



United States Senate Committee on

Energy & Natural Resources



Senator Lisa Murkowski, Alaska, *Chairman*

**Opening Statement
Senator Lisa Murkowski
Energy and Natural Resources Committee
Arctic Opportunities
March 5, 2015**

Good morning.

We will convene this morning's hearing on the Arctic. It is I think appropriate that the first ever full Arctic hearing scheduled in a full Senate committee is held on a day that has Washington gripped with anxiety in anticipation of weather. If there's one thing that the Arctic knows, it's weather. The people of the Arctic – their lives depend on knowing what will happen with the weather – being able to predict whether it's safe to go out on the ice; anticipating winter, anticipating the seasons, there is an awareness I think of the people of the Arctic about the land and their surroundings that perhaps we don't see in most places in the United States anymore because the people of the North depend on their land. And I have been asked why it should be the energy committee that would have a full committee meeting on the Arctic but I've pointed out that so much of America's Arctic land within Alaska's sizeable borders is federal land.

That's where the nexus is with this committee. That's why I wanted to invite the committee to take a look at what I am describing the Arctic Opportunity that is before America and it's really before the world today. It's economic opportunity. It's scientific opportunity. It's environmental opportunity, national security opportunities; and really opportunities for the nation as a whole, from quite literally a top-of-the-world point of view.

I had an opportunity yesterday evening to give a speech on the Senate floor and I had a map of the Arctic and the eight Arctic nations and it was commented on by somebody that said, "I didn't recognize it. I didn't know what that was a map of." And when you look at planet earth from above, truly from the top of the world, it is a remarkable area, remarkable in its typography, remarkable in the extent of our

oceans, but also more remarkable because of what we're seeing take place in the Arctic today; A level of movement, a level of commerce, a level of engagement that is absolutely unprecedented. And it's this aspect of the Arctic opportunity that gets me excited about what it is that we have to offer as an Arctic nation.

I want to acknowledge a few people that have joined us today that have discovered that this is probably the only hearing going on in the Senate this morning. It may be that some of you are just lost. It may be that others of you are here with great purpose as we are. But we have the ambassador to Iceland, Ambassador Barber who has joined us, welcome. It's the first time that I have seen him since we confirmed him and we're pleased that he is here.

We also have Iceland's ambassador to the U.S. who has joined us in the group here this morning. We have many Alaskans that have also traveled quite far to be with us I think to give support to not only those who will be testifying today but in a series of other meetings that will be going on throughout the hill today.

PENWR, the Pacific Northwest Economic Region, is having a North American Arctic Leadership forum this afternoon in the Russell office building, room 485 beginning at 12:45. I'd like to invite folks to attend that if they would so desire. There are those meetings going on and again we've had a good deal of focus on the Arctic here in the Senate as well.

Now I mentioned that we are an Arctic nation because of Alaska, but truly every state in this Union has a stake in the Arctic. Whether it is from trade with the other Arctic nations or research activity, the Arctic touches all 50 states and really needs to be a national priority.

When I was on the floor yesterday, it was Sen. Gardner who was sitting in the chair and I reminded him that in his state of Colorado, the percent of total exports from Colorado to the Arctic nations is 30 percent of Colorado's export. 30.5 percent of Colorado's exports go to Arctic nations. That's from Colorado.

My friend and partner here on the energy committee was also on the floor yesterday and I reminded him that in Wyoming again the numbers are pretty impressive. Wyoming's total arctic exports are 28 percent of Wyoming's exports.

I guess I should lookup Washington while I'm sitting here thumbing through. Washington, we need to up our game in Washington, 14 percent of Washington's total exports go to the Arctic. Maine is, and I think my colleague from Maine

knows this because I think it's one of the reasons that he has become so engaged in Arctic issues, but in Maine it's 52 percent of Maine's total exports go to the eight Arctic nations. So it was not surprising to me that Maine should have a very substantial contingent at the Arctic Circle meeting in Reykjavik back in October so that was good to see.

Minnesota, you need to know Sen. Franken, is just about 30 percent for you as well, 29.9 percent.

We're going to work on our friends and neighbors to the South. In Hawaii, it's a little less than 4 percent. But I think what happens with Alaska and Hawaii is we export a lot of our Alaskans in this time of year to you for tourism. So I think you appreciate very well the full benefit coming out of the Arctic.

I mentioned my colleague from Colorado already sitting at 30 percent so welcome him to the committee as well.

But my point in putting these numbers out here is because I think many of us don't even think about the significance of the Arctic from a trade perspective and what that might mean to us.

On April 25, 2015, so just a couple months away, the United States will assume the chair of the Arctic Council at the Ministerial Meeting in Iqaluit in the Nunavut Territory. I had the opportunity to attend the past two Ministerial Meetings. One was with Secretary Clinton when we traveled to Nuuk, Greenland, and then again with Secretary Kerry when we were in Kiruna, Sweden. It was been impressive to in both of those Ministerial Meetings to see the growth in interest in the Arctic by the non-Arctic nations. At the last meeting, we had six additional non-Arctic nations that were added as observers to the Arctic Council, bringing the number of observer nations to 12, and overall observers to 32.

That is happening is this is not just Arctic nations that are focusing on the Arctic. It is nations from around the world. It is not to be missed.

Singapore has had a presence at the Arctic Circle meetings, at the Arctic Council meetings. It is not to be overlooked that the contingent from Great Britain, when we were in Reykjavik at the Arctic Circle meeting, was larger than the delegation from the United States. Great Britain is hardly an Arctic nation. So it causes you to question what is it that they see that perhaps we're missing here in the rest of the lower 48.

The Arctic is notable within the international community from an economic perspective as our shipping lanes are opening up, additional areas become accessible for resource development, and clearly we see tourism on the rise.

Our neighbors, Russia to the West and Canada to the East, continue with their very determined national plans, combined with state investment, to develop Arctic resources and advance commerce in the North.

Their plans are working to create jobs and economic growth in areas that I think we would acknowledge face some extraordinary challenges. Even non-Arctic nations are embracing the opportunities are coming with diminished polar sea ice. They're reaping the transit benefits. They're moving ahead with resource exploration and development activities. We can debate here in the congress the pros and cons of offshore development in the Arctic. I am one who believes very strongly that we can access our resources but even if you suggest that we take that off the table the reality is these activities in the Arctic will continue with or without the United States' involvement. The maritime activity is only going to see an increase.

What we're seeing happen on the Russian side of the Arctic is going to just accelerate. We're seeing it in Canada. It is everywhere. It is within the entire Arctic except perhaps in the U.S. Arctic.

During our chairmanship of the Arctic Council, I am hopeful that the United States will embrace the work of the Arctic Economic Council, recognize its formal connection with the Arctic Council, and support its work in order to help those who live in the Arctic to develop their economies and improve their qualities of life.

I think today is a somewhat fitting reminder as we're out in the snow and talking about weather and element. Unfortunately I think so many people associate the Arctic with just weather. That's all they think about. And so I think it's important that we remind them of the people of the Arctic, the people that have been there for thousands of years, the four million people that live in the Arctic. So as we have these discussions about the challenges that face us, the challenges of climate change and environment, the challenges of moving from a time when it was truly a subsistence lifestyle to one where commerce is opening up, activities are opening up, and we do lack the infrastructure necessary to be a major participant. We cannot forget about the people of the North. And so I am pleased today that we will

have those that will address those issues as we work together to discuss the Arctic opportunity in front of us.

###