

Executive Summary

Immediate Takeaways

Iceland's government had the ability to **come together and make policy on a grand scale** across the country; then it was able to **implement an economic development strategy (with the state as a guarantor, not financier)**. Iceland has a strategy that is proactive, realistic, and long term

Iceland is **fiscally prudent** in its decision-making—big projects (both public and private) are only pursued when financing/buyer is in place. The country is debt averse because of the huge risks for such a small population

Icelanders **maximize the use of clean/renewable energy** by prioritizing energy intensive industries, providing low cost, accessible energy through a connected grid, and planning for value added from energy development.

The importance of **access to the grid** should not be understated; Iceland unbundled generation from transmission and distribution and an open market produces power but state-owned company owns the infrastructure.

Next steps – Lessons learned for Alaska

The State of Alaska has the ability to identify a few, key areas to lead in and make a significant difference. Alaska can recognize that resources are scarce and provide a strategic, intentional approach to energy and economic development, being careful to avoid responding to an overwhelming array of inputs. Iceland has **made steady, careful progress in core areas, developed essential expertise** along the way and grown as a result (they were a developing nation not that long ago).

Long-term decision-making on infrastructure investment – rather than the short-term, least expensive option – may mean that something isn't economic immediately but will pay off in the future. **Icelanders have been willing to sacrifice in the short term for future prosperity.**

Action Items

Tour participants were excited by the national energy plan being developed in Iceland, which – through a decision-making matrix that recognizes social, economic, cultural and environmental impacts – categorizes new energy projects by “**energize**,” “don't energize,” and “need more information.”

Alaskans can build on newfound relationships with Iceland's government agencies, private companies, and university system. One way to do this is to highlight Icelandair's direct flight to Anchorage by hosting a reception when the first plane arrives. Another is to develop a pilot project that utilizes Iceland's geothermal/hydro know-how to deliver power to Alaskans.

Planning for a follow up trip is also underway, which could focus on fisheries and rural development. This could potentially tie in to a Policy Tour to Greenland in late June 2013.

A presentation on Iceland's Arctic Policy was extremely helpful in thinking about Alaska's Arctic Policy Commission. At the same time, Alaska can take a leadership role in encouraging the U.S. to ratify the Law of the Sea. A citizen referendum/initiative would bring a spotlight to the issue and draw Congressional attention.

Questions and Answers Attached