



# SECURITY POLICY BRIEF

# The Impact of Global Warming on the Geopolitics of the Arctic. A Historical Opportunity for Russia?

# Patrick Nopens

"We are proud that we are the great arctic empire!"
--- Artur Chilingarov<sup>1</sup>

Climate change will cause major physical, ecological, economic, social, and geopolitical adjustments. Arctic melting is providing new opportunities, not only to the five littoral states, but also to other major powers. However, Russia stands to gain most. Not only can it claim a major part of the Arctic, thus acquiring additional sovereign rights for the purpose of exploiting natural resources, but for the first time it will have unhindered access to the open seas and be in the position of controlling important sea routes. If exploitation of the Arctic and the use of new sea-lanes can be developed in a controlled manner, the Arctic need not become a region of confrontation. However, a long-term risk continues to exist of Arctic melting provoking a race for the North Pole area.

Even though it was the shortest route for intercontinental ballistic missiles and strategic bombers, and the main base of the soviet submarine fleet during the Cold War, until recently, the Arctic remained a geopolitical backwater. The relative lack of interest in the Arctic did not prevent conflicts of interest, but these did not lead to major tensions.

This article will firstly look into the effects of Arctic melting. It will then analyse the geopolitical consequences for Russia. Thirdly, it will focus on the legal framework regulating the sovereignty of the seabed and freedom of navigation with regard to the Arctic. Fourthly, it will look into Russia's submission to the Commission on the Limits of the Continental Shelf (CLCS). It will then identify overlapping claims and potential conflicts between the coastal states. After exploring the arctic policies of the other littoral states, it will finally look into means of preventing these potential conflicts from arising.

Climate change will cause major physical, ecological, economic, social, and geopolitical adjustment. The Arctic more specifically, is undergoing some of the most rapid and drastic climate change on earth. This is leading to a new interest in the region, not only by the Arctic states, but also by other major powers.

<sup>&</sup>lt;sup>1</sup> Artur Chilingarov, Russian Polar Explorer, Member of the Duma and Special Representative of the Russian President for the International Polar Year, ITAR TASS Press Conference, the 8th of September 2007, at the return from the flag planting expedition at the North Pole.

#### **Effects of Arctic Melting**

For the first time in modern history, wide scale access to natural resources in the Arctic, especially extraction of hydrocarbons and minerals, could become an economically viable activity.2 Furthermore, the melting of large parts of the icecap could open up ice-free sea-lanes in summertime north of Russia (Northern Sea Route, aka the Northeast Passage), and north of Canada (Northwest Passage). The question is no longer if, but when these sea routes will be opened up for shipping and natural resources in the Arctic Ocean will be exploitable. These perspectives have triggered a new geopolitical interest in this part of the world.

Arctic melting could make vast amounts of hydrocarbons technically recoverable with presentday technology. The U.S. Geological Survey estimates that the area north of the Arctic Circle contains 90 billion barrels of undiscovered oil, 1,669 trillion cubic feet of natural gas, and 44 billion barrels of gas liquids. These are concentrated in 25 geologically defined areas, amounting to 22 percent of technically recoverable hydrocarbons in the world.3 This accounts for about 13 percent of undiscovered oil, 30 percent of undiscovered natural gas, and 20 percent of undiscovered natural gas liquids in the world. About 84 percent is expected to be located offshore, mostly less than 500m deep. More than 70 percent of the mean undiscovered oil resources are concentrated in five geological areas: Arctic Alaska, the Amerasia Basin, and the East Greenland Rift Basins, East Barents Basins, and West Greenland-East Canada. More than 70 percent of the undiscovered natural gas is estimated to be located in three areas, the West Siberian Basin, the East Barents Basins, and Arctic Alaska. The USGS estimate puts more than 40 percent of gas deposits in the area Russia can lay claim on. This would enhance Russia's present position as a predominating gas provider and extend it into the future.<sup>4</sup>

The opening up of the Northwest and Northeast Passages is going to reform global commerce and reshape the geopolitics of the world. The Arctic sea routes will reduce the sailing distances by substantial margins. Using the Northeast Passage between Europe and Japan, would reduce the distance by approximately 4500 nautical miles for those ships that can use the Suez Canal. Likewise, for ships that usually would use the Panama Canal, the distance between Europe and the west coast of the U.S.A. would be reduced by 2000 nautical miles using the Northwest Passage. Large ships, that have to sail around the Cape of Good Hope and Cape Horn, would make even larger savings. If the icecap recedes still further, the possibility of direct sea routes over the North Pole could become a possibility, at least part of the year. Furthermore, the opening up of these sea routes would allow avoiding chokepoints in times of crisis, especially in the Middle East, off the Horn of Africa and in South-East Asia.

These perspectives call for the building of ice-capable ships that are able of navigating without the help of icebreakers in conditions short of frozen seas. New shipbuilding technologies allow for operation in ice-covered waters. South Korea and Finland are building ice-capable oil and gas tankers. Shipbuilders are also developing similar LNG carriers. Samsung Heavy Industries is building tankers with a normal ocean-going bow and a reinforced ice-breaking stern to sail backwards when encountering ice.<sup>5</sup>

#### Geopolitical Consequences for Russia

Against this background, Arctic melting constitutes an opportunity for Russia. It will enhance Russia's

<sup>&</sup>lt;sup>2</sup> Deposits of composite manganese nodules have already been discovered in the Kara Sea north of Siberia and so have deposits of gold, diamonds, tin, nickel, and tungsten.

<sup>&</sup>lt;sup>3</sup> News release by the USGS, 90 billion Barrels of oil and 1,670 trillion Cubic Feet of Natural Gas assessed in the Arctic, 24 July 2008

<sup>&</sup>lt;a href="http://www.usgs.gov/newsroom/article\_pf.asp?ID=1980">http://www.usgs.gov/newsroom/article\_pf.asp?ID=1980</a>

<sup>&</sup>lt;sup>4</sup>USGS fact sheet, USGS Arctic Oil and Gas Report, Estimates of Undiscovered Oil and Gas North of the Arctic Circle, July 2008, <a href="http://geology.com/usgs/arctic-oil-and-gas-report.shtml">http://geology.com/usgs/arctic-oil-and-gas-report.shtml</a>

<sup>&</sup>lt;sup>5</sup> Rob Huebert, As the ice melts, control ebbs in the Arctic, Canada is ill prepared for the challenge to our sovereignty in an ice-free Northwest Passage, in, Canadian International Council, 18 August 2008,

<sup>&</sup>lt;a href="http://www.canadianinternationalcouncil.org/aboutus/media/opeds/astheiceme">http://www.canadianinternationalcouncil.org/aboutus/media/opeds/astheiceme></a>

position as energy provider and give it free access to the world oceans.

The National Security Strategy of the Russian Federation until 20206 mentions the increasing rivalry over access to energy resources, in particular in the Middle East, on the continental shelf in the Barents Sea and other parts of the Arctic, as well as in the Caspian Sea and Central Asia (Par. 11). It does not rule out that in the future, competition for energy reserves may develop into a military confrontation (Par. 12).

Furthermore, in September 2008, the Russian National Security Council adopted a document entitled, "The fundamentals of the national policy of the Russian Federation in the Arctic region until 2020 and prospects beyond."7 It emphasises the region's importance for energy production and maritime transport. The Arctic must become Russia's main base for natural resources by 2020 and Russia has to preserve its leadership as an Arctic power. Defining the boundaries of its continental shelf by 2015 is a priority. Therefore, Russia has to develop the communication and transport infrastructure into an integrated maritime transport route connecting Europe and Asia. It further calls for "general-purpose troops stationed in the Arctic region and capable to guarantee military security in variable military and politic situations" and for the FSB (the Russian Border Guards are again part of the FSB) to set up an actively functioning coast guard in the Arctic zone (Par. 8.b). The document emphasises the need to preserve the Arctic as a zone of peace and cooperation, and underlines the role of regional bilateral and multilateral cooperation (Par. 11).

Russia is a world leader in natural gas and oil exports. Between 2002 and 2008, it was the largest gas producer and it has the largest proven gas reserves. It has the seventh largest proven oil reserves while being the second largest oil producer (after Saudi Arabia).<sup>8</sup> Russia's proven reserves combined with the estimates in the Arctic should

<sup>6</sup> The Russian version can be found on <a href="http://www.kremlin.ru/acts/4047">http://www.kremlin.ru/acts/4047</a>

guarantee Russia's place as a major energy supplier in the coming decades, especially with regard to Europe.<sup>9</sup> Tapping Russia's vast oil reserves will require huge investments, in particular in pipelines. If Russia succeeds, moreover, in modernising its economy, infrastructure and socio-political structure, it could once again become a major power.<sup>10</sup>

For the first time Russia will have free access to the world oceans. Russia has few ice-free ports that provide direct access to the oceans all year round. Murmansk and Vladivostok are the most important ones, but both are situated far from the economic centre of the country. The major ports are on the Baltic or Black Sea, whose approaches are controlled by NATO.

Russia is increasingly holding shows of strength in the area. In August 2007, it symbolically planted its flag on the sea floor under the North Pole. In March 2009, Russia announced that troops would be specially trained to defend Russian interests in the North Pole area. Artur Chilingarov, soviet Arctic explorer and confidant of Putin, explained that "The pole is ours and we must make our presence there visible. For Russia the pole area is strategic of vital importance."

### The Law of the Sea and the Arctic

Although there is no specific treaty regime for the Arctic, an extensive international legal framework can be applied to the region. The *United Nations Convention on the Law of the Sea* (UNCLOS) provides the most comprehensive framework for dealing with the problems arising from renewed interest in

<sup>&</sup>lt;sup>7</sup>The Russian version can be found on <a href="http://www.scrf.gov.ru/documents/98.html">http://www.scrf.gov.ru/documents/98.html</a>

<sup>&</sup>lt;sup>8</sup> BP Statistical Review of World Energy, June 2009.

<sup>&</sup>lt;sup>9</sup> However, great care should be taken when predicting hydrocarbon reserves in general and Russia's future position as a leader in gas and oil export in particular. The estimates are very rough due to the difficulties to survey the Arctic and because surveys have been carried out in only a small part of the whole region. Furthermore, the exploitation of shale gas in North America and the lack of investment in infrastructure have caused Russia to lose its position as most important gas producer to the U.S. in 2009. Russia will probably not be able to claim this position back before 2015 (Anatoly Medetsky, U.S. Dethroning Russia as Gas King, in, The Moscow Times, 13 January 2010).

<sup>&</sup>lt;sup>10</sup> For a detailed discussion on modernization in Russia, see Patrick Nopens, Russia as an aspiring Power Centre and the Elusiveness of Modernity, to be published in the next issue of Studia Diplomatica, Vol LXIII, Number 1.

the Arctic.<sup>11</sup> It offers an instrument to settle boundary disputes and to submit claims for additional sovereign rights for the purpose of exploiting natural resources. Furthermore, UNCLOS defines the status of seaways being in the sovereign possession of states or international waterways open to unrestricted navigation.

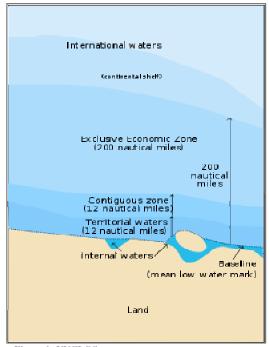


Figure 1: UNCLOS zones
© historicair, wikimedia Commons

Disputes around Arctic claims revolve mainly around the extent of the continental shelf of the coastal states. Their claims can overlap and form the basis for conflict. According to UNCLOS, <sup>12</sup>

"the continental shelf of a coastal state comprises the seabed and subsoil of the submarine areas that extend beyond its territorial sea throughout the natural prolongation of its land territory to the outer edge of the continental margin, or to a distance of 200 nautical miles from the baselines from which the breadth of the territorial sea is measured where the outer edge of the continental margin does not extend up to that distance. [...] The continental margin comprises the submerged prolongation of the land mass of the coastal State, and consists of the seabed and subsoil of the shelf, the slope and the rise. It does not include the deep ocean floor with its oceanic ridges or the subsoil thereof."

Coastal states have the possibility to submit information on the limits of the continental shelf beyond 200 nautical miles to the CLCS to gain the rights to exploit their shelf beyond the limit of their EEZ. "The limits of the shelf established by a coastal State on the basis of these recommendations shall be final and binding."

A second area of dispute results from the different interpretations of the conditions of passage of ships in some narrow Arctic waters, especially in the Northwest Passage. Canada is prepared to provide innocent passage rights. However, most sea powers insist on right of transit.<sup>14</sup>

#### Russia's Submission to the UNCLOS

On the 20th of December 2001, Russia delivered its submission on the limits of its continental shelf to the United Nations. Russia claims more than one million km² of Arctic waters (Figure 2 shows the boundaries of Russia's Economic Zone in red and its interpretation of the extension of the continental shelf shaded in red). Central to the submission is the contention that the Alpha-Mendeleev and Lomonosov Ridges are prolongations of the Eurasian landmass and thus constitute parts of the Russian continental shelf.

Canada and Denmark stated that they were not in a position to form an opinion on the Russian submission, but that this did not imply agreement or acquiescence. Furthermore, any recommendation by the Commission should be considered without prejudice to the delimitation of the continental shelf between their country and Russia. Norway consented to an examination by the Commission of

<sup>&</sup>lt;sup>11</sup> The five coastal states bordering the Arctic Ocean met in Ilulissat on 28-29 May 2008. With regard to UNCLOS, they agreed that "This framework provides a solid foundation for responsible management by the five coastal States and other users of this Ocean through national implementation and application of relevant provisions. We therefore see no need to develop a new comprehensive international legal regime to govern the Arctic Ocean. We will keep abreast of the developments in the Arctic Ocean and continue to implement appropriate measures."

<sup>&</sup>lt;sup>12</sup> UNCLOS, Art 76, Par 1 and 3.

<sup>13</sup> Ibid., Par 8.

<sup>&</sup>lt;sup>14</sup> Innocent passage obliges submarines to surface and does not allow aircraft to fly over these waters without consent of the littoral state (UNCLOS Part II, Sec 3).

Russia's submission. It drew, however, attention "to the ongoing unresolved delimitation issue with the Russian Federation with regard to the continental shelf in the Barents Sea." This has to be considered a maritime dispute and the actions of the Commission should not prejudice matters relating to the delimitation of the continental shelf between Russia and Norway. Although not party to the Convention, the U.S. concentrated on a scientific response contending that neither the Lomonosov Ridge nor the Alpha-Mendeleev ridges are the continuation of the Eurasian landmass but are freestanding formations.

After considering Russia's submission in 2002, the Commission concluded that the data submitted at that stage were insufficient for the classification of the Arctic floor sections indicated in it as a Russian continental shelf, this making it necessary to submit an additional substantiation.

Canada in the Beaufort Sea. Norway, Denmark and Iceland have conflicting claims to the continental shelf of the Southern Banana Hole between Norway, Jan Mayen Land, Iceland and the Faroe Islands.

However, the conflicting claims with the greatest potential for conflict all involve Russia. Russia and Norway have overlapping claims in the Loop Hole of the Barents Sea. This area, outside both Norway's and Russia's EEZ is about 155.000 km² and is rich in resources. <sup>15</sup> A second point of contention is the exploitation of the continental shelf of Svalbard. The Treaty concerning the Archipelago of Spitsbergen of the 9th of February 1920<sup>16</sup> attributed sovereignty to Norway but provided the Treaty partners with equal rights to the exploitation of its resources. Norway contends that the Treaty only pertains to the land and the territorial seas of Svalbard and that the EEZ and the continental shelf are not included. Russia, but also other parties to the Treaty, considers the Treaty to cover all areas linked to Svalbard.

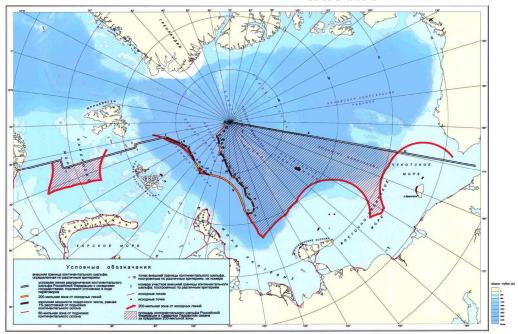


Figure 2: Russia's Submission to UNCLOS © United Nations

#### Areas of Overlap or Potential Conflict

There are several areas subject to or with a potential for dispute in the Arctic. Both Canada and Denmark claim Hans Island between Ellesmere Island and Greenland. There are unresolved delimitation issues between the United States and

<sup>&</sup>lt;sup>15</sup> Russia bases its claim on a sector line linking the furthermost western point of the Russian coastline with the North Pole, while Norway argues for a median line. The Russian approach is based on the military strategic importance of the region.

<sup>&</sup>lt;sup>16</sup> The Treaty recognizes Norwegian sovereignty over the archipelago but "nationals of all the High Contracting Parties have equal liberty of access and entry for any reason or object [...]; subject to the observance of local laws and regulations, they may carry on there without impediment all maritime, industrial, mining and commercial operations on a footing of absolute equality."

The most complicated issue is caused by Russian, Canadian and Danish claims based on the prolongation of their continental shelves. The submission delivered by Russia contains a claim for a large part of the Arctic based on the assumption that the Lomonosov and Alpha-Mendeleev Ridges are prolongations of the Eurasian landmass and as such belong to the Russian continental shelf. Although they have not yet entered a submission, Canada and Denmark, for Greenland, assume that the Lomonosov Ridge is a prolongation of respectively Ellesmere Island and Northern Greenland. The issue cannot be addressed comprehensively before 2014, by which time the three claims have to be presented to the CLCS.

Another area of potential conflict is the status of the Northwest Passage. Canada considers the Northwest Passage as internal waters, while many countries maintain it consists of international straits allowing free transit passage.<sup>17</sup>

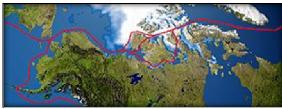


Figure 3: The Northwest Passage © NASA

## Policy of the Other Littoral States

The U.S. signed the 1982 Convention on the Law of the Sea but did not ratify it. Unless it does ratify the Convention, the U.S. cannot deliver submissions to the CLCS nor take part in the discussions on submissions by other countries. On the 9th of January 2009, the U.S. announced its "Arctic Region Policy." It underlines the need for international cooperation in the region although it is prepared to act independently. It supports ratification of the UNCLOS in order "to protect and advance U.S. interests, including with respect to the Arctic." However, strong opposition continues to exist, especially in republican circles, traditionally against international regimes, curtailing American freedom of action.

On the 27th of November 2006, Norway made a submission to the CLCS to extend its claim beyond its EEZ in the Loop Hole, the Western Nansen Basin and the Banana Hole.<sup>18</sup> In December 2006, "The Norwegian Government's High North Strategy" (Regjeringensnordområdestrategi)<sup>19</sup> was released. In March 2009 a follow-up was published, entitled "New building blocks in the North" (Nye byggesteinerinord).20 The overall goal remains creating sustainable growth and development in the High North. Norway fully supports multilateral cooperation in the region. It emphasizes that international law, and UNCLOS in particular, provides all necessary rules to solve outstanding and future issues. Norway plays down any notion of an Arctic race, economically or military. Norway seems to be, however, somewhat under pressure to finalize an agreement on competing claims, as it is expected to run out of existing hydrocarbon reserves before Russia.

So far, Denmark has only made a submission for the area north of the Faroe Islands. It intends to submit separate information on maritime areas south of the Faroe Islands as well as areas north, northeast, and south of Greenland. In May 2008, Denmark released a document entitled "Arctic in an upheaval. A draft strategy for activities in the Arctic" (Arktisi en brydningstid. Forslagtilstrategi for aktiviteteridetarktiskeområde). <sup>21</sup> In a separate paper on "Danish Strategy in the Arctic" (Dansk strategii Arktis), Denmark acknowledges the possibility of international crises in case the consequences of Arctic melting are not managed well. <sup>22</sup> It stresses cooperation and identifies preventing the outbreak of an arms race and armed conflict as essential.

<sup>&</sup>lt;sup>17</sup> E.g., in 1962, the American SS Manhattan was the first commercial ship to transit through the Northwest Passage; its voyage prompted diplomatic tensions with Canada. In 1985, the U.S. sent the Coastguard icebreaker Coastal Sea through the Northwest Passage without seeking permission from Canada. Furthermore, U.S. submarines are suspected of regularly transiting submerged through the Passage.

 $<sup>^{18}&</sup>lt;$  http://www.un.org/depts/los/clcs\_news/submissions\_files/nor06/nor\_exec\_sum.pdf>

<sup>&</sup>lt;sup>19</sup><a href="http://www.regieringen.no/upload/UD/Vedlegg/strategien.ndf">http://www.regieringen.no/upload/UD/Vedlegg/strategien.ndf</a>

<sup>&</sup>lt;sup>20</sup><a href="http://www.regjeringen.no/upload/UD/Vedlegg/Nordomr%C3%A5dene/byggesteiner\_nord090323\_2.pdf">http://www.regjeringen.no/upload/UD/Vedlegg/Nordomr%C3%A5dene/byggesteiner\_nord090323\_2.pdf</a>

<sup>&</sup>lt;sup>21</sup><http://www.um.dk/NR/rdonlyres/962AFDC2-30CE-412D-B7C7-070241C7D9D8/0/ARKTISK\_STRATEGI.pdf>

<sup>&</sup>lt;sup>22</sup> The command structure of the Danish armed forces is being adapted. In the near future Denmark is replacing its Greenland Command and Faroe Island Command by a new Arctic Command.

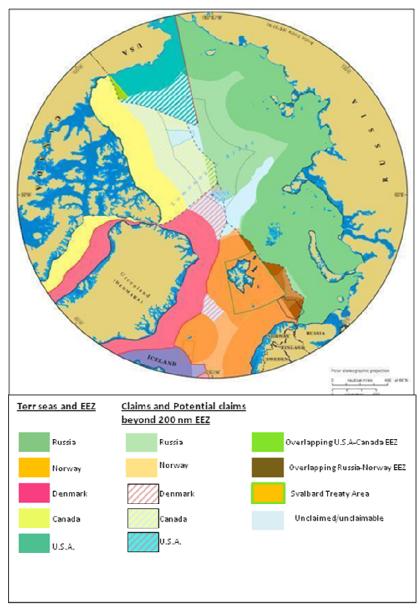


Figure 1: Submitted and Potential Claims (adapted from <a href="www.durham.ac.uk/ibru">www.durham.ac.uk/ibru</a>)

Denmark has until 2014 to enter its submission to the CLCS.

Canada published its vision on development in the North in July 2009 in a document entitled "Canada's Northern Strategy: Our North, Our Heritage, Our Future". <sup>23</sup> In it, Canada stresses that "its Government is firmly exercising sovereignty over Canada's Arctic lands and waters — sovereignty longstanding, well-established, and based on historic title, international law and the occupation of

the region by Inuit and other Aboriginal peoples for thousands of years." Canada has time until 2013 to enter its submission to the CLCS. Canada is building a new military base in Resolute Bay in the Northwest Passage to house the Canadian forces winter fighting school. It is setting up a new Arctictrained airborne battalion. It also plans to modernize dock facilities and an airstrip in Nanisivik on Baffin Island and to install underwater

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<sup>&</sup>lt;sup>23</sup> <http://www.northernstrategy.ca/cns/cns.pdf>

sensors. Finally, Canada is considering building six to eight navy patrol ships for service in the arctic.<sup>24</sup>

The EU is involved in the region through its Northern Dimension.<sup>25</sup> In order to provide the basis for more reflection, the EU Commission issued a communication to the European Parliament on the subject, entitled "The European Union and the Arctic. 26 Although the EU is a relative newcomer to the Arctic, it certainly has a legitimate role to play. It has a major stake in the Arctic: Denmark has territories in the region, and so do Norway and Iceland, who both are part of the European Economic Area. Furthermore, the EU has strategic partnerships with the U.S., Canada and the Russian Federation. Importantly, the EU member states are dependent for nearly all of their energy imports and "their oil majors have an edge in technologies for sustainable exploitation of resources in polar conditions that should be maintained." The EU has the largest merchant fleet in the world, which would benefit substantially from new maritime passages to and from Europe. The document therefore supports protecting the Arctic environment, promoting the sustainable exploitation of resources, and upholding "the further development of a cooperative Arctic governance system based on the UNCLOS which would ensure [i.a.] security and stability."<sup>27</sup> The European Commission identified three main policy objectives. These address all aspects of the Arctic agenda except defence. The first, protecting and preserving the Arctic in unison with its population, consists of environment and climate change, support for indigenous peoples and the local population, and research, monitoring and assessments. The second, promoting sustainable use of resources, addresses hydrocarbons, fisheries, transport and tourism. Finally, the third objective concerns contributing to enhanced Arctic multilateral governance. Moreover, contrary to the other institutions in the region, the EU has large funds and legislative powers, which can give it substantial influence. However, the EU does not provide a strategy for hard defence of its interests in the Arctic, ignoring any possibility of future conflict in the region and preferring to leave defence to NATO and individual states. As such, its approach is incomplete and this could undermine its influence in the future.

NATO is also involved in the Arctic, if only because four of the five littoral states are members of the Alliance. Norway explicitly states that the High North is no exception to NATO's principle that all parts of NATO territory enjoy equal levels of security. NATO, however, has to tread carefully to avoid tensions with Russia. In addition, work is under way to include an appropriate reference to the Arctic in NATO's New Strategic Concept. The "NATO Seminar on the High North" in January 2009, discussed the possibility of establishing a "North Atlantic Dialogue" within NATO to discuss a range of relevant topics such as maritime surveillance, climate issues, territorial issues, etc.<sup>28</sup>

Although not littoral states, as Arctic melting progresses, countries like China, Japan and South Korea will also take more interest in the region.

#### **Avoiding Conflict in the Arctic**

Ingredients for conflict are undoubtedly present in the Arctic. Territorial claims and access to resources are typical causes of conflict. Dwindling hydrocarbon resources makes securing access to new energy sources all the more important. In addition, states seek to control territory to prevent others from gaining access to its resources. However, all littoral states have not yet introduced their submissions so that the extent of possible overlapping claims and the subsequent recommendations by the CLCS are not clear yet.

For the time being, economic activity is developing slowly and is taking place in areas where there are no overlapping claims. Moreover, the perspectives for the energy industry are long-term. The increasing military focus on the area has not turned into a regional arms race but rather reflects a desire to assert sovereignty and signal interests. The question is what will happen when further Arctic melting, technological progress and the need to tap

<sup>&</sup>lt;sup>24</sup> Canada to build first Arctic deep water port; military base, in, Defence Talk, 13 August 2007.

<sup>&</sup>lt;a href="http://www.defencetalk.com/canada-to-build-first-arctic-deep-water-port-military-base-13020">http://www.defencetalk.com/canada-to-build-first-arctic-deep-water-port-military-base-13020</a>

<sup>25</sup> The Northern Dimension policy of the EU was elaborated in 1999 with the participation of Norway, Iceland, EU Member States and the Russian Federation. Geographically it focuses increasingly on northwest Russia, Kaliningrad, the Baltic and the Barents Seas, the Arctic and Sub-Arctic areas. The main objectives of the policy are to provide a common framework for the promotion of dialogue and concrete cooperation, strengthen stability and well-being, intensify economic cooperation, and promote economic integration, competitiveness and sustainable development in Northern Europe

<sup>&</sup>lt;a href="http://ec.europa.eu/external\_relations/north\_dim/index\_en.htm.">http://ec.europa.eu/external\_relations/north\_dim/index\_en.httm.</a>

<sup>26&</sup>lt;http://ec.europa.eu/external\_relations/arctic\_region/index\_ en.htm>

<sup>&</sup>lt;sup>27</sup> The EU is building an icebreaker, the Aurora Borealis, for general polar scientific research and deep-sea drilling.

<sup>&</sup>lt;sup>28</sup> The NATO Seminar on Security Prospects in the High North took place in Reykjavik on the 28th and 29th of January 2009 to address how emerging challenges such as global warming affect the Arctic region.

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into new resources will focus on areas where overlapping claims do exist. In the meantime, all littoral states are taking some measures to boost their military capabilities but there are no signs of militarization of the region.

On the other hand, so far at least, all involved parties seem to be prepared to rely on the dispute resolution mechanisms provided by UNCLOS. This includes the present U.S. administration that stated it wants to push ratification of UNCLOS through Congress. Furthermore, the Arctic is governed by a series of multilateral organisations. The Arctic is one of the regions where Russia is best integrated in international cooperation, with good prospects for further development.

One of the world's most innovative and successful examples of regional cooperation is the *Barents Cooperation*.<sup>29</sup> It has played an important role in building trust and mutual understanding through practical transborder cooperation.

The key forum for cooperation, the *Arctic Council*,<sup>30</sup> has seen its role evolve substantially in recent years. However, the U.S., although insisting that the work within the Arctic Council is positive, argues that the Council should sustain its current and limited mandate. The Council takes a pragmatic approach, and focuses on issues such as the environment and the development of common standards for shipping and other areas; it is based on a high degree of common understanding of the challenges and opportunities in the region, and Russia plays a constructive role. However, the Arctic Council is not mandated for security matters.

If exploitation of the Arctic and the use of new sealanes can be developed in a controlled manner, the Arctic need not become a region of confrontation. However, a long-term risk continues to exist of Arctic melting provoking a race for the North Pole area. It cannot be excluded that the struggle for raw materials and northern sea-lanes could be waged by military means. Indeed, both Russia and Denmark mention this possibility explicitly, and within the

U.S. establishment scepticism continues to exist with regard to UNCLOS, precisely because, from the viewpoint of the major maritime power, it curtails the freedom of the high seas. Therefore, firm support for a multilateral approach is essential. However, this implies careful monitoring of developments in the region and preparedness to back up legitimate sovereignty issues of member states by the EU.

Arctic melting is providing new opportunities, not only to the five littoral states, but also to other major powers. However, Russia stands to gain most. Not only can it claim a major part of the Arctic, thus acquiring additional sovereign rights for the purpose of exploiting natural resources, but for the first time it will have unhindered access to the open seas and be in the position of controlling important sea routes.

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The Security Policy Brief is a publication of Egmont, the Royal Institute for International Relations

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<sup>&</sup>lt;sup>29</sup> The Barents Cooperation was established in 1993. It includes the northern administrative units of Finland, Norway, Russia and Sweden.

<sup>&</sup>lt;sup>30</sup> The Arctic Council was established in 1996 to promote cooperation, coordination and interaction among the Arctic States, with the involvement of the Arctic indigenous communities. Member states are Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden and the U.S. Observers are China, France, Germany, Italy, the Netherlands, Poland, Spain, South Korea and the U.K.