

*Ministers, Excellencies, Ladies and Gentlemen,*

Thank you for inviting me. It's a real pleasure to feel the Arctic, its sights and sounds...

We are celebrating 20<sup>th</sup> anniversary of the Arctic Council this year. Your cooperation is truly inspirational. It shows us the importance of regional networking coupled with responsibility. And that's the reason the EU wants to be an observer...

...because the Arctic has growing strategic relevance for the EU. The Union has a significant role to play in helping the Arctic cope with its major challenges. The EU is also a major destination of resources and goods with many of its policies and regulations having implications for the Arctic...

So sustainable development in the Arctic might look like your goal only but it undoubtedly is our common global responsibility. Nowhere else is climate change more visible than in the Arctic. It is a vital and vulnerable component of our planet's environmental and climate system...

I believe that through the international cooperation and sharing best practices we will be able to find a proper balance between economic development and protection of genuine environment...

Hence, let me praise the agreement on climate change from Paris. It means a historical change and it marks an unprecedented political recognition of the risks the climate change poses...

We all share a challenge of sustainable economic development, industrial expansion and creation of new jobs. All without compromising the fight against climate change and environmental degradation. But the reality is that our industrial systems are not sustainable. Water scarcity, air and water pollution, resource depletion and irreversible biodiversity loss AFFECT everyone...

*Ladies and Gentlemen,*

We know the dilemma very well. Over the last 20 years Slovakia became more integrated with the global economy. Now a highly industrial country, we are the biggest car producer per capita in the world. Issues of industry and environment and their reasonable balance are thus high on the agenda. To take up this challenge correctly, the answer for us seems to be the need to be SMART...

Slovakia's EU membership has enhanced our investment in environmental infrastructure. And it has also substantially upgraded our environmental policies and institutions...

Slovakia is currently part of "*Greening the European Semester*" with the aim to make our macroeconomic policies sustainable. Economically, socially and environmentally...

We also implement “*the Seventh Environment Action Program of the EU*”. It sets out 9 major policy objectives for 2020. They include strengthening ecological resilience, boosting resource-efficient, low-carbon economic growth and addressing environment-related threats to health...

Moreover, I can proudly inform you that Slovakia goes green. By preparing our long-term low-carbon strategy. And by creating conditions for the transition to green growth, circular economy and protection of the ecosystems...

Also, a Smart Industry strategy tailored to specifics of the Slovak industry is in the making. It aims to forge a strong and modernised industrial base. And it should make Slovakia better positioned to adapt to on-going economic developments...

*Ladies and Gentlemen,*

Slovakia will hold the EU Presidency in the 2<sup>nd</sup> half of 2016. We have met recently with our Dutch and Maltese partners and agreed on the Trio program and priorities. They cover period between January 2016 and June 2017...

Now that the economy is showing signs of recovery, the Union should focus on delivering strong economic growth. At the same time it faces unprecedented challenges notably to its security as result of the migration. Responding to them requires a fundamental re-think in several areas...

In the area of jobs, growth and competitiveness we want to make full use of the potential of single market. That includes the digital sphere, but also encouraging the climate of entrepreneurship, stimulating innovations, job creation as well as green growth across the continent. The 2030 EU policy framework for climate and energy, green and circular economy as well as biodiversity will be looked into...

In the area of freedom, security and justice the topics of migration flows and international protection remain urgent. We will strive to better link migration, security and external policy...

Coming back to industry and environment as headlines of this conference. I have mentioned we should be SMART about it. 1/ Smart energy and 2/ smart industry are the concepts we intend to support both within our EU Trio Program and also during our Presidency. So here are our joint Slovak-Dutch-Maltese deliberations...

1/ On smart energy, following strategy Energy 2020, our vision concentrates around these items:

a) Achieving an energy-efficient Europe

Reinforcing efficiency in energy supply in both production and distribution should become an essential criterion. Efforts are needed to substantially increase the uptake of

high efficiency cogeneration. Also, introduction of smart grids, lowering energy demand, improving district heating and cooling and electro-mobility are a way to go...

b) Building a truly pan-European integrated energy market

It means timely and accurate implementation of the internal market legislation. For further integration of the energy market the regulatory framework needs to be consolidated. And it must be complemented by direct support of innovative approaches...

c) Empowering consumers and achieving the highest level of safety and security

Here the focus should be on introducing reliable renewable sources leading to improvement in safety and security. It includes creation of secure consumer data management and sharing platforms to improve customer experience...

d) Extending Europe's leadership in energy technology and innovations

Currently, the annual imports of oil and gas are more than 400bn euros. It is some 3.1% of EU's GDP. Such financial volume should compel the EU to adapt a strategy to develop its internal sources. It must invest at least 0.2% of these imports to EU and national R&D initiatives. This is to help replace the imports with domestic sources of energy over next 15 years...

2/ Raising industry competitiveness through implementation of principles of Smart Industry belongs to our top priorities. It is set to be on agenda of the informal COMPET Council during our Presidency. A number of EU-level events and initiatives supported by the EU Commission, the Trio and the private sector will also debate it thoroughly...

So at the EU level, we need to design a coherent strategy for smart and clean industry. It will support investment and innovation, in particular in *Key Enabling Technologies*. These should increase productivity and reduce energy and material consumption. They are essential building blocks for high-value, smart and clean manufacturing...

*Ladies and Gentlemen,*

Finding a right balance between exploitation of new economic opportunities and protection of the environment is one of the main challenges the Arctic faces. Security is another one. We strongly hope that cooperative approach will prevail over attempts to compete and dominate. In line with EU's three-fold approach to the Arctic - knowledge, responsibility, engagement...

Slovakia wants to actively contribute. We will try so on multilateral and bilateral levels and support joint research and networking. This is crucial for crafting joint and effective responses to all-kinds of threats we face in the Arctic. So let's take this opportunity and develop joint initiatives using existing EU and EEA mechanisms.

*Thank you for your attention!*