges in the Baltic Sea region include long distances, sparse population and cold climate. These partly explain the quite high levels of energy consumption and carbon dioxide emissions per capita. It is true that the European model of wealth is based on relatively high levels of resource and energy consumption. But if we compare the situation in different parts of the world, I certainly believe that in the Nordic and Baltic States we have succeeded quite well in responding to many environmental challenges.

At the same time, the Nordic and Baltic States are also expected to solve global problems and act as forerunners. Over the past 50 years, man has changed ecosystems more rapidly and extensively than ever before. The growing use of natural resources has led to substantial gains in human well-being and economic development, but these gains have been achieved at a growing cost in the form of degradation of many ecosystems, and climate change.



It is estimated that around year 2050 there will be about 9 billion people living on our planet. The lives of these 9 billion people will depend on the access to shelter against cold, heat and extreme weather events. We need to answer the question on how we can organise the production and transport of goods for people's daily needs. The essential question is how we will cope with the increasing consumption of resources. As one example, I would like to mention the growing demand for energy. It is estimated that by 2030, the demand for energy will grow by more than half from today. How do we respond to these challenges?

Saving of the resources and more efficient and sustainable use of raw materials, as well as combating the threats of climate change will be the key issues in determining the future of the mankind. A real challenge is to reduce the negative environmental impacts of resource use without compromising the economic growth. It is evident that we have to replace more of the use of non-renewable resources by renewable resources. The efficiency of using resources needs to be improved as well – thus we need “to get more from less”. I strongly urge us all to turn this necessity into virtue and competitive advantage. The Nordic and Baltic States should continue to be active pioneers, both in increasing eco-efficiency and in shifting the focus from non-renewable resources to renewable resources.

I want to emphasise that the national governments must fully acknowledge their responsibility and define their policies so that the use of natural resources and economic growth rest on a sustainable basis. On part of our Government I can tell that we are in the process of drawing up a long-term climate and energy strategy. The strategy will define the principal objectives and means of Finland's climate and energy policy for the next ten years in the context of the European Union. It will also suggest measures to facilitate the adaptation to the changes to come.

Ladies and Gentlemen, next I would like to touch upon the issue of Growing need for information on natural resources.

I am very delighted to see so many representatives from different sectors here: forestry, agriculture, environment, energy, industry, biotechnology, education and research. Common to the sectors representing primary production is the aim to advance and facilitate the sustainable use of renewable resources, and especially to replace non-renewable resources by renewable ones. Every policy domain tends to develop its own approach to using and managing natural resource. The expertise and research concerning the natural resources is often split to narrow sectors, and the actors in different sectors do not necessarily know much of each other. At the national level we are well aware that more dialogue between sectors is needed. Therefore, one aim of this forum is to increase the cross-sectoral dialogue.

The promotion of renewable resources should be a common mission to the sectors represented here. It is most important to put more weight on the renewable sources in natural resource strategies. The distinction between renewable and non-renewable resources should be even more prominent and clear-cut.



I believe we should perceive the pressure to replace the use of non-renewable resources by renewable ones as a great opportunity. I wish also to stress that sustainable management of resources and economic growth are not necessarily competing or conflicting goals. Increasing the efficiency of resource use in sectors with high material and energy costs is often a win-win opportunity, which also contributes to better competitiveness and employment. Hence, sustainable use of resources is a key ingredient of long-term prosperity.

Sustainable use of natural resources is an excellent example of an area where the Nordic and Baltic States have true potential to spearhead the development. On the European scale, major investments in environmental protection have already helped to create around two million jobs within the European eco-industry. This eco-industry, which accounts for about one-third of the global market, is already highly competitive, especially in the efficient use of fossil fuel energy and technologies for the use of renewable energy.

To make it possible for the society and markets to efficiently steer the use of natural resources, relevant and up-to-date information is needed to support the decision-making processes. Adjusting the use of natural resources to a sustainable level calls for more research and scientifically and politically relevant data. We need a solid scientific basis to be able to justify the need to change the production and consumption patterns. The Nordic and Baltic States are well known for reliable statistics and information sources. However, from time to time we should still ask whether we have a sufficient and comprehensive view of the use of natural resources in the Baltic Sea Region. What are the main features and pressures for change in the use of natural resources? What is the current state of natural resource-related know-how and expertise in our countries and how could this be developed? Do the consumers have enough information concerning the consumption of natural resources on which to base their purchase decisions - for example, the impacts of the entire manufacturing process of a certain product?

When trying to answer these questions we find that, at least in Finland, there is still a lot to be done to improve the situation. The demand for dialogue between the decision-makers and other stakeholders in different natural resource sectors is evident. The same has been observed at the international level, and for example within the United Nations, setting up an International Panel on Natural Resources is being considered. The task of the panel would be to compile and analyse information on the sustainable use of natural resources and convert scientific observations into practical advice to governments and international organisations. Another aim would be to promote know-how and international exchange of information on material flows and use of natural resources.

The environment ministers of the EU talked about eco-efficiency on a couple of occasions during the Finnish Presidency in the EU in autumn 2006, and the ministers expressed their support to setting up the UN Panel on Natural Resources. Finland supports the panel for three reasons: Firstly, the fundamental cause of climate change and depletion of biological diversity is unsustainable use of natural resources; secondly, the ecological footprint of industrial countries is much too large; and thirdly, the opportunities and benefits of using natural resources are not distributed evenly.



Distinguished Delegates,

In Finland the forest industry, which is based on our most significant natural resource - forests - still has a central role in the Finnish economy and society. From the Finnish perspective, wood is obviously one of the most interesting renewable natural materials. Wood and forests were crucial in converting Finland from a poor agrarian society into one of the top industrial nations of the modern world. First this was done at the expense of the sustainability of forests, and 100 years ago Finnish forests were heavily exploited. Then we realised that we also have to take care of our forest capital. Thanks to the determined and long-term forest policy, our forest resources have been growing steadily, even if round wood consumption by forest industries has increased.

The forest sector has also invested serious efforts and research in developing eco-efficient ways of utilising forest resources. In Finland we have learned to consider the eco-efficient use of natural resources of primary importance, and we have also taken this up in various international contexts. We wish to make a strong, positive contribution to the European and international dialogue on the sustainable use of renewable natural resources - like here today. I would also like to express my gratitude for the funding from the Nordic Council of Ministers to organise this forum as one of the events of the Finnish Presidency in the Council 2007.

Ladies and Gentlemen,

As a conclusion, considering the serious challenges, but also opportunities ahead, I hope that I have been able to give you some ideas for further discussion and elaboration. The gathering here today is a clear sign that cooperation and exchange of knowledge is important to us all. The reasons why the Nordic and Baltic States should cooperate with each other in these issues are obvious, since these countries think very much alike. Let's remain open-minded and use this day to learn from each others' experiences and share our visions. My firm belief is that this forum will be an important step forward in the dialogue concerning the future perspectives in the use and management of renewable natural resources. I wish you a pleasant and fruitful day!