

**June 6, 2003 – Plenary Session VI**

**Mr Veli Sundbäck**

*Executive Vice President, NOKIA Corp.*

### **Baltic Solutions Demonstrating Environmental Responsibility**

Prime Minister Jäätteenmäki, Your Holiness, Eminences, Excellencies, Ladies and Gentleman, Dear Friends. It gives me great pleasure to be here today in the presence of such an esteemed audience.

I feel confident that we are all in agreement of the need to continue to search together for viable solutions for protecting the marine environment of the Baltic region.

On a personal level, I share that common Finnish trait of never wishing to be too far from the nature. I have spent most of my weekends and certainly every summer for the last 50 years in and around the sea at the Finnish Archipelago.

When we look back on the past, particularly on our childhood summers, I think we all tend to put on our rose-coloured glasses. However, in my boyhood visions, I believe I do have very clear recollections of a cleaner and more transparent sea and shoreline.

This puts me into that group of Finnish people who have followed nature's downward course over the last number of years and personally witnessed some of the worrying negative developments that we are here to discuss today.

Algae, which thrives on the excessive nutrients being released into the sea by humans, is a major threat, notably the poisonous blue-green algae. Marine traffic has also been growing steadily, including increased tanker traffic to new oil ports in the Baltic area. We even see a growing number of leisure powerboats and recreational vehicles such as jet skis, all raising the consumption of fossil fuel and the level of noise pollution.

Of course, these are complex issues, many of which have been discussed at length in your seminar and which are already being addressed in one way or another.

Certainly we are not here to censure legitimate marine businesses. Similarly, recreational activities on the sea and around the shores should not be discouraged, as they help people to value the sea and recognise the need to protect its resources.

There are a great many Nokia sites around the Baltic and many of our employees have become personally aware of the negative effects of growing amounts of land and water pollution in the sea surrounds.

They are concerned and want to see their company take a role in working towards new and viable ways to protect this valuable yet vulnerable marine environment.

This brings me to the question of what technology has to offer and what technology companies like Nokia can and, in many cases, are already doing.

In general, mobile communications technology can be seen as a champion for the environment, in that it offers us a chance to decrease our overall raw materials and energy use.

An obvious example in business is the use of mobile technology to improve efficiency in key areas like procurement and logistics. This can lead to a significant decrease in transportation and travel, which, in turn, reduces energy-depletion and emissions.

The remote communications possibilities that mobility brings also reduces the amount that people travel. Smaller, lighter and more intelligent products mean fewer raw materials and less energy use.

In Nokia's business, the trend towards weightlessness is manifest in the shift away from building fixed line phone networks towards ever smaller and lighter base stations.

The mobile phones themselves are also getting smaller. About 20 years ago, a mobile phone weighed about 15kg, today, my mobile phone weighs less than 100 grams.

As mobile technology reaches increasing levels of sophistication, more and more services can be deployed on a single device. Some new mobile services allow us to do away with material products altogether. An easy example is voice mail. In our family, we no longer use a large clunky answering machine as my wife and my children each have their own personal answering services through their mobile phones.

In the future, we will probably buy or rent fewer CDs or videos, as we will be able to purchase the rights through electronic means. A visit to the bank might be replaced by on-line financial services and a simple postcard replaced by a multimedia message.

But with all this increased efficiency comes what we call the rebound effect. As mobile technology removes transaction barriers between economies and people, and increases the efficiency of business, value is created. This value brings increased economic and societal activity and, by definition, consumption increases as well as demand for mobile products.

Here, companies must behave in a responsible manner by taking care of the environmental impact of their products and their production processes.

As market leader and a global company Nokia takes this environmental responsibility very seriously. We understand that our products and operations have an impact on two global environmental issues in particular, climate change and the depletion of natural resources.

Our mission at Nokia is, foremostly, to drive a profitable and sustainable business. Conducting our business in an environmentally responsible way is one very important way to ensuring and enhance our long-term profitability. In fact, we are very clear in

our belief that no business can sustain the possibility of long-term success without strict adherence to sound environmental principles.

Focusing on environmental issues makes good business sense in that it improves risk management, ensures legal compliance and enhances our brand reputation. This in turn builds trust amongst consumers, our customers, suppliers and the investor community.

It also brings increased overall company efficiency, whether it be through cost savings from environmental programs or higher quality and productivity as a result of improved employee satisfaction. That is to say, when our people see clearly that they are working for a reliable and responsible company, their own contribution to the company's long-term success is enhanced considerably.

At Nokia, we base our approach to environmental issues on life-cycle thinking, covering the environmental impact of our products throughout their life from the design phase, in our procurement, assembly and logistics operations, and right through to product end-of-life practices. And we implement this life-cycle thinking through concrete action programs

Our product designers are consistently working to reduce the life-cycle energy consumption of our products while at the same time increase the recyclability and reuse of the materials used in them.

But how does this relate back to the Baltic issue and the topics at hand?

In our search for solutions to better protect our sea and use its resources sustainably, I believe ICT technology has a clear role to play. Currently in the Gulf of Finland, a comprehensive marine traffic control system is being planned that combines radar, computer and mobile technology into one effective solution.

Then, in navigation, mobile technology enables the shortest and most fuel-efficient sea routes possible, as well as serving to avert the possibility of collision. Global positioning is also very important in emergency situations at sea.

There is even now a possibility to develop marine monitoring systems that use satellite technology as a way of locating and identifying pollution at sea, such as oil spills.

Aside from the contribution that our product technology brings to creating a sustainable marine environment across the Baltic, Nokia has taken proactive steps towards more hands-on involvement.

A couple of years ago, the World Wide Fund for Nature in Finland launched *Operation Mermaid* to address the many environmental threats to the Baltic Sea. Nokia has been involved in this project since the beginning. It was a natural extension of our ongoing support for the WWF.

Through the project, WWF seeks to have an impact on the decision making of national authorities and enterprises regarding the Baltic Sea. As part of Operation Mermaid, they also cooperate with research facilities such as the Finnish Institute of Marine Research.

In addition, WWF is conducting a great deal of fieldwork on behalf of the archipelago's wildlife. Annual rehabilitation work on valuable traditional environmental areas in the archipelago, winter feeding of white-tailed eagles and seal counts are all parts of Operation Mermaid.

Through the project, we are also working to raise awareness of individual responsibility on these issues. At Nokia, we treat environmental activities as everybody's business and as part of our drive for a credible environmental performance; we have worked hard to integrate sustainability thinking into every aspect of company life.

Over the last couple of years, teams of Nokia Helping Hands volunteers have joined forces with the WWF and other local motivated people to go out and clean up the nature for a day.

In the Baltic, as we continue to work on promoting quality shipping, safe navigation, and the prevention of pollution, cooperation will be key. I would conclude by saying that the challenges ahead, while daunting in their magnitude, can be responded to efficiently.

As I have stressed, a strong spirit of cooperation amongst the public sector, civil society and the private sector, all of whom are represented here today, will be tantamount in steering the best course of action.

We will also need to develop a willingness to work together productively and efficiently. And, we will need a determination to learn from each other in an ongoing open dialogue such as the one we have today.

Futurist Alvin Toffler said a few years ago that 'the illiterate of the future will not be the person who cannot read but the person who does not know how to learn.'

There are still many unknowns, but we are all here on the learning curve together. Technology as such does not decide the course of the future, but I believe it does empower us to bring about change.

I sincerely hope that through our discussions today we can further strengthen our collective resolve to draw on the expertise that each one of us brings, as we work together in transforming the natural environment of the Baltic area into a place fit to be enjoyed by ourselves and the generations to come.