Managing Resources and Sea Routes in the Arctic
Looking to the Future

Dr Gry Thomasen
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Introduction

Climate change and the arrival of more states to the Arctic can result in increased state competition around the resources and sea routes in the region and ultimately it can result in conflict.

Avoiding or mitigating state competition over the resources and the sea routes in the Arctic is therefore crucial for a peaceful Arctic in the future.

BASIC was awarded a MINDS Targeted Engagement Grant by the Department of National Defence (DND) Canada to undertake a study to forecast the risks of great power conflict over Arctic resources and sea routes following climate change and changes to the power dynamics in the region by for instance, the arrival of new states to the region. The report, based upon 19 semi-structured interviews, presents the views of Arctic experts, current and former civil servants who are working or have worked with Arctic issues from the A7, representatives from the indigenous peoples in the Arctic, as well as Next Gen Arctic experts.

This report presents the view of these Arctic experts and practitioners and finds that there are concerns that the Arctic may be torn apart as a result of geopolitical forces. The report summarises their estimates into a set of recommendations to assist Canada and the DND to mitigate the risks associated with resources and sea routes and to assist in setting new norms for responsible state behaviour in the Arctic.

I have applied a GBA+ framework in recruiting interviewees. BASIC have been unable to engage Russian government officials despite my invitations. This study would have benefitted greatly from Russian official assessments of the future of relations in the Arctic. I am however, conversely very happy and grateful that Russian scholars were willing to be interviewed.¹

I have conducted so-called 7 Question Futures Technique which is a methodology developed to identify critical issues that needs to be addressed in a given policy area and for highlighting areas of possible agreement and potential conflict when looking to the future.² BASIC’s 7 questions can be found in appendix 1.

The interviews were carried out as the Russian invasion of Ukraine unfolded in the Spring and Summer 2022. This has proven to provide a unique set of interviews revealing the initial assessments of how the Russian

1 This report is part of a series of three reports. ‘Prioritising People in the Arctic: Eight Policy Proposals for Reducing Risks to Human Security’ is written by Dr Chiara Cervasio and Eva-Nour Repussard, and Timothy Choi and Chris Spedding have co-authored ‘Canadian Submarine Recapitalization within the context of Climate Change’.

This report presents the view of these Arctic experts and practitioners and finds that there are concerns that the Arctic may be torn apart as a result of geopolitical forces. 

invasion may affect the future relations between the states in the Arctic and initial assessment of the impact the pause in the Arctic Council may have.  

The recommendations presented in this report sees more advantages in limited cooperation with Russia on Arctic issues than with no cooperation. The Russian invasion and conduct in Ukraine warrants punishment of Russia and the suspension of cooperation with Russia in certain areas. Yet, this report is forwarding looking. It takes as its point of departure that a prolonged period of little or no cooperation with Russia on Arctic issues will have detrimental effect upon Arctic governance and that limited and eventually increased cooperation will increase transparency around states behaviour in the Arctic and ultimately enhance the peaceful state of relations in the Arctic.

I would like to thank all interviewees for sharing their thoughts with me. I was immensely privileged to speak with so many Arctic experts and practitioners and a wealth of perspectives and assessments surfaced during the interviews. I have selected the most prominent perspectives and assessments and I hope you all can see your assessments represented in this report.

3 The invasion had an immediate effect in the Arctic when the Arctic Seven paused all the official meetings of the Council and its subsidiary bodies, whilst under the chairmanship of Russia. The seven Arctic states declared that the Russian invasion was a violation of the principles that underpins Arctic cooperation, such as sovereignty and the integrity of borders. At the moment of writing this, the A7 has resumed a limited amount of work in the Arctic Council, in projects that do not involve Russia. See US Department of State, Joint Statement on Limited Resumption of Arctic Council Cooperation, 8 June 2022. https://www.state.gov/joint-statement-on-limited-resumption-of-arctic-council-cooperation/ last accessed 3 September 2022. The Barents Euro-Arctic Forum also suspended their activities in March, along with the members of the Arctic Coast Guard Forum.
Recommendation 1:
To overcome the risk of miscalculation and signalling going wrong in and around Arctic waters, Canada and Russia should open channels of communication between them and the states that may undertake navy activity in the North West Passage and the Northern Sea Route.

Recommendation 2:
To avoid miscalculation and miscommunication in and around Arctic waters the A8 should establish an Arctic Risk Reduction Centre to manage the potential risks that may emerge. An Arctic Risk Reduction Centre should contribute to transparency and mutual understanding through timely and accurate exchanges of information.

a. States operating in and around Arctic water should commit to reporting exercises in and around the Arctic waters to the Arctic Risk Reduction Centre.

Recommendation 3:
To reduce the risk of a collapse of the agreement on fishing in the Central Arctic Ocean, the A5 should extend and expand the Agreement.

Recommendation 4:
The A8 should work to preserve and substantiate the power of UNCLOS as a central tool for governing states’ relations in the Arctic. In particular, the A8 should make UNCLOS and the importance of it for Arctic governance a key learning point of all current and future actors in Arctic.

Recommendation 5:
Security issues in the Arctic should not be discussed in the Arctic Council. The A8 should arrive at a joint decision on where to manage security issues that pertains to the Arctic.

a. To define the work in the Arctic security forum, the Arctic states need to outline what an ‘Arctic security issue’ is.

b. The establishment of an Arctic Risk Reduction Centre should be recognised as an integral part of managing risks in the Arctic, including in and around Arctic waters

c. The A5+5 model must be further developed to an A8+ model as Arctic security is a concern for all Arctic states.

Recommendation 6:
The A5 should take initiative to negotiate a code of conduct for traffic in the Arctic sea routes. This code of conduct should underscore the rules based order in the Arctic by emphasising states continued commitment to the Polar Code and other relevant legislation and rules, the centrality of international organisations, such as the International Maritime Organisation for traffic in the Arctic.

Recommendation 7:
To improve safety and security in the circumpolar Arctic, the A5 carries a special responsibility to map the Arctic waters. The A5 should commit to designate substantial means to undertake this long overdue mapping.

Recommendation 8:
The A8 should negotiate a code of conduct committing Arctic states, states and companies operating in the Arctic to principles of sustainability in their conduct. This should be a gold standard for sustainable behaviour in the Arctic that incorporates three pillars of environmental, economic and social sustainability.
The United Nations Convention on the Law of the Seas (UNCLOS) regulates states' behaviour in the seas and oceans to promote the peaceful uses and the just and efficient utilization of their resources, the conservation of their living resources, and the study, protection and preservation of the marine environment. UNCLOS regulates three areas specifically relevant to this study.

The exclusive economic zone (EEZ) is the area that does not extend more than 200 nautical miles beyond and adjacent to the coastal States’ territorial sea. In the exclusive economic zone, the coastal State has certain rights, including sovereign rights for the purpose of exploring and exploiting, conserving and managing the natural resources, both living or non-living, of the waters superjacent to the seabed and of the seabed and its subsoil.

The coastal States also have the rights to other activities in their EEZ for economic exploitation and exploration of the zone, for instance production of energy from the water, currents and winds (UNCLOS Part V).

The Freedoms of the High Seas are regulated in UNCLOS as well. Accordingly, all states have a number of freedoms in the High Seas and oceans, including the freedoms of navigation and overflight, the laying of submarine cables and pipelines, and other uses, for example those associated with the operation of ships, aircraft and submarine cables and pipelines. Importantly, all states have these rights also in the EEZs of the coastal States (UNCLOS Part V).

The Continental Shelf of a coastal State comprises of 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.

The coastal state has the exclusive rights to explore and exploit the resources in the shelf.

This means that even though the coastal State may not wish to explore or exploit the continental shelf, other states cannot explore or exploit instead. The resources that can be exploited are minerals and other non-living resources of the seabed and subsoil together with living organisms belonging to sedentary species (UNCLOS Part VI).

The delimitation of the continental shelf is still unresolved in the Arctic. The five coastal states or the A5 (Canada, Denmark via Greenland, Norway, Russia and the United States) all have a bid to define the outer limits of the so-called extended continental shelf – that is beyond the 200 nautical miles.

To resolve the delimitation, the coastal States must submit scientific information on the limits of the extended continental shelf to the Commission on the Limits of the Continental Shelf. The Commission will make recommendations to coastal States of the outer limits of their continental shelf. The limits of the shelf established by a coastal State on the basis of the recommendations from the Commission is final and binding. Currently a decision is expected from the Commission in years (UNCLOS Part VI).

The Northern Sea Route (NSR) – the Russian part of the North East Passage - is the route along the northern coast of the Eurasian landmass. It stretches from Murmansk in the Barents Sea across northern Russia before turning through the Bering Strait between north eastern Siberia and western Alaska. The NSR is in Russia’s EEZ.

The North West Passage (NWP) is mostly within Canadian internal waters. While there is no official definition, the Northwest Passage is understood to extend from Baffin Bay to the Beaufort Sea. It comprises of deep channels running through Canada’s Arctic Archipelago. The NWP is in Canadian territorial waters and in Canada’s EEZ.

Map of the Arctic region

What is a great power in the Arctic?

Several of my interviewees raised an issue with the very first question and the notion of great power. Identifying who or what is a great power in the Arctic is difficult not just because the notion itself is in contention and underscores how complex relations between actors in the Arctic are.

In general terms, my interviewees found that states outside and inside the Arctic have and will in the future have increasing capabilities in the Arctic, as will the indigenous and Northern communities.

Indeed, some of my interviewees specifically mentioned that smaller states, such as Iceland or Denmark, and Greenland are capable of almost great power capabilities in very particular sectors and situations. Others noted that certain non-Arctic states are aspiring to become a great power in the Arctic, such as China and India or Japan [interviews 1, 2, 4, 7, 11].

The indigenous peoples in the Arctic are also seen by some of my interviewees as increasingly becoming a power able to shape the political dynamics in the Arctic, depending on the context and on the circumstances [interview 2]. At the same time though, some of my respondents highlighted that there is a ‘elementary’ lack of understanding among the A8 of exactly how and what the indigenous people can contribute with [interview 3].

Finally, the role of the EU in the Arctic emerged as a dividing issue between my interviewees [interviews 1, 5, 7, 9, 19]. On one hand, some found that the EU will be a positive contributor in the future by introducing high standards for resource extraction and on the other, the EU is viewed by some as an ill-informed entity with little understanding of the Arctic and Arctic governance. For instance, the EU appears less aware of how the Arctic Council operates. It was also mentioned that the EU stance against Russia could complicate the relations between the A8 unnecessarily [interviews 1, 7].
The overarching conclusion from my interviewees in this study is, that it remains unlikely that the Arctic will become a theatre of conflict over sea routes and resources over the next 20 years [interviews 1, 2, 4, 5, 8, 11, 12, 14, 15, 16, 17].

Although convinced that the Arctic will remain in a state of low tension in this area, a few of my respondents felt the need to caution in light of the Russian invasion and underscored that predicting the future is more difficult after the invasion [interviews 1, 15, 16, 17].

Even if my respondents found that both sea routes and natural resources could cause tension between the many actors in the Arctic, the overall assessment from them is that in these areas, the Arctic region is well governed [interviews 1, 8, 17]. For instance, some respondents highlighted that most resources are within the Arctic coastal states EEZ [interviews 5, 8, 13, 14, 17] and the state sovereignty over the sea routes remains undisputed as well [interviews 5, 8, 9, 14, 17]. My respondents also expressed a general optimism surrounding UNCLOS [interviews 1, 5, 11, 13, 14, 16, 17] and the Polar Code [interviews 2, 9] in managing issues pertaining to these areas.

More specifically, some found that the connectivity of the sea routes to the rest of the world is an assurance that outstanding issues will not become critical as international shipping requires transparency, punctuality and clear rules and regulations. Thus, the argument went, any state that wants to develop its sea route (as the ice is melting), their first priority would be to prevent any developments that could upset or challenge the regulated order [interviews 1, 5, 8, 11, 12, 13].

The critical issue

So, what could become critical over the next 20 years under these circumstances? My interviewees highlighted four clusters of issues surrounding sea routes and resources that all carry the potential to challenge and contest the Arctic rules based order. The Arctic order is in this study understood to be based on the principle of sovereignty, norms, regulations, international law and states mutual willingness to adhere to this. In other words, my interviewees found that the preservation of the Arctic order over the next 20 years is a critical issue today.
Contesting UNCLOS

The first issue my respondents raised was in regards to UNCLOS. Some assessed that there could be challenges to UNCLOS and in all likelihood this would come from outside the Arctic. In this line of thinking, my respondents drew the attention to the potentially valuable resources in the extended continental shelf and assessed that this could raise the issue of the rights to exploit these resources and importantly, some of my interviewees questioned states’ willingness to accept the conclusion drawn by the Commission [interview 5]. Specifically, China and so-called ‘newcomers’ to the Arctic were singled out as more inclined to challenge the Commission’s conclusion. Respondents found that in all likelihood China will argue that the resources are found in the international sea bed area as Beijing is attempting to gain a foothold in the Arctic to serve their commercial interests [interviews 5, 9, 15]. My respondents also found that fossil fuels, such as oil and gas, are more likely to induce this challenging behaviour, yet if technology develops to extract certain critical metals and other minerals from the sea bed, these resources will equally be a source of the contestation of the order in this 20 year perspective [interviews 5, 7, 9, 13].

Spillover of conflict into the Arctic

The spillover of conflict into the Arctic was another issue that was raised by my respondents. The general sentiment that emerged during the interviews was that a spillover could emerge in connection to navigation where there are unresolved questions around navigational rights of warships. Apart from being more prevalent as climate change make sea routes more accessible, my respondents argued that heightened tensions outside the Arctic can lead to more military strategic manoeuvring around access to the Arctic waters and sea routes [interviews 2, 5, 7, 11]. In this connection, a few also highlighted that the US Freedom of Navigation Programme (FONOPS) remains a potential source of aggravation of the relations between the United States and Russia in particular, but also between Canada and the United States in this 20-year perspective [interviews 13, 15].

Lastly, a few respondents highlighted that in case commercial traffic increases significantly as a result of climate change, non-Arctic actors, such as China and the European Union, may attempt to contest Canadian and Russian claims of sovereignty over the NWP and NSR respectively. In this case, my interviewees found that it would be difficult for either to claim they have been persistent objectors to the Canadian and Russian claims of sovereignty [interviews 5, 13, 15].

China

China and the Chinese intentions, strategic interests and aims in the Arctic was the third issue that my interviewees raised in connection with my question around critical issues in the Arctic. Some interviewees considered China to be the most likely actor to test or explore the limits of the current order in the Arctic and denoted that the Chinese intentions behind this exploration extends beyond commercial interest, yet my respondents were somewhat vague when referring to what kind of strategic interests China has in the Arctic beyond the commercial interest. Some spoke about a Chinese aim to instate a ‘Chinese order’ in the Arctic without being able to specify exactly how this order looks [interviews 8, 15].

4 The purpose of the Commission on the Limits of the Continental Shelf (CLCS) is to facilitate the implementation of the United Nations Convention on the Law of the Sea. The Commission will make recommendations to coastal States on matters related to the establishment of those limits. See more https://www.un.org/depts/los/clcs_new/commission_purpose.html#:~:text=The%20purpose%20of%20the%20 Commission,nautical%20miles%20(M)%20from%20the last accessed 3 September 2022.


In this context some interviewees raise concerns about Arctic states intentionally or un-intentionally allowing China space to operate in the Arctic, both Iceland and Denmark via Greenland, were criticised for this behaviour [interview 15]. Finally, the assessment that China is a threat to the regional order was however, contested by some respondents [interviews 11, 13].

**Canada’s Arctic**

Lastly, during the interviews there were a general tendency to view the NSR as a far more contested route, because of its centrality for future shipping. Yet, some of my respondents were adamant to draw the attention to the NWP that is not without its critical issues in a 20-year perspective. It was highlighted that the NWP is far more difficult to navigate and with the increased interest from people, states and companies the lack of infrastructure and search and rescue capabilities is a critical issue that needs to be dealt with for a sustainable future [interviews 6, 7].

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*The continued melting of the sea ice and the projected pick up of traffic threatens environmental damage and degradation [interviews 10, 14, 19]. This is closely associated with social issues. On one hand, any environmental damage will have detrimental effect on local communities, and on the other, the development of the sea routes might exclude local communities from taking part in this development at a social cost [interview 10].*
Successful State Relations in the Arctic

When I asked my interviewees to identify signs of success for state relations in the Arctic their replies centred around continuous dialogue in the Arctic Council, collaboration between states and other actors to preserve a rules-based order. It also emerged during the interviews that my interviewees were divided between what can be characterised as two type of orders: A corroborative order and a pre-Ukraine status quo as a successful way to manage state relations in the Arctic.

Corroborative Order

In what I have characterised as a corroborative order, my respondents emphasised the need for more international agreements to address upcoming and future issues, the expansion of existing agreements to encompass more states, and with more environmental agreements enforcing the sustainable political and ecological order in the Arctic distinguished by green shipping and sustainable resource extraction [interviews 2, 3, 6, 7, 8, 10, 12, 16, 17]. In this vision of successful state relations in the Arctic, my respondents found that despite UNCLOS having done its part for Arctic governance there continues to be a need to further clarify the mandates the coastal states have in the Arctic to avoid conflict as a ‘new geopolitics’ will arrive following climate change in the region and the continued political development between states and peoples in the Arctic [interview 11]. In this vision, it also emerged that the indigenous populations across the circumpolar Arctic are included in the decision-making process as right holders [interviews 2, 3, 4, 10], even though these decisions ‘might not sit nicely with our interest and wishes in London and Oslo, in Copenhagen or where it might be.’ [interview 2]. To borrow from the English school, this vision is to a large extent solidarist with an increased focus on environmentalism, sustainability and inclusion of all Arctic peoples to the benefit of the rest of the planet [interview 10].

Pre-Ukraine status quo order

Other interviewees however, focused on how the pre-Ukraine order has proven itself as adequate to deal with Arctic issues between Arctic and non-Arctic actors. These interviewees found that the value of the pre-Ukraine order is undeniable as a tried and tested form of Arctic governance that afford states a certain level of comfort in dealing with issues specific to the Arctic, including indigenous issues [interviews 5, 13, 14, 15, 17]. These interviewees also expressed reservation against introducing more regulations and rules with respect to resources and sea routes, thus more control, mostly because this order worked because it rested on international law and mutual self-interests between the A8 and A5 in resolving certain issues, such as fishing rights in the Central Arctic Ocean and crucially around sea routes and the delimitation of the continental shelf [interviews 5, 13, 15]. In this vision, my respondents found that the reliance on international law, norms and states mutual self-interest has proven its ability to keep the Arctic as a low-tension area, indeed despite the Russian invasion of Ukraine the Arctic has remained a low-tension area [interviews 5, 13, 14, 15, 17]. This group of interviewees were adamant that the A8 can rely on the strength of international law, norms and states continued belief that mutual self-interests to regulate state relations in questions pertaining to rights, responsibilities and territories above and under sea level.

Russia

Regardless if my respondents were in favour of a more corroborative order or a return to the pre-Ukraine status quo, Russia's invasion of Ukraine and the subsequent pause in the Arctic Council and its subsidiary bodies, were considered the foremost obstacle for an eventual successful outcome of states’ relations in the region [interviews 1, 2, 3, 4, 5]. There was a general agreement among my interviewees that as much as A7+1
sounds forgiving, 50% of the Arctic is Russia and for that reason alone, any solution to the current stalemate cannot be devised without including Russia. This in turn means that a sign of success for state relations in the Arctic in the view of my respondents is that cooperation between the A8 is un-paused and relations between the states are resumed [interviews 1, 2, 6, 8, 13, 14].

Non-Arctic Actors

Lastly, when asked to identify signs of success for states relation in the Arctic, some of the interviewees highlighted that dialogue is crucial not only between the Arctic states, but also between the Arctic states and the Observers states to the AC. A few respondents found that inclusion of or extended dialogue with the Observer states is becoming more important as the Arctic states are requiring them to embrace the rules, norms and the order that exist in the Arctic. Some mentioned that to develop Observe states to become stakeholders of Arctic rules and norms, it requires their active participation in Arctic matters [interviews 6, 9].

If things went wrong in the Arctic

I also asked my interviewees to paint a pessimistic outcome for the Arctic over the next 20 years and my interviewees were foremost concerned about a militarisation of the Arctic, an arms race and confrontation in the Arctic, the effects of global warming, and challenges to the Arctic order.

Militarisation

Some interviews took place after Sweden and Finland applied for NATO membership in the Spring 2022 and respondents assessed that their eventual membership will, in a pessimistic scenario, increase the risk of militarisation of the Arctic by adding additional NATO territory to the region and thus the possibility of deployment of NATO personnel and weapons [interviews 2, 6, 7, 13, 15].7 One interviewee assessed that any NATO deployment in the Arctic will be met with reciprocal measures from Russia, in other words, 'there’s a real perspective for the vicious circle’ where military confrontation can result in clashes or incidents [interviews 11]. Another interviewee predicted that the 2020 decision to expand the US ice breaker fleet with

7 Something similar is argued in ‘Arctic Cooperation after Russia’s Break with the West’, Strategic Comments 28, no. 5 (28 May 2022): x–xi, https://doi.org/10.1080/1355678882022.2135280.
six additional ice breakers will allow or 'tempt' the United States to implement a full FONOPS programme in the Arctic [interviews 13].

When I probed into how the militarisation of the Arctic can show itself with regards to the sea routes and resources, a few respondents found it conceivable - in a pessimistic scenario - that there could emerge militarised or potentially militarised conflicts over civil or commercial issues, such as fishery or resource extraction [interviews 5, 11]. Yet, miscalculation or signalling going wrong is according to my respondents a risk in general terms and specifically around warships manoeuvring in Arctic waters, the NWP and the NSR. As one expert put it: 'it's easy to see, suddenly someone was not aware of an exercise going on and misunderstood the situation'. There will also be increased use of drones and autonomous vehicles in this scenario increasing the risk of miscommunication and misunderstandings [interviews 7, 11]. In connection with warships, my respondents were also quite clear that the likelihood of the navigation issues for warships will be resolved is very slim, and that this in turn requires means to reduce the risk of misunderstanding and miscalculation between the states operating in and around Arctic waters.

RISK REDUCTION MEASURE

To overcome the risk of miscalculation and signalling going wrong in and around Arctic waters, Canada and Russia should open channels of communication between them and the states that may undertake navy activity in the North West Passage and the Northern Sea Route.

To avoid miscalculation and miscommunication in and around Arctic waters the A8 should establish an Arctic Risk Reduction Centre to manage the potential risks that may emerge. An Arctic Risk Reduction Centre should contribute to transparency and mutual understanding through timely and accurate exchanges of information.

States operating in and around Arctic water should commit to reporting exercises in and around the Arctic waters to the Arctic Risk Reduction Centre.
Global Warming

Although I asked my interviewees to describe a pessimistic scenario, many found it relevant to emphasise global warming is happening, will be happening and will have a detrimental effect upon life in the Arctic [interviews 1, 2, 3, 4, 7, 8, 9, 10, 16, 17]. As one participant said:

‘Regardless of what geostrategic things are happening, and the whole world could break out into democracy, it’s not going to stop climate change for the next 100 years or more, even if we stop doing everything we’re doing. Hence, the need to do even more now’

The future is in other words bleak, and three particularly worrisome assessments were highlighted by my respondents.8

First, the overexploitation of natural resources. In this assessment the Arctic will become far more difficult to inhabit as more burning, melting and environmental degradation threatens indigenous and smaller communities’ homeland, making it increasingly difficult to be sustainable [interviews 2, 3, 6, 9, 10, 16, 17]. The risk of environmental degradation is increased by unsustainable exploitation, and as a result of increased traffic in combination with a lack of appropriate infrastructure [interviews 6, 9, 10].

Second, fish stock might move to cooler water in the Arctic Ocean with non-Arctic ‘massive’ fishing fleets following. In this assessment the respondents cautioned that the domestic states cannot control the waters and risk that the non-Arctic fishing fleets, such as Korean, Spanish or Chinese, will either pressurise for a lift of the moratorium on fishing in the Central Arctic Ocean or induce a collapse of international fisheries agreements, resulting in unsustainable fishing at great ecological costs [interviews 1, 6, 15, 17].9

Third, and crucially, some of the respondents highlighted that all of the above can be made far worse, if the Arctic is reduced to geostrategic space where Arctic and non-Arctic states are preoccupied in competition at the cost of cooperation to deal with the effects of climate change. In this assessment, my respondents found that narrowing the scope of the Arctic to a geostrategic combat zone will exacerbate the effects of climate change in the Arctic significantly [interviews 9, 15].10

RISK REDUCTION MEASURE

To reduce the risk of a collapse of the agreement on fishing in the Central Arctic Ocean, the A5 should extend and expand the Agreement

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9 It has more recently been argued that the cooperation with Russia is crucial for the Arctic states to be able to ‘counterbalance’ China in regards to the fishing in the Central Arctic Ocean. See Elizabeth Buchanan, ‘THE PUNISHMENT PARADOX: UNDERSTANDING THE UNINTENDED CONSEQUENCES OF SUSPENDING ARCTIC COOPERATION WITH RUSSIA’, The Modern War Institute at West Point (blog), 24 October 2022, https://mwi.usma.edu/the-punishment-paradox-understanding-the-unintended-consequences-of-suspending-arctic-cooperation-with-russia/?s=09.
10 A similar line of thinking is argued by IISS. In their report they argue that the cut of ties between Russian and Western scientists after the Russian invasion is ‘potentially the most consequential aspect of the Arctic freeze, with the loss of access, data and knowledge from the vast Russian Arctic likely to have damaging consequences for global climate and Arctic research’, see ‘Arctic Cooperation after Russia’s Break with the West’.
Challenges to the Arctic Order

In a pessimistic scenario over the next 20 years, my interviewees found that challenges to the rules based order in the Arctic could take the form of states attempting to destabilise the region by challenging rules and norms in general terms and perhaps more importantly, by attempting to undermine UNCLOS and other agreements that regulate and prevent states access to resources and sea routes [interviews 5, 7, 8, 15]. Other respondents found it realistic that states, specifically China would challenge both Canadian and Russian sovereignty over their respective routes and attempt to obtain the rights to send ships through whenever it wants [interview 5]. Finally, one interviewee suggested that Russia may also decide to go against UNCLOS and challenge both Denmark and Canada and their respective zones [interview 15] in this pessimistic scenario.11

In general terms my respondents highlighted that changes to the geopolitical landscape in the region could challenge the current order. For example, some of my respondents expressed concerns over a closer Russia-Chinese mineral resources collaboration - especially given the recent sanctions against Russia – that they assessed could lead to a monumental change to the geopolitics of the region [interviews 5, 6, 15]. The likelihood of such cooperation was however, refuted by others that argued that a closer relationship between Russia and China would mean that Russia is essentially acting out of interest by bringing an additional security actor into the region and allowing China to potentially complicate the relationship between the A5. Clearly, according to these respondents, none of this is in Russia's interest [interviews 13, 16].

Similarly, some of my respondents observed that a Russian-Indian cooperation carries the potential to destabilise the order in the Arctic as well. My respondents spoke about the emerging Russian-Indian cooperation around resource extraction, development of infrastructure or shipping may change the geopolitical outline of the region [interviews 5, 8, 9].12 They also alleged this cooperation carries a far more destabilising effect in the Arctic if the current pause of cooperation with Russia continues, and that the Russian impetus to accelerate cooperation with India is increased by the current sanctions imposed on Russia [interviews 5, 8, 9].13

11 One interviewee found that although Russia suddenly extended its claim into the continental shelves last year, it should not be seen as an expression of an end to the peaceful relations surrounding the continental shelf process. The new Russian claim, likely was a result of Denmark claiming up to Russia’s limit of the exclusive economic zone, and therefore not respecting the implicit limit of the North Pole that Russia had imposed to its own claims.


My interviewees also feared that the Arctic Council will suffer from institutional paralysis – that the current paused state of affairs will continue indefinitely – or at least for a very long time [interviews 2, 5, 6, 13, 14]. One respondent alleged that an Arctic Iron Curtain is a real possibility in this future [interview 14].

China

Finally, when discussing this bleak and pessimistic scenario, China kept propping up. Interestingly though, I observed that respondents have a markedly different assessment of the consequences of China’s expanded role in the Arctic [interviews 1, 11, 17]. As one scholar put it:

> From an International Relations perspective, I find it very obvious that the global super power of the future, or one of the super global powers of the future, has ... an idea, a policy for the Arctic. Like the US has, although they are an Arctic state, but the US has an idea for the South China Sea. I don’t see the problem there, that China as a dominant actor has an Arctic policy.

Another interviewee similarly said:

> I don’t see any state openly challenging the prevalence of UNCLOS. Even in the South China Sea, China doesn’t challenge the prevalence of UNCLOS, it just has its own very peculiar interpretation of what it means, but it never challenged the importance of the Law of the Sea.

China in other words is clearly dividing the respondents in this study. This reflects the debate in academia where others have highlighted that China and the narrative of China being a peer or near peer actor in the Arctic is overinflated and overlooks that China is indeed far less successful in making its presence in the region substantial. This suggest that there is an imminent need to identify or map China’s strategic interest and intentions in the region.14

What needs to change in the Arctic?

As mentioned above two concepts emerged during the interviews, namely a pre-Ukraine order and a more corroborative order, and when I asked my interviewees to delve into what needs to change for the successful state relations to come to fruition, my respondents reverted back to these two concepts.

Some of my respondents found it more important to strengthen ‘what we have’, i.e., a return to the pre-Ukraine cooperation without adding an additional layer of rules or regulations. Instead, these interviewees highlighted that priority should be given to scientific research, diplomacy, and traditional knowledge [interviews 1, 2, 3, 5, 6, 7, 8, 15]. For example, the Arctic states could learn from how the indigenous populations across the circumpolar Arctic operates and strengthen the transnational cooperation between for instance European and North American Arctic [interviews 1, 6]. Likewise, for the Arctic Council to remain relevant and legitimate, Arctic states will have to commit to supporting and buttressing the participation of the Permanent Participants [interviews 2, 3, 6]. Most importantly, however, is the eventual restart of the cooperation with Russia [interviews 1, 2, 5, 6, 9].

Another grouping of my respondents was inclined to argue for more rules and improvement of legislation. They cited climate change as a reason to pursue the new corroborative Arctic order. For example, some of

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my interviewees identified a clear necessity to improve environmental and human rights legislations because the current regime is not adequate to cope with the types of risks the Arctic are facing with climate change and increased industrial activities [interviews 9, 10, 17, 19].

Yet, the Russian invasion of Ukraine is the main reason why some of my respondents found that there is a need for a new corroborative order in the Arctic.

There was a general agreement between them that the Russian invasion of Ukraine and the very likely entry of Sweden and Finland into NATO has reraised the issue of cooperation on security issues in the Arctic. Some of my respondents found that the war highlights that ‘soft’ legal instruments and consensus-based cooperation that has characterised the Arctic is inadequate in this new reality, and there were no doubts among the vast majority of my respondents that a new security situation in the Arctic has arrived and that this requires new politics [interviews 1, 2, 3, 4, 5, 6, 8, 11, 12, 14, 15, 16, 17, 19]. These interviewees also argued that when recognising that the Russian invasion of Ukraine has changed the geopolitical situation in the Arctic it requires a far more nuanced understanding of Russian aims and strategic interests in the Arctic before the A7 can come up with more targeted responses.15

During the discussion of security politics and the changing geopolitical landscape, one of my respondents also observed that once this competition kicks in ‘everything else falls away and first and foremost the rights and interests of indigenous peoples’. This evidently happened when the A7 decided to pause the cooperation in the AC and its subsidiary bodies without directly consulting the PPs [interview 3].

Lastly, some respondents found it of importance that China should be included in security dialogue. The argument is – as mentioned above - that China is a super power in 21st century, thus it would ‘only make sense to include China in Arctic security talks if you want to keep it a peaceful area’ [interviews 1, 2]. For instance, my interviewees observed that the Chinese submarine capability may at some point in the future be operating in the Arctic and there is little or no reason not to pre-empt disruptive or aggressive Chinese behaviour in the Arctic [interviews 2, 12, 17].

HOW TO RESTART WITH RUSSIA

Recognising that it is a political decision when the cooperation with Russia will be resumed, my respondents found that the 2014 experience could be of guidance. In 2014 cooperation between civilian and military organisations for search and rescue were never suspended, despite Russia no longer participated in the Arctic Chiefs of Staff Defence Forum, and the dialogue kept going between Russia and the remaining Arctic states. This could be a part of the solution to resume exchanges and communications between operational agencies that are responsible for search and rescue and the monitoring of traffic in the Arctic [interview 5].

15 Whitney Lackenbauer’s model for threat analysis in the Arctic may serve as a guiding line. He talks about threats as threats originating in the Arctic to the Arctic; threats originating outside the Arctic and going to the Arctic; threats transitioning from outside the Arctic through the Arctic, to hit a target outside the Arctic. See P. Whitney Lackenbauer, ‘Threats Through, To, and In the Arctic: A Framework for Analysis’, Policy Brief, NAADSN (NAADSN, 23 March 2021), https://www.naadsn.ca/wp-content/uploads/2021/03/Lackenbauer_Threats-Through-To-and-In-the-Arctic.pdf.; Understanding the Putin regime’s intentions, high risk tolerance and ultimate aims has been the topic for a series of workshops with NATO’s eastern flank countries hosted by BASIC, see for example Gry Thomasen, Applying a Systematic Approach to NATO-Russia Risk Reduction: Perspectives from the North East Flank (London, United Kingdom: BASIC, 2022).
Recognising that keeping Russia isolated is not an option for long term stability in Arctic, respondents found that science diplomacy, or a ‘soft, soft, soft, soft, soft diplomacy’ can build personal ties and trust when official state ties are impossible. [interviews 2, 6, 8]

My interviewees also recognised the difficulties bestowed upon Norway as the upcoming chair of the Arctic Council. Whilst little concrete advice emerged from the interviews, there is an expectation that with the Norwegian chairmanship a solution must be found to prevent what was termed an Arctic Iron Curtain in the future [interviews 13, 14, 17].

Looking back

I asked my interviewees to look back and identify what has been significant for the development of the Arctic. The establishment of the Arctic Council is considered one of the most significant events in the history of the Arctic. The Council is seen as a vehicle for the broad Arctic cooperation which has evolved over time. The invention of the Permanent Participants, initiatives such as the Arctic climate impact assessment, the Working Groups and the Sustainable Development Working Group were some of the areas mentioned along with the other institutional systems, like the Arctic Economic Council [interviews 10, 13, 14, 16, 17, 19].

The establishment of the Inuit Circumpolar Council and other similar organisations and their abilities to form and shape agendas is another significant lesson from the past that my interviewees mentioned [interviews 2, 3, 6, 10]. As is the Greenlandic governments abilities to influence Arctic politics [interviews 2, 19].

Another significant event was the interest of non-Arctic states. China and shipping nations arrival in the Arctic was by many respondents considered a major factor for the political evolution of the Arctic [interviews 6, 7, 9, 11, 12, 16]. This corresponds well with the view that the globalisation of the markets, including the ebb and flow of resource pricing has had a significant impact on the current situation in the region [interviews 6, 7, 9, 18].

Yet, most interestingly, my interviewees found that the idea of having low tensions in the Arctic has been persuasive among the Arctic states. Many Arctic states have thought of it as in their interest – as most states do – but the idea has prevailed in a specific way in the Arctic as a common denominator and an exceptional identity of the Arctic [interviews 11, 12]. And perhaps the Arctic is exceptional. Other respondents namely found that UNCLOS has been ‘remarkably’ respected, including by the non-Arctic countries in terms of its ability to govern the Arctic.

According to some of my respondents, the respect of UNCLOS has naturally increased the role and status of UNCLOS in the region [interviews 5, 11, 12, 15]. This is also why some interviewees found that the Ilulissat Declaration has had a profound impact on the Arctic [interviews 1, 4, 5, 6, 15, 17].16 In this connection it was mentioned that for any non-Arctic actor to have a role in the Arctic, such as the EU, understanding the importance and centrality of UNCLOS for Arctic governance is a ‘key learning point’ [interview 11].

16 However, the importance of Ilulissat Declaration for the development of the Arctic is also considered less significant and without any noticeable impact by a minority. For the history of the Declaration, see Jon Rahbek-Clemmensen and Gry Thomassen, ‘Learning from the Ilulissat Initiative’ (Centre for Military Studies, 2018). JSTOR, http://www.jstor.org/stable/resrep17010; Jon Rahbek-Clemmensen and Gry Thomassen, ‘How Has Arctic Coastal State Cooperation Affected the Arctic Council?’, Marine Policy, October 2020, 104239, https://doi.org/10.1016/j.marpol.2020.104239.
That being said, the idea of Arctic exceptionalism may also, according to other interviewees, have blindsided Arctic diplomacy in the sense that states have been implementing military and strategic agendas in the Arctic despite this alleged exceptionalism [interviews 2, 5].

**POLICY RECOMMENDATION**

Preserve and substantiate the power of UNCLOS as a central tool for governing states’ relations in the Arctic. In particular make UNCLOS and the importance of it for Arctic governance a key learning point of all current and future actors in Arctic.

**How to bring change forward?**

When I asked what needs to be done to create the conditions necessary for a positive scenario for state relations in the Arctic in the future, my respondents were quite clear that finding ways to bring Russia back into the Arctic and un-pause the cooperation in the Arctic Council is a priority, while at the same time making sure that the Council fulfil its commitments in the meantime [interviews 1, 2, 5, 6, 8, 10, 13, 14, 15, 16, 17, 19].

This however emerged as a daunting task during the interviews. There were only a few suggestions, such as strongly condemning Russia’s invasion of Ukraine, but also recognising that in the Arctic states are required to cooperate on a number of issues, such as fisheries [interview 1]. Others suggested that a good place to start is to intensify track 2 collaboration, in particular in sciences [interviews 5, 12, 13, 16].

**Military and security dialogue**

To be able to discuss military and security matters in the Arctic was another ‘absolute’ requirement for creating the conditions for a positive future that my respondents highlighted. It was observed that even if the Arctic states find it unlikely that conflict will spillover into the Arctic, defining a code of conduct maintaining dialogue and build confidence is a prerequisite for the future peaceful relations the Arctic [interviews 1, 2, 5, 12].

Similarly, some of my interviewees stressed the importance and urgency of establishing this conversation and underscored the Arctic Ocean will become increasingly accessible in the 2030 and 2040s and onwards due to climate change. This means according to these interviewees that the conversation will have to begin now to develop rules of engagement and protocols of behaviours before states attempts to deploy warships above and below water in and around the Central Arctic Ocean [interviews 1, 2].

Four schools of thought emerged among the interviewees on where to deal with security policy in the Arctic:

1. Create a new forum like Arctic Security Council [interviews 1, 2, 4, 12]
2. Use some of the existing Arctic institutions, most preferably the Coast Guard Forum or the Arctic Council [interviews 2, 5, 6]
3. Solve the Arctic security issues outside the Arctic, for instance in OSCE [interview 11, 12].
4. Use the A5 + 5 solution modelled after the Agreement to Prevent Unregulated High Seas Fisheries in the Central Arctic Ocean [interviews 2, 6]

17 This line of thinking is shared by others, see for example ‘Arctic Cooperation after Russia’s Break with the West’. 
A combination of the options 1 and 4 did however appear as the most viable option with some respondents highlighting that utilising the Arctic Council for this new security policy dialogue can tarnish the ‘brand value’ of the Council, but most importantly it is unfit in the sense that the security dialogue is essentially about creating forum that encapsulate what respondents identified as the ‘global Arctic’ [interviews 1, 2, 4]. The concept global Arctic first materialised with the Central Arctic Ocean agreement and prescribe that a policy and its agreement originate in the Arctic, it anticipates an international development in the area and recruit the key international actors to adhere to the agreement or policy. This model A5+5 is heralded by most respondents for its foresight and ability to enrol non-Arctic states into the peaceful Arctic order [interviews 1, 2, 4, 5, 6, 11, 12, 15, 17].

**POLICY RECOMMENDATION**

*Security issues in the Arctic should not be discussed in the Arctic Council. The A8 should arrive at a joint decision on where to manage security issues that pertains to the Arctic.*

*To define the work in the Arctic security forum, the Arctic states need to outline what an ‘Arctic security issue’ is.*

*An Arctic Risk Reduction Centre should be recognised as an integral part of managing risks in the Arctic*

*The A5+5 model must be further developed to an A8+ model as Arctic security is a concern for all Arctic states.*

**Sea routes**

When discussing sea routes and how to bring change forward, my interviewees underscored that the A5+5 model could be a model to safeguard peaceful relations with respect to the sea routes [interviews 1, 5]. My interviewees found it desirable to find mechanisms that can mitigate possible tensions arising from traffic along Arctic sea routes. For example, respondents found that the A5 could take initiative to negotiate a framework to defuse the situation and outline how traffic is going to work along the two sea routes [interviews 5, 12].

In more general terms it emerged from the interviews that states in the Arctic should continue to look to international agencies, such as the International Maritime Organisation, to make sure that shipping is safe and secure, and the provisions of the Polar Code are followed.

**POLICY RECOMMENDATION**

*The A5 should take initiative to negotiate a code of conduct for traffic in the Arctic sea routes. The code of conduct should underscore the rules based order in the Arctic by emphasising states continued commitment to the Polar Code and other relevant legislation and rules, the centrality of international organisations, such as the International Maritime Organisation for traffic in the Arctic.*
In the same manner respondents also underscored that safety and security in the Arctic sea routes are at risk without substantial mapping, indeed the circumpolar Arctic remains under mapped and it is risking a great deal in the immediate and near future as the ice melts and traffic increases at an exponential rate [interviews 2, 6].

**POLICY RECOMMENDATION**

To improve safety and security in the circumpolar Arctic, the A5 carries a special responsibility to map the region. The A5 should commit to designate substantial means to undertake this long overdue mapping.

**Sustainability**

Lastly, respondents spoke about the acute necessity of ensuring functioning mechanisms built on principles of sustainable development that include all three pillars of environmental, economic and social sustainability when we discussed how to bring change forward. This could include, a code of conduct by Arctic state and companies and a plan for endorsement of the Arctic Investment Protocol [interviews 9, 10, 11, 18, 19]. As mentioned above, some respondents fear that the ongoing war in Ukraine and subsequent pause of Arctic cooperation with Russia may already undermine the efforts or the ability of the states to create the conditions for a sustainable future. As one respondent said it:

*No matter what happens, if peace – and I hope peace is secured at some point – this sustainability crisis will not disappear however, ... that’s why we need to keep it on our top priority list for the Arctic agenda.*

**POLICY RECOMMENDATION**

Code of conduct committing states in the Arctic and states operating in the Arctic to principles of sustainability in their conduct – a gold standard for sustainable behaviour in the Arctic that incorporates three pillars of environmental, economic and social sustainability.
1. Sustainability.
[interviews 1, 3, 6, 10, 12, 18]. The wish to create a sustainable future for the Arctic is shared by all I spoke with, but creating a sustainable future is a daunting task. The interviewees had difficulties identifying exactly what this future would look like, and agreed that identifying how this sustainable future may look like is the first step.

2. Diplomacy & cooperation
[interviews 2, 5, 6, 8, 9, 16, 17]. All my interviews highlighted that continued diplomatic efforts and cooperation between states is not only a necessity, but also something that should be further developed in the Arctic. For example, some respondents highlighted that the countries that invested in Arctic ambassadors signalled that Arctic diplomacy really matters. This was heralded by some interviewees as an investment in face-to-face, person-to-person diplomacy with highly skilled diplomats. Highly skilled diplomacy in the Arctic is a priority as cooperation in the Arctic needs to be multi-level and include all levels of cooperation: security, environment, economy and human development - “nothing should be left out from that equation” [interview 9].

3. Peace
[interviews 2, 4, 5, 11, 13]. It has been a realisation with Ukraine that war can happen in Europe. As one scholar put it when I asked what an omnipotent power would do: ‘To avoid war, so we should avoid that’. Transparency, clarity about intentions and minimise the risk of miscommunication is highlighted as first necessary components in the ensuing security dialogue that is recommended by my interviewees.

How you do to ensure a successful future in the Arctic?

Finally, I asked my respondents what they would do in the Arctic if they were omnipotent. While such a question is very open ended, three general wishes emerged:
Conclusions

This report is not an attempt to give a full and in-depth analysis of the many risks actors in the Arctic face around sea routes and resources over the next 20 years.

The report instead attempts to provide all Arctic states and states that are operating in the Arctic with an overview of some of the risks they are facing not only from their own behaviour, but also climate change. In general terms, my respondents found that there is an increased risk of conflict and that preserving the key components of the rules based order in the Arctic is a critical issue today.

This report also find that the Russian invasion of Ukraine has fundamentally altered the way we think about the Arctic. The questions surrounding sea routes and minerals are difficult to extract from the current events in Europe and there is a number of concerns raised by the interviewees. First and foremost, my respondents are concerned of the effects of the continued pause in the cooperation between the A8. A continued pause may increase the risk of misunderstandings and misconceptions between states operating in the Arctic, as well as new actors may gain or increase a foothold in the region ultimately changing the geostrategic setup. Another worrying aspect following the lack of cooperation between the A8 is the lack of the A8’s abilities to combat climate change which in turn will have grave consequences for the region.

The report has provided a set of policy recommendations based on the findings of the interviews with these foremost experts and thinkers of the Arctic. The recommendations can be implemented by the relevant states in the region and emerge as a guideline for responsible state behaviour in the region by actors inside, outside and across the circumpolar Arctic.
APPENDIX A

Sample of Interview Questions

1. Clairvoyant.
If you could spend some time with someone who knew the future of human security in the Arctic, including the Archipelago and the North-West Passage, a clairvoyant or oracle if such existed, what would you want to know?

2. An optimistic outcome (optimistic but realistic).
If things went well, being optimistic and realistic, what would be a desirable outcome for human security in the Arctic?

3. A pessimistic outcome.
If things went wrong, being pessimistic, what would you be most worried about? How could increased state competition and climate change deteriorate to further threaten human security in the Arctic?

4. The internal situation.
What needs to change (institutionally, legally, culturally for example) for the optimistic, but realistic outcome to be realised? (i.e. what needs to change for the desirable outcome to happen?)

5. Looking back on the past 10/20 years.
Looking back, what would you identify as the significant events or forces which have produced the current situation?

What decisions need to be made in the near term to create the conditions for the desired long-term outcome?

7. The Epitaph.
If you had a mandate, free of all constraints, what more would you do to ensure a successful future for human security in the Arctic?
BASIC promotes meaningful dialogue amongst governments and experts in order to build international trust, reduce nuclear risks, and advance disarmament.