



THE TRANS ARCTIC AGENDA

CHALLENGES OF
DEVELOPMENT
SECURITY
COOPERATION

SUMMARY REPORT

A high-level international seminar at Reykjavik, Iceland, 18-19 March 2013



**THE TRANS-ARCTIC AGENDA:
CHALLENGES OF DEVELOPMENT, SECURITY, COOPERATION**
A high-level international seminar at Reykjavik, Iceland, 18-19 March 2013

Co-organized by the Centre for Arctic Policy Studies (CAPS), University of Iceland, <http://caps.hi.is>;
and the Stockholm International Peace Research Institute (SIPRI), <http://www.sipri.org>¹



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Introduction

This seminar was designed to explore how current developments in the Arctic - driven *inter alia* by climate change and ice melting - may create new and complex long-range relationships among the nations circling the North Pole, and other interested state and non-state actors. Addressing generic issues rather than individual national approaches, the programme sought to highlight the stakes that all players share in the challenges and opportunities arising, and their shared responsibility to find effective, equitable and sustainable solutions. Three parallel workshops in the middle segment of the event allowed a multi-functional exploration of key topics in the emerging Arctic agenda. As the event was co-sponsored by two Nordic nations, it seemed fitting to end with a session asking what the Nordic states – the smallest nations engaged in circumpolar politics – could bring to the successful management of Arctic affairs in future.

For the University of Iceland this event marked the launch of a new Centre of Arctic Policy Studies (CAPS), which will operate within the existing Institute of International Affairs (IIA) and provide a parallel to the Institute's Centre for Small State Studies (CSSS). CAPS will focus on issues of state policy, institutional roles and other questions of Arctic governance, culture and society; it will build networks and develop projects with Icelandic and foreign partners, hold public events, and provide services as required. Its newly appointed Director, Dr Kristinn Schram, and Project Manager Margrét Cela played active roles at the conference.

For SIPRI the conference reflected a further milestone in the programme 'Arctic Future: Managing Competition and Promoting Cooperation', which aims to produce knowledge beneficial to the continued peaceful and cooperative development of the Arctic. Making use of SIPRI's established networks in Northeast Asia, North America and Europe, the programme has provided expert analyses of Chinese and other Asian actors' policies towards the Arctic as well as of military developments in the region. SIPRI was represented at the conference by Kristofer Bergh and Ekaterina Klimenko.

The keynote speeches at the seminar were delivered on the evening of 18 March by Their Excellencies the Ministers of Foreign Affairs of Iceland and Sweden respectively: Össur Skarphéðinsson and Carl Bildt. Carl Bildt was also acting in his capacity as current Chairman of the Arctic Council (www.arctic-council.org). The two Ministers' speeches and inputs to debate are reported directly below, as are the two keynote speeches on 19 March. The rest of the proceedings on 19 March are then summarized thematically without reference to individuals. Full details of speakers, session chairs and rapporteurs are in the final conference programme annexed behind.

Opening Session: Ministerial Statements

Minister Skarphéðinsson opened by praising the achievements of the Swedish Arctic Council Chairmanship. He welcomed the creation of CAPS as a way to broaden the basis of Arctic knowledge in Iceland, where these issues were becoming ever more important. With historical examples, he showed how natural disasters and climatic events in the High

North could affect humanity literally world-wide. At the same time, climate change would bring opportunities including new oil/gas exploration in the Greenland-Iceland-Jan Mayen triangle; new shipping routes; new fisheries, and new possibilities for minerals mining.

Iceland itself had developed an Arctic policy, fully endorsed by the Parliament (Alþingi), that sought to balance between the new opportunities and the need for proper rules of governance. Iceland's approach stressed the need for international cooperation, placing strong emphasis on the role of the Arctic Council which had 'come of age' in recent years. The Arctic Council (AC) should now have the self-confidence to develop global approaches and to start working with partners beyond as well as within the polar region. A guiding principle of common responsibility would provide the strongest basis for the AC to maintain its central role and authority, thus avoiding sub-groups or unilateral behaviour by states.

Minister Skarphéðinsson recalled recent AC achievements: developing a code for oil/gas extraction and a shipping safety code, reaching a legally binding agreement among the eight member states on Search and Rescue, and preparing a similar agreement on oil spill reponse to be signed at the upcoming Kiruna Ministerial meeting. He was proud that the texts for both of the latter agreements had been agreed at Reykjavik.

On the much-discussed issue of adding new observer states or organizations to the AC, Minister Skarphéðinsson said he had generally supported their admission if they observed the conditions for all observers laid down at the Nuuk Ministerial meeting in 2011. China, the European Union (EU), India, Japan and South Korea were 'power-houses' in the international system. Their interest in the AC could be seen as a tribute to its successes and its relevance, and including them would further strengthen the Council in these respects. The Minister concluded that the time had come for the AC to move beyond 'policy-shaping' to 'policy-making', and to extend its outreach to other actors including both new state partners and the business world.

Minister Bildt said the Arctic had grown 'hot' also in a policy sense: attracting a virtual explosion of global interest, as a result of climate change combined with globalization and new technology. There were new opportunities in shipping, oil and gas, and a chance of economic development in regions that had hitherto suffered unemployment and harsh living conditions. Iceland held a key position in this evolution and was well placed to become an Arctic transport hub. Were it to join the EU, both the Union and Iceland itself would gain a stronger voice in Arctic matters.

At the same time, climate change had alarming effects and was proceeding twice as fast in the Arctic as elsewhere. The ice-cap might hardly exist in summer in a few decades' time; melting permafrost would release huge quantities of methane, and the Arctic would lose its role as 'the refrigerator of the planet' with global consequences. Opportunities and challenges were part of the same story in an Arctic that was no longer frozen by the Cold War, but should be open to new creative solutions.

Minister Bildt saw the Arctic Council as a unique creation and the centre-piece for multilateral cooperation in the region. True, some issues needed to be resolved in other global or specialized fora. Handling climate change required a global agreement; the UN Law of the Sea Convention (UNLOSC) was the basis for resolving issues of sovereignty and jurisdiction

in the Arctic; and the International Maritime Organization (IMO) should produce a mandatory Polar Code for shipping. But the AC itself must represent the interests of the North's populations – some 4 million in the extreme North and perhaps 10 million altogether – in tackling the coming challenges and maximising the region's possibilities.

The AC Ministerial meeting in Kiruna would mark the end of six years of coordinated Chairmanships held by three Nordic States. Most recently the Council had reached agreement on creating a permanent Secretariat at Tromsø, and on a draft agreement on Marine Oil Pollution Preparedness and Response. Reports had been received on the Arctic Biodiversity Assessment and Arctic Ocean Acidification, and others were in the pipeline. The Swedish Chair had also started a dialogue with business, improved external communications, and intensified work on reducing black carbon emissions. All this would surely be carried further by the incoming Canadian Chairmanship.

Minister Bildt referred to fears that the past Cold War in the Arctic might be replaced by a fierce race for new resources. What he saw actually happening was more like a race for cooperation, in which the AC played a central role. Today's challenge was to lay down the necessary rules and structures before the expected changes and challenges arrived. Diplomacy could be ahead of the game instead of – as so often – lagging behind. The Kiruna Ministerial would also mark the end of one full cycle of Chairmanships among the eight members, and to celebrate this, the states would issue a statement on their common vision for the Arctic. As people of the North, they recognized the simple truth that – against the cold – they could only survive by sticking together.

In discussion on the Ministers' statements, the main topic of questioning was what might be expected from the Kiruna meeting in terms of decisions on observer status. Minister Bildt declined to give a prediction: the discussion would go on right up to the event, and in any case no once-for-all fix could be expected as more parties might apply and the AC itself would evolve further. While individual applicants might be assessed differently, he thought most Council members would recognize that the more players agreed to respect the AC's authority and guidelines, the better it would be for the Arctic. This would among other things help to marginalize less realistic and helpful notions of how to proceed. Minister Skarphéðinsson added that refusing interested players would increase the risk of rival forums being created and undermining the AC itself. He saw no zero-sum equation between the existing members and roles of observers; the latter should strengthen the AC's principles, resources and knowledge.

Audience members also asked whether the risks of conflict – between or within nations – were really as slight as the Ministers had suggested, and whether the AC could or should address issues of security and peace more directly. While recognizing that earlier disputes could arise on fishing and that minerals exploitation could move faster, both Ministers reaffirmed their view that the Arctic had every hope of remaining a zone of low tension. There was time for diplomacy to work and to elaborate solutions before any major commercial exploitation began. UNLOSC was an important tool for pre-empting disputes, and the networking both of states and local peoples would help to spread good approaches to internal disagreements, eg over land. In general there was less of a 'scramble' for resources than

most reports assumed, i.a. because of the effect of new shale oil and gas production on the market. The AC would of course work to create conditions conducive to peace and the peaceful resolution of disputes, but its charter forbade it to address military issues ('hard' security) directly – something that Minister Bildt felt might be wise. Other groupings in the region such as the Barents Euro-Arctic Council also had a role to play in creating good security conditions.

The first of several references at the conference to the recent elections in Greenland was also made in this debate. The Ministers underlined the importance of democratic process and of properly debating economic developments that would strongly affect the lives of local communities. Opinions varied in Greenland over how fast to develop, i.a. because of the link some saw with permitting an earlier move to full independence from Denmark. Minister Skarphéðinsson believed, however, that development would move forward one way or the other and that Greenland would remain 'the real hot-spot' in the Arctic.

First Plenary (19 March): Opening and Scene-setting

This session was designed to lay down a common foundation of knowledge for the ensuing detailed workshop discussions. Dr Jan Gunnar Winther of the Norwegian Polar Institute addressed the question 'Climate Change and Conditions in the Arctic – what do we know and not know?', while Dr Ye Jiang of the Shanghai Institute of International Studies spoke on 'Is Arctic Governance a Global Issue?'

Dr Winther began by addressing the climate-change sceptics' argument that fluctuations had happened before and the Arctic was, for instance, also comparatively warm in the 1930s-1940s. At that time, however, regions further South had been cooler. The 1990s-2000s had been exceptional in witnessing heating both in the High North, and globally. 50% of the Arctic ice-cover had been lost since the 1980s, at a rate that would have been considered inconceivable just ten years ago. Ice thickness had also reduced and only 15% of ice was currently more than two years old, compared with 40% before. This also created conditions where ice could move around more, and there was a tendency for it currently to gather in the Northwest Passage, where shipping conditions were thus less benign than in the Northern Sea Route over Siberia

At sea, warmer waters were penetrating North around Svalbard and could upset the established circulation and currents in ways still hard to predict. A single storm could precipitate change by mixing the waters, while shifts in atmospheric circulation over the ice could affect the whole hemisphere's weather. As for ice on land, in July 2012 97% of the Greenland glacier showed some degree of surface melting. Even without allowing for further melting, current discharges of melt-water into the ocean would affect sea levels for the next 1000 years, with levels expected to rise at least 0.4-0.8 metres by year 2100. The consequences for humans and their habitats in low-lying areas were clear.

Among living creatures the tendency was for fish species to move North, which meant i.a. that cod would now be spawning closer to Norway's oil and gas extraction areas, raising new issues about the environmental impact of drilling. Plankton were being replaced by more

Southerly species that had less nourishment value. Bird behaviour was changing, and polar bears losing some of their former breeding-grounds. Impacts on the whole food chain and the interconnected eco-systems needed to be understood. At present it looked as if commercially exploitable fish would be found in continental shelf areas rather than the deeper waters further North, and fishing fleets were already reacting to this. On land, Dr Winther showed a map of the territories most affected by permafrost melting in Russia, Canada and Alaska, some of which coincided with oil/gas production areas. The melting would affect all types of construction and pipelines and would enhance the importance of sea transport routes. Overall, Dr Winther concluded that if political solutions and business practices were indeed to keep ahead of change, they would have to move very fast indeed.

Dr. Ye Jiang argued that while Arctic politics in the Cold War had been a matter essentially between the USA and USSR, today it had become more of a global issue. With improved East-West relations and less risk of conflict, the way was open to cooperation. Warming in the Arctic literally affected the whole world, and Arctic governance needed to be embedded in global governance in future. While some issues might remain national and others could be tackled regionally, a global approach was also needed for a number of reasons. Dr Ye listed the main ones as: the impact of Arctic climate change on 'near-Arctic' environments, including China itself which had suffered exceptional snow and drought disasters recently; the opening up of shipping and of infrastructure investment and the need to apply global norms like UNLOSC and IMO rules; the importance of restraining maritime pollution; and the need to avoid a fresh tragedy of the 'global commons', notably in the central polar area where national jurisdiction was not yet settled.

China itself was not an Arctic state and 'would never interfere', but it was an example of a 'rising power' – one of a variety of new global actors (also including organizations like the EU or WWF) that were gaining new global influence and responsibility. China had sent the ice-breaker 'Snow Dragon' from Shanghai to Iceland through the Arctic Ocean in 2012, signaling that Iceland and China were getting closer to each other as neighbours. China had also joined the system of the Spitsbergen Treaty, which was an example of how to combine national, regional and global interests for Arctic solutions.

China recognized and respected the rights of the Arctic coastal nations in accord with UNLOSC and other relevant international law. It would not interfere in anyone's internal affairs or in bilateral territorial/jurisdictional issues. The Chinese involvement in mining on Greenland was for instance a business, not a state initiative. At the same time, China had its own legitimate interests in Arctic developments and could help to provide public goods in the context of Arctic governance. China believed in cooperation between Arctic and non-Arctic states based on mutual respect, understanding and trust. Specifically, more cooperative research should be developed on topics such as climate change, the marine environment and shipping. China had set up the Yellow River Station on Svalbard and the polar scientific institute in China was already working with for example Iceland, Norway, the USA and other Arctic states. China was very active in the International Arctic Science Committee, IASC, and provided its deputy chairman. China had attended the Arctic Council on an ad hoc basis and - as already noted - was now applying for full observer status.

During the discussion on these two keynote speeches, Ministers Skarphéðinsson and Bildt were also present to ask or receive their own questions. Dr Ye was asked about further aspects of Chinese policy including possible parallels between the Arctic situation and South China Sea. He replied that China respected the principles of UNLOSC and of sovereignty in both cases and supported a bilateral approach to solving problems. It recognized the rights in the Arctic both of the Arctic Council's eight members and of the littoral states. China's Arctic 'rights' that he had mentioned were not of the same kind as these nations' rights but were of a 'general' nature, including the rights of high seas navigation, fishing and participation in research. China hoped that the Arctic states would respect these rights too and would agree to its AC observership. In response to another question Dr Ye stated that China had signed the Convention on the Rights of Indigenous Peoples.

The Ministers were asked again about prospects on the observership issue at the Kiruna Ministerial but repeated their earlier positions, with Minister Skarphéðinsson also expressing faith in Minister Bildt's diplomatic skills as Chairman.

In response to questions on permafrost melting, Dr Winther mentioned a further concern about the possible underwater collapse of continental shelves as methane was released; this had caused destructive tsunamis in the past. International cooperation was badly needed given the limited capacity to deal with permafrost problems, and the AC had already carried out some analytical and assessment work. Minister Bildt thought the Nordic countries ought to be able to help with their experience of, for instance, construction methods to deal with annual freezing/unfreezing. The other environmental issue highlighted was that of black carbon emissions and Minister Bildt thought the Arctic countries had scope to make a difference on this, possibly by promoting suitable regulations in the IMO. But the Arctic powers were not the main drivers of climate change in general, compared with the use of traditional fuels in growing economies like China and India. He favoured using the Arctic case to generate a greater sense of urgency in global climate negotiations overall.

The three parallel workshops

For the middle phase of the conference, participants divided into three groups each of which heard three expert presentations on a particular aspect of Arctic development: Environment, Economy, and Systems and Societies. The chair of each workshop was asked to encourage a focus on the questions: What are the challenges in this dimension, and the possible positive and negative consequences for local (and global) security of forthcoming changes in the Arctic? Who are the key players, including institutions, inside and outside the region? What approaches could offer the best prospects for handling these developments in peace and cooperation, with fair representation for all interests? At the start of the following plenary session, a rapporteur from each workshop summarized the ground covered and conclusions reached, and the account given here also builds upon those summaries.

Workshop A: Environment

The three sub-topics covered in the first workshop were the Arctic impact on the global environment, environmental change within the Arctic, and the possible responses and resilience of local populations. The strongest single theme emerging was the unexpected speed of change and the need for faster responses.

To put Arctic climate impacts into perspective, 5% of the world's surface lies within the Arctic circle and is mostly a sea area. It can affect the global climate in three main ways: through the thermohaline circulation (marine currents driven by temperature difference), the melting of sea ice and other freshwater sources, and changes in sea-level. All three of these processes are interconnected and change may proceed in a highly non-linear way. Over the last decade, the amount of water clear of ice has grown rapidly and this has changed the balance of solar radiation. Studies have confirmed that the Arctic is warming more rapidly than the rest of the globe. The reports of the International Panel on Climate Change (IPCC) so far have underestimated rather than exaggerated these effects – a new report is due later this year, 2013.

Regarding the thermohaline circulation, the Arctic's traditional role is to export cooler waters. Around 1995, the circulation in the North Atlantic changed in a way that allowed warmer water to pass through into the Arctic area and this is one factor explaining the rapid local warming. Not all, but probably part of the effect was due to greenhouse gases. The consequences for major currents are still under study: measurements of the currents around Iceland and Greenland and in between them have not shown a significant decrease or increase in the flows there over the past two decades.

As for freshwater, the sea ice is releasing a growing amount into the Arctic Ocean as it melts. Together with other freshwater sources from rivers, etc, this has in the past caused a partial collapse in the herring stock in Iceland, and also dramatically affected cod around Greenland. It took these stocks many years to recover and the damage has not been fully reversed in Greenland. The increase in global sea-level, as already referred to in plenary, is speeding up and it is important to grasp that it is non-reversible. 52% of the extra water so far was contributed by Arctic glaciers and 20% came from Antarctica.

Better knowledge of the feedback mechanisms involved is badly needed to allow better prediction. This means more monitoring and research. Past problems of access limited our understanding of the Arctic, and it turned out to be extremely fortunate that the International Polar Year in 2007 directed the focus of the research community towards this area. Close international cooperation is needed for further research to be effective.

Within the Arctic itself, the speed of change has consistently exceeded estimates. Satellite observations in 2012, for instance, showed the greatest shrinking ever in glaciers feeding into the Northern seas. The thickness, type and location of ice as well as its extent are changing. There is already a 'new Arctic Ocean'. Such changes could lead to problems of political security and of economic and cultural instability if governments do not understand the risks and react in time. Although UNLOSC regulates various existing zones of jurisdiction in the region, there are still areas around the North Pole that have no recognized state sovereignty. Jurisdictional boundaries do not coincide with ecosystem boundaries or even with assigned Search and Rescue areas.

The experts on this panel considered it vital to shift attitudes away from national interest towards common interests, and to try to face the new challenges together. At present each Arctic state has its own security aims. In other areas peace has most commonly only been consolidated after conflict, and the High North has so far received only 'low attention' as regards ways of pre-empting these dangers. While a common understanding might exist on some issues without government intervention, common acceptance of risks is needed to create integrated infrastructures, and formal institutionalized agreements will be required for some purposes. Environmental security could provide a coherent framework for jointly addressing the risks.

Meanwhile, the rapid changes in the Arctic are affecting human conditions by land as well as sea. They contain potential tipping points for the whole global climate, with implications for infrastructures, food security, socio-economic livelihoods and the political landscape. Responses to the new environmental conditions and potential resources will be driven by the forces of global connectivity, with complex commercial and political interactions. To understand the future dynamics of the Arctic one must look at the whole world. Development and security are interlinked and there could be major surprises for the local communities.

The concept of resilience is all about coping with changes. Thresholds of tolerance can be shifted, socio-ecological systems may be put under pressure and still recover. Resilience is the key to maintaining a degree of comfort and stability. It is thus important to know, not only how climate change impacts on local societies, but how and why they are responding. One might ask for instance why the Arctic states have not responded more strongly than they have done up to now. The answer may lie partly in what values the various actors wish to preserve, and there could be different views on that at community level.

Governance systems are not fixed for ever, but evolve themselves and affect the actions taken and outcomes. Successful adaptation requires capacities such as knowledge, infrastructure, natural capital, social capital, human capital, and cultural capital. Social interaction must be understood to understand the resources of resilience. In the case of the Arctic, an interim resilience assessment will be available in May 2013 and will highlight how capacities are developing and adapting. Further transformation will be needed at all events, and the test of success will be whether the existing system at any given time is sustainable and comfortable both for people and states.

In the **discussion** at this workshop, much emphasis was placed on the urgency of Arctic challenges - which seemed to be much greater in the light of the climate analysis than the Ministerial speakers had implied. Even ten years ago, estimates about the speed of change were way off the mark. The risks do not only arise from long-term evolution but from specific natural events or crises that could occur at any time, and could cause damage that would be hard to reverse. This also has its implications for governance. Nations beyond as well as in the High North can have good reason to be concerned about the management of the central Polar area where no current jurisdiction applies. It is important to use all possible resources for research and cooperation. It was argued, for instance, that if politicians understood the urgency they might be less inclined to waste time before exploring what China (or countries like it) could offer. The question then is, how to tackle the apparently very different perspectives between politicians and researchers?

Workshop B: Economy

The three sub-issues for this workshop were oil and gas extraction, shipping, and fisheries – all issues of particular interest for states, other stakeholders and shareholders. Common themes that emerged on all of them were uncertainty, the complexity of interactions, the importance of governance approaches, and the key variable of technology (or lack of it). Arctic developments in each field must also be correctly appreciated in a global context. The general message from the expert presenters was to be wary of hype: the real prospects for productive economic activity may fall far below the hopes and speculations typically expressed in today's media.

For example, the foreseeable quantity of Arctic oil and gas production is not a global game changer, in the way that the recent boom in shale oil and gas has been. The often-quoted US Geological Survey prediction of unexplored Arctic reserves was based on a probability study rather than actual drilling. Even where worthwhile resources exist, extracting them will depend on the availability of technology, which is expensive and in practice only gets developed in response to strong demand. There have already been cases – off Alaska and in the seas North of Norway and Russia (the Shtokman field) – where plans to exploit known resources were shelved because of technology problems and cost/benefit calculations.

As and when seabed resources are further developed, there is arguably little for states to fight over as the great bulk of commercially viable fields lie in areas where national jurisdiction is clear and uncontested. The claims states are making under UNLOSC are for further extensions of the continental shelf. The situation should thus lend itself to various forms of commercial and international cooperation.

As for commercial shipping, it has been claimed that ice-free Arctic routes could cut some transit distances by half. But what determines the growth of shipping is the growth of cargo, not the mere availability of routes, and this in turn depends on overall calculations of economic feasibility. At present, capabilities are lacking in terms of appropriate vessels, qualified crews, navigational systems, satellite coverage, infrastructure in general, and – very important for risk calculations - Search and Rescue capacity. Sailing conditions will continue to be harsh in terms of temperature, extreme weather, visibility, ice conditions, and the icing-up of vessels which affects their stability.

All in all, the opportunities for container shipping on Arctic routes are considered to be limited. The main opportunities are likely to be for tanker and bulk traffic, and also for tourism (cruise liners). However, the shipping industry is a flexible one that is ready to go where the new markets were and to try out new things. Technology could also make unexpected advances.

As regards commercial fisheries, it is hard to predict the consequences of climate change for ecosystem dynamics and individual species, not least because sea creatures are mobile and the interdependencies between species and ecosystems in the Arctic are poorly understood. There could be both negative and positive impacts on biological stocks. Humans, who stand at the top of the food chain together with sharks, will be significantly affected by such changes: but they can also change the picture significantly through their own actions. Good management or mismanagement of fishery stocks could make a great

difference and is an important challenge for Arctic governance.

An interesting difference between economic sectors emerged in the discussion here: while oil and gas analysts see little of interest in the area closest to the Pole, this 'Donut Hole' between existing national jurisdictions could be an important test-case for managing marine biota. The question is, who will be able and willing to create a fisheries management regime for this so far undeveloped area? The Arctic Council for various reasons is not currently equipped to do so.

In the light of such issues, it was suggested that the choice of any new observers for the AC should not just be a political matter. Their suitability should be viewed through the environmental lens, including the question of whether they are willing to share in the costs accompanying potential economic activity (such as the clean-up of oil spills).

In **discussion**, participants reverted to the question of mineral extraction as another important part of Arctic resource prospects. Further aspects of energy production and trade are also relevant, such as hydropower and electricity generation. The availability and transport of energy as well as viable and stable markets for energy could have significant influence on development overall, as could further trans-Arctic connections between information/data networks through the use of fiber-optic cables. Regarding Search and Rescue, the plans were mentioned for 10 S&R centres (each employing around 100 people) to be developed by 2015 along the Russian coast in Siberia.

Workshop C: Systems and Societies

This workshop focussed on a combination of non-military security and societal issues, with presentations respectively on risk management and civil emergencies in the Arctic; human and societal security; and the special position of indigenous peoples. The overall message emerging was about a mismatch between the scale of the challenges expected to arise, and the capacities available to deal with them – even assuming full international cooperation. The discussion of societal aspects also underlined that views on interests, values and future choices could vary even within the main stakeholder groups involved.

Present and future activities in the Arctic are exposed to a range of risks from the environment itself, the natural forces of change and human errors and accidents. Iceland's case illustrates how these risks may grow – in consequence of new oil and gas exploration, commercial shipping and tourism, and pollution dangers connected with all of these. But it also underlines the tiny scale of the national resources available for response in a key gateway between the North Atlantic and High North. Iceland is already working with different partners, such as Norway, Sweden and the UK, to try to overcome these limitations.

Professional models are available to quantify civil security risks and explore possible chains of consequences. To succeed in prevention and response, however, competence and experience as well as resources are essential. Iceland does have some relevant experience of dealing with natural disasters and the consequences for infrastructure in the past. The task now is to think through the policy issues that relate to societal risk: what activities should be allowed and how strict should regulations be? Who should make decisions relat-

ing to risk in terms of costs and benefits? How can the conversation be kept open, rather than secret, to ensure the legitimacy of policy-making processes? Trust, which means *inter alia* sending the correct messages from leaders to the public and public faith in those messages, is also a vital ingredient of good risk management and emergency response.

The inhabited Arctic regions that are facing these challenges are remote and sparsely populated, and so far poorly equipped with infrastructure and services. Providing any kind of facilities in this environment is more challenging and expensive than normal, as markets are remote and economies of scale are ruled out. This creates severe dependence on central funding and support, while local populations face serious demographic and social challenges. There is a vicious circle of unsustainability whereby, for example, a high unemployment rate for local peoples is combined with the import of expert labour for projects.

Current developments in globalization and climate change are just the latest difficulties these communities have to deal with. A critical factor is the degree of self-determination and capacity for the people affected to make their own decisions. How they use their rights is however affected in turn by an underlying tension between the notions of sameness and difference. Many indigenous people want to preserve their traditional and different lifestyles, but they also expect the benefits of modern living. Local politicians may indulge in romantic ideology or imagery, yet this cannot solve the real question: are sameness and difference mutually exclusive, or can a balance be struck between them? In practice, modern pressures on the Arctic have the force of a 'tsunami' that must eventually work for greater sameness.

In these conditions the best way forward is to optimize the handling of change through cooperation. What indigenous communities need to protect their interests in the process is first and foremost inclusion in decision-making processes, but also: good community governance systems that ensure benefits flow beyond elites; environmentally sustainable solutions; poverty reduction and more employment; increased fiscal autonomy, for example through impact benefit agreements and royalties; and capacity-building with results that can outlive 'boom and bust'. Managing the Arctic in this way should also be positive for businesses and government, as it implies the reduction of legal and jurisdictional disputes, a stable and predictable business environment, and a skilled and available local workforce. The Arctic Council, for its part, already promotes and disseminates research that documents, monitors and assesses human development. It could take a leading role among institutional and other cooperative frameworks by instilling regional norms and values grounded in sustainable development, environmental protection and respect for indigenous rights.

To understand the situation of indigenous peoples in more detail, it is important to appreciate that there are many different and diverse groups, with Greenland a very particular case. Generalizations are thus best avoided; and the many issues facing the region today can evoke not only overlapping, but sometimes also contradictory and conflicting interests. Later, during discussion, it was suggested that the recent Russian government decision – now reversed – to ban the indigenous peoples' association RAIPON could be a case in point, since it had reflected *inter alia* personal divisions within RAIPON's leadership.

Indigenous rights have come a long way since the 1970s, and the Arctic Council now provides an arena where the indigenous peoples' groups – taking part as Permanent Participants – can come together for a trans-Arctic strategy. But questions still remain about how far they really influence decision-making processes, and about how their role will develop in future. Although there are other major forums they may use, such as the UN Permanent Forum, a basic difficulty is that under existing international law they are considered as objects and not subjects. Special care is thus needed to involve them actively in decision-making processes, especially when it comes to large-scale industrial development. There tends to be not enough attention paid to who owns the resources that are set to be developed, and how local peoples' knowledge should be valued. Handling indigenous groups and their diversity may be inherently difficult within modern, state-oriented polities.

Discussion in this workshop reverted to the issues of risk reduction and emergency response. Whose job was it to define risk and who would end up with the responsibility? Governments so far have inadequate assets, and are short of money to develop more. Indigenous peoples and fragile local facilities can hardly be expected to cope with large-scale modern shipping or industrial disasters. Commercial developers could in principle be asked to provide their own security coverage, but the question is how strict such regulation can afford to be. Higher security compliance standards would raise costs and thus add to the factors slowing down economic development in the area. This might be good for the global environment but would run counter to at least some local interests. And it would still not guarantee the concentration of resources needed to deal rapidly with extreme events.

The issue of societal effects of development, and where its benefits would and should fall, was also further explored. If the advantages for government are allowed to weigh too heavily against the negative impacts for locals, there could be a risk of a kind of tyranny of the majority that would maintain the political marginalization of local peoples and limit their possibilities for self-determination. Land claims have been difficult enough to negotiate and the picture will be further complicated when it comes to benefiting from offshore activities. However, there have been some good experiences since the 1980s with benefit agreements, suggesting that common acceptance of economic development can be achieved with proper consultation and respect for local needs. The theme of the forthcoming Canadian Chairmanship of the AC – development for people – seeks to explore this line further.

Second Plenary Session: The multi-dimensional agenda

At this plenary, once the summaries from the three workshops had been heard, the focus turned to the various institutional frameworks and other options available to develop the necessary cooperation and good governance solutions for both state and non-state actors. Two experts were asked to comment on each of three main aspects: the role, strengths and weaknesses of the Arctic Council; the range of other institutions actually or potentially involved; and governance for and by the private business sector. The Arctic Council was addressed first, as all member states have stressed its central role.

Like all institutions concerned, the **Arctic Council** must operate in a High Northern

environment increasingly affected by globalization, and where the processes of change – and the challenges they create – are increasingly multi-dimensional. Growing global attention has given the AC itself new prominence and status but also made new demands on its performance, some of which remain to be resolved. The shorter-term and more technical issue is how to develop the system of observers, which has already made the AC's mechanisms quite large and complicated. The more substantial question is whether there is a political will to develop the AC's competence further – and if so, how far. The Council has already shown it can explore new directions, but ultimately what matters is whether the regional actors consider it legitimate and what they want to use it for. The outcome of the Kiruna Ministerial meeting (May 2013) will be carefully watched for signals in this context.

The AC has had some particular and original features since it was created in 1996. It is very unusual in including the indigenous people's groups as permanent participants: a choice perhaps connected with the history of environment-connected Arctic research and cooperation, and their crucial role in that context. The forum's limitations have, however, also been clear from the start. It was designed for a policy-shaping rather than policy-making role; all its results require consensus, and 'hard' security issues are explicitly excluded. It is difficult for it to rule on issues where non-Arctic players have rights and interests, such as fishing; and on several important dimensions it has to accept that the regulations and standards are set elsewhere. It also disposes of very limited funding.

Since its creation the AC has brought clear benefits in terms of agenda-setting, policy-shaping, promoting stability and peace and emphasising human security in the High North. By combining state and non-state participation, it has been able to play a part both in inter-state region-building and in state-building among internal actors. It has given indigenous peoples an important international platform.

In the latest years, as already mentioned in the Ministers' presentations, the AC has achieved a binding agreement on maritime search and rescue, a similar agreement soon to be adopted on oil spill response, and a permanent secretariat. It has made a series of joint political declarations and its working groups have developed important recommendations and codes of practice. The polar code for shipping, now referred to the IMO, is an example of how the Arctic Council can interact with other institutions. Arguably some of the working groups' products should be taken up and pushed further at political level.

To an extent, both speakers on the AC found its role unclear and in some sense mysterious. As one of them put it: 'The Arctic states have already chosen stability and peace. Now the question is how to go further.' Unresolved issues include how well the AC can and does represent the voices of indigenous and non-indigenous inhabitants, as well as states, or 'the voice of the Arctic' in general. Where does it stand on the balance between environmental protection and utilization of natural resources - two issues it has tended to treat along separate tracks so far, but which really demand a synthesis? Is respect for state sovereignty among AC members so strong as to prevent discussion of even the 'softer', human and communal aspects of security?

More broadly, is the Council capable of evolving from a forum for relations within the Arctic region, to a body that represents the region at global level and fully grips the global issues

at stake? The answers will depend not just on whether and how the AC's members choose to develop its mandate and structure, but also on where two dividing lines are ultimately drawn: the line between national sovereignty and group decisions in the Arctic, and the line between the AC's own role and those of other international frameworks and organizations.

Speakers who looked at **the broader institutional picture** also recognized the special role of the Arctic Council. The demands for additional governance in the Arctic have been more strongly felt since around 2007. All players within the Arctic have been clear in rejecting certain answers, such as a single comprehensive Arctic Treaty. But they have been willing to respond to a certain degree through the AC, recognizing the need for it to take a stronger role in alerting to developments, analysing them and influencing actions. The Council's Arctic Marine Shipping Assessment was for example a ground-breaking study.

However, as of 2013 the AC is still in an intermediate stage and experiencing growing pains. Like all those engaged with Arctic governance, it faces the conundrum that the science applied in the Arctic is global, the issue of the environment and climate change is global, but the politics have remained local. If the Arctic is more than just a regional issue, how will the global aspects be handled? How to deal with new actors who wish to enter the process, including both additional states, and the key role of the private sector which is not really represented at the Arctic table so far? In practical terms, how to speed up the progression from assessments to policy-making and implementation? The length of time it has taken for the IMO to consider a shipping code is not an acceptable model. A more dynamic interaction is needed between the technical/scientific and the political levels. One way to concentrate minds is to ask what the Arctic Council will look like in 2016 and how it will be coping by then with four crucial issues that start with S: Strengthening the Council itself, Speed of decision-making (need for more frequent Ministerials?), practical resources for Safety in all its aspects, and the development of Shipping. It is time to reopen the Ottawa Declaration that created the AC in 1996 and to re-examine its limitations. More imagination, a stronger focus and more sustained attention will be needed from all concerned.

The **European Union** has a much-discussed, but still unresolved and undetermined role to play in the Arctic. Its own Arctic policies are still under construction, affected by different levels of interest but also different national approaches among member states, which also make it hard to develop clear priorities and a sense of urgency. For instance Finland and Sweden favour, but Denmark rejects, an EU-centric approach to Arctic problems, and the Southern members are inevitably less concerned. Larger member states may be using the notion of an EU common policy to leverage their role and tactics in other forums. There is a tension between developing an Arctic strategy as part of the Union's Common Foreign and Security Policy and the application there of functional policies, where the Commission's directorate-general for maritime affairs takes the lead. Outside observers can be confused by the policy-making process where different issues and positions are taken up by different EU bodies. However, the EU institutions as a whole are steadily raising their level of ambition towards a 'co-shaping' of the Arctic agenda, and the EU's diplomacy is gradually building a 'Eurasian circle' among all the Northern powers (increasingly including Greenland as well as Iceland) with which it claims special relationships.

The themes of EU strategy emerging so far from Commission and Council documents include protecting and preserving the Arctic as a natural region, together with its populations; approaching its challenges and opportunities through inclusive international cooperation; and promoting the sustainable use of resources. In the latter context there has so far been more focus on hydrocarbons and sea transport than on fisheries or tourism. This EU approach is largely compatible with those of other 'outsiders' seeking status at the AC, but as China prefers to maximize leverage and escape tight regulations through bilateral deals, the development of joint strategy is more likely between the EU and ASEAN powers in the near term. A step-change in the effectiveness of EU policy will perhaps only come when its members ask themselves: what are the costs of a *non-policy*?

The **private sector**, like other actors, approaches the Arctic increasingly in the context of globalization, the pressures of global markets, and longer-term demographic trends. Its default position is not actually to exploit natural resources, but to exploit them when and if net revenues are in prospect. The most obvious business opportunities lie in the spheres of fossil-fuel energy resources, water resources (i.a. for hydropower), biomass including fisheries, and the demand for infrastructure and services including transport and communications. However, as noted in the third workshop discussion, there is also a potential niche for private expertise and assets in the business of risk management and safety. Other openings for new technology and services could exist in the health sphere, in pensions management, and more generally in meeting the needs of aging, growing, more diverse populations in the North. It will be important to make sure that big players and organizations do not browbeat smaller ones – including local communities – and try to crowd them out (a reference i.a. to the unresolved mackerel dispute where Iceland and the Faroes are on one side and the EU on the other).

At the same time, commercial activity if not well managed could add to the problems facing vulnerable natural systems and local populations. Environmental damage, corruption, and disasters through inexperience are all possible, and rules of best practice are needed if business is to make a positive contribution overall. There are many possible forms of 'hard' and 'soft' regulations and incentivisation, including self-regulation options such as the global movement for Corporate Social Responsibility. It is a positive step that the AC has opened a dialogue with business and it should develop ideas for Arctic-related codes of conduct, whether generalized or specialized for particular sectors. It is important in this context to realize that none of the challenges posed by sustainable development in the High North is completely unique. It makes sense to draw on models and experiences found elsewhere, for instance within the UN system and from actual conflict zones, because business is already familiar with them and also because of the wide range of nations potentially involved. As another speaker in this plenary put it: the latest understanding of the Arctic has helped to *de-dramatize* the risks of conflict, but now it is also time to *de-singularize* the region's governance challenges and solutions.

In **discussion** at this session, the strongest concern expressed was about apparent weakness of climate governance in the Arctic, and the apparent backsliding of some key states (such as the US cutting relevant funding). In response it was noted that national

policies are developing all the time, with different solutions in each country, and can take unexpected turns: for instance the US's carbon emissions recently fell sharply because of coal-fired power generation being increasingly taken over by shale gas. The global aspect of climate change can only be dealt with globally, which means outside the Arctic Council, and the AC has to recognize that. However local action can be stepped up on specific issues like black carbon emissions. The AC can also continue to try to influence opinion by its assessments and judgements – making use eg of the media as a multiplier – and hence could still 'shape' policy in areas where it is not able to 'make' it. The AC recently adopted a new communications policy and one of the purposes of the new Secretariat is to get its messages across better.

Better dialogue and coordination with business is important in this, as in other, fields and the Canadian AC Chairmanship intends to promote a permanent Business Forum. Private sector involvement is also increasingly a theme of Nordic/Arctic research efforts. A question was asked in this connection about whether the Arctic Marine Shipping Assessment was still sufficiently up to date, given the growth and changes already taking place in shipping activity. It was argued that the real problem is lack of progress and seriousness in implementing the Assessment's original proposals for good practice and safety. The IMO has yet to achieve mandatory guidelines on any of the points concerned. Could the AC itself try harder to get its findings and recommendations into law, rather than filing away reports and assessments as business completed? But given all the other things it is trying to do, how can the Council set the right priorities and devote the necessary energies to this? The USA will be following Canada in the AC Chairmanship and a lot will depend on the performance of these two North American powers over the next four years.

Third Plenary: Nordic responsibilities, Nordic contributions

In this final session, speakers from the Nordic nations were invited to talk either about their own country's position and policies, or about how they viewed the challenges of North European cooperation for Arctic purposes.

Denmark is a unique and complex Arctic actor, since its Arctic areas are not part of its core metropolitan territory. The more Northerly parts of the Danish realm, the Faroes and Greenland, already enjoy considerable self-rule and are interested in greater independence. Iceland has already emerged from Danish rule as a fully sovereign state. It seems clear that sooner or later, Greenland and the Faroes will follow, and the next step for them might be the degree of self-determination that Iceland achieved in 1918.

Greenland and the Faroes are small communities depending above all on human resources. For Greenland, the key to independence is acquiring more self-financing capacity from minerals and other natural resource development. However, it is hard to predict what effects may follow from current plans to sign contracts with foreign mining companies, including from China, and from the influx of foreign workers. Greenland as a micro-state is dealing here with an Asian super-state, placing it in a very asymmetrical position. Questions currently raised about who should negotiate on behalf of Greenland, and on what principles,

have brought the complexities of the Danish situation to the surface and generated tensions within the kingdom. The general trend is for Denmark gradually to be bypassed, as Greenland seeks to decide for itself.

Finland's identity as an Arctic nation is subject to some ambiguity. Its national strategy defines the Finnish people as Arctic, but the degree of awareness of this dimension has fluctuated greatly over time. Historically Finland has been better known as a "middle-man" balancing between East and West. However, it did also play an important role in the genesis of the Arctic Council and has remained active in that context. Current Finnish policy is to establish and maintain stability in the Arctic region through international cooperation, building on the notions of "Nordic peace", sustainability, scientific knowledge, human welfare and comprehensive security. As to governance, Finland believes the Arctic Council can play a central role; it has shown the way to overcome challenges, and can and should develop even further.

Iceland feels itself in harmony with its Nordic partners on Arctic policy. Its national strategy is currently in the form of a Parliamentary resolution and stresses such issues as the environment, shipping and fisheries management. Iceland also claims recognition as a sixth "littoral" state. It has been active in the AC since the outset and has gained a reputation for "punching above its weight" there. The fact that two of the permanent AC working groups are located in Iceland (at Akureyri) is proof of this. An impressive scientific base on the Arctic, including issues of the marine environment where Iceland occupies a key geographical position, has been built up at Icelandic universities and other institutions over the years.

The Nordic states are the smallest nations in the Arctic family and have a variety of relations with the EU and NATO, as well as countries like China, giving them an important potential role as bridge-builders. All Nordic countries are committed to stability and peace in the Arctic. They share the same type of social system, have long engaged in scientific cooperation, and have recently been working together more closely on security issues – eg joint monitoring and surveillance - in the light of the 2009 Stoltenberg Report. Iceland and the other Nordics would like to see a more robust framework developed for trans-Arctic cooperation on security-related matters, such as S&R and oil spills which have already been addressed in the AC.

Norway considers itself as an Arctic nation with no ambiguity at all. The High North holds top priority in its national strategy today. Norway also has a strong history as an Arctic nation: first pursuing an empire-building approach, and later during the Cold War as a strategic partner for the US. From a Norwegian perspective the Cold War brought the benefit of increased US strategic engagement, and there was disappointment when the US seemed to lose interest after 1989/90. However, recent forecasts of oil and gas resources in the Arctic have helpfully drawn international attention back to the Arctic again. Norway has also sought to engage with Russia in developing the Barents Sea's resources, and pursued this i.a. through the development of advanced technology for oil extraction. Norway would like to stimulate more demand for gas in the EU, but current market trends are against that. In institutional terms, Norway is fully committed to supporting the AC so long as its discussions do not touch upon the sovereignty of Svalbard (Spitsbergen) and Norwegian

energy interests. Norway is very clear in regarding Svalbard's continental shelf as part of the Norwegian one.

The **Swedish** participant focussed less on national perspectives and more on the general drivers of change in the Arctic, including technology, globalization, and resource scarcity. Science has a vital role to play in understanding what is happening in the Arctic, which in turn is the starting-point both for policy consensus and for developing eco-friendly technological solutions. As for international cooperation, even in the "softer" parts of the multilateral agenda there are still important issues to be solved. Despite the role of UNCLOS, some questions of territory and delimitation in this region, as well as the big issues of climate management after Kyoto, remain unanswered. Enforcement capacity is needed for policing fisheries and environmental rules – which need to be respected by everyone - as well as for rescue and emergency management . "Hard" issues such as the possibility of military confrontation returning must also be contemplated, even if they are not supposed to be discussed. Are the necessary solutions in place to manage crises and confrontations of a more man-made kind?

A further Nordic perspective on the Arctic was offered by a **Faroese** representative. The Faroes depend on the utilization of natural resources as the centre of their existence, and their fishermen are the real experts on Arctic conditions. The Faroes are in a strategic position and much future Arctic activity will go through Faroese waters. They are represented in the Arctic Council and wish to contribute to and benefit from the opportunities that Arctic developments may bring. An expert advisory panel with industrial, scientific and governmental representation has been considering the aims of Faroese Arctic policy, with full public consultation, and is due to report in April 2013. In Arctic governance, there can be no compromise on the aim of protecting natural balances in the circumpolar regions. All nations and groups must work together in order to solve this and no-one should be excluded on the argument of not possessing "proper" statehood.

In the final **discussion** following these statements, it was noted that Arctic nations were starting work on a second round of Arctic "strategy" documents and it would be instructive to see how these evolved. The Icelandic and Faroese examples raised the question of internal governance: how far would parliamentary bodies and the public be consulted, and whom did the strategies actually represent?

The remaining debate revolved mainly around the question of military developments. Those Arctic nations with military forces are planning to enhance them further: could they be using the needs of S&R as a smokescreen for something more sinister? Could clashes develop unexpectedly, for instance if an incident takes place in a sensitive area? On the one hand it was acknowledged that the Arctic region has no tailor-made arms control regime or forum for defusing such occurrences. There is no provision in the AC or elsewhere for states to share and understand their security policies – although a first meeting of defense leaders from the Arctic Eight has now taken place in the context of implementing the S&R agreement. Some participants thought it strange for governments not to be willing to discuss peace and stability in the Arctic openly, when these are such vital issues for all concerned – and are in fact the basic conditions for other cooperation. Some suggestions have lately

been made, eg from Canadian and Russian quarters, for an effort to develop a specifically Arctic confidence building regime.

On the other hand it was argued that Arctic S&R is a legitimate need and a breeding-ground in itself for constructive cooperation. A SIPRI report in 2012 concluded that the level of military preparation in the Arctic so far is rather modest and might be linked with the need to administer and police new ice-free areas. Military "signals" can be misinterpreted, eg Denmark uses the navy rather than coastguard for tasks around Greenland because that is all it has available. If security is viewed in wider terms, states already collaborate on many aspects of it both inside the AC and outside. Environmental security for instance is central to the AC's work, while efforts to deal with nuclear pollution of military origin have gone forward in other forums.

It was pointed out that as all but one of the Arctic states are linked together in Western organizations, in discussing conflict risks we are really talking about Russia. In the Cold War, military activity in the Arctic was not shaped by local issues but was a function of the confrontation that existed with Russia elsewhere. Conversely, if NATO and Russia through their general postures today are successfully deterring each other from taking military risks – and steering each other towards cooperation - that ought to rule out reckless behaviour in the Arctic as well. To make a reality out of a trans-Arctic cooperative agenda, we cannot afford to treat Russia as "the Other". Practical cooperation has in fact gone rather well, eg between Norway and Russia in the Barents Sea. As one (non-Russian) participant put it: 'Russia is playing by the rules. What is best for the whole Arctic is the best for Russia as well'.

In conclusion

The conference closed with some basic issues still unresolved among participants – which perhaps is how it should be. One major debate is summarized just above: namely, whether those who decry the risks of conflict in the Arctic are being too complacent, and if so, how to debate and palliate the dangers involved. The other was over the question of urgency and the speed of policy-making, both national and international.

In claiming that diplomacy is keeping pace with developments, politicians and officials at the conference were basically in tune with private sector experts who downplayed the likely pace of economic exploitation. They were at odds with those taking a scientific and environmental perspective, who warned that changes in Arctic natural systems have consistently outpaced our predictions and understanding. Attempts to mitigate the climate process can only effectively be pursued in a global context, but the impacts to which Arctic nations and peoples must adapt are local, specific, and likely to affect welfare and security at many levels. This also defines the challenges for a still-inchoate and emerging system of Arctic governance. How to balance specific national, sectoral or social interests with common ones? How to combine local ownership and expertise with the trans-Arctic nature of the main forces of change and their consequences, and with the fully global repercussions and responsibilities that are starting to be seen? This conference could not expect to answer such questions, but it has further underlined both their importance and their complexity.



Monday 18 March

18:00 Welcome and Opening Session

Katla, conference room, 2nd floor

Keynote theme: **The Arctic as a Global Challenge: Issues and Solutions**

HE Mr Össur Skarphéðinsson, Ministry for Foreign Affairs of Iceland

HE Mr Carl Bildt, Minister of Foreign Affairs of Sweden, Chair of the Arctic Council

Questions, answers and discussion

19:00 Welcome reception

Tuesday 19 March

09:00-10:30 First Plenary: Opening and Scene-setting

Katla, conference room, 2nd floor

Chaired by Dr Ólafur P. Harðarson,
Dean of the School of Social
Sciences, University of Iceland

- i) **Climate change and conditions in the Arctic – what do we know and not know?**
Dr. Jan Gunnar Winther, Norwegian Polar Institute
- ii) **Why is this a global issue?**
Dr. Ye Jiang, Shanghai Institute of International Studies

Questions, answer and debate – Minister Bildt will also be available to answer any further questions from the previous day's session

10:30-11:00 Coffee break

11:00-12:30 Discussion in three parallel workshops: Challenges of Development, Security, Cooperation

ENVIRONMENT

Venue: Hekla I

Chaired by Rachael Lorna

Johnstone, University of Akureyri
Rapporteur Auður H Ingólfssdóttir,
Bifröst University

- i) **The Arctic impact on the global climate**
Dr. Steingrímur Jónsson, University of Akureyri and Marine Research Institute
- ii) **Environmental challenges within the Arctic**
Dr. Paul Berkman, University of Cambridge
- iii) **Arctic resilience and response**
Dr. Annika E Nilsson, Stockholm Environment Institute

ECONOMY

Venue: Hekla II

Chaired by Kristopher Bergh, SIPRI
Rapporteur Embla Eir Oddsdóttir,
Icelandic Arctic Cooperation
Network

- i) **Seabed resources**
Dr. Dag Harald Claes, University of Oslo
- ii) **Fisheries**
Dr. Vince Gallucci, University of Seattle
- iii) **Shipping**
Consul Per Jessing, Maritime-Insight

Discussion in three parallel workshops continues ...

SYSTEMS AND SOCIETIES

Venue: *Katla*

Chaired by Dr. Kristinn Schram,
CAPS

Rapporteur Margrét Cela, CAPS

- i) **Accident management and infrastructure security**
Dr. Björn Karlsson, Iceland Construction Authority
- ii) **Human / Societal security issues**
Dr. Heather Exner-Pirot, University of Saskatchewan
- iii) **Indigenous peoples**
Dr. Natalia Loukacheva, University of Akureyri

12:30-13:30 Informal lunch at the conference venue

13:30-14:00 Wind-up discussion in the three workshops

14:00-16:00 Second Plenary: The multi-dimensional agenda

Chaired by Alyson JK Bailes,
Chair, IIA/CAPS

- i) **Summaries from the three workshops by rapporteurs**
Questions and discussion
- ii) **Panel on policy-making frameworks for the trans-Arctic agenda**
The Arctic Council
Dr. Lassi Heininen, University of the Arctic at Rovaniemi and Northern Research Forum
Dr. Andrei Zagorski, IMEMO, Moscow
Other relevant legal and institutional systems
Roles of global, European, and sub-regional institutions
Heather Conley, CSIS Washington
The EU role
Dr. Andreas Maurer, Stiftung Wissenschaft und Politik, Berlin
Roles of business and other non-state actors
Orri Hauksson, Director General, Federation of Icelandic Industries
Discussant: Páll Ásgeir Daviðsson, Vox Naturae

Questions and discussion

16:00-16:30 Coffee and tea break

16:30-17:45 Third Plenary: Panel on “Nordic responsibilities, Nordic contributions”

Chaired by Alyson JK Bailes,
Chair, IIA/CAPS
Short comments by speakers
(official or academic) from each
of the five Nordic states:

Denmark: Dr. Rasmus Gjedssø Bertelsen, University of Aalborg
Finland: Dr. Lassi Heininen, University of the Arctic and Northern Research Forum
Iceland: Ambassador Hjalmar W. Hannesson, Ministry for Foreign Affairs, Iceland
Norway: Dr. Dag Harald Claes, University of Oslo
Sweden: Dr. Tomas Ries, ISSL, Swedish Defence College

General debate

17:45 Closing remarks





The Centre for Arctic Policy Studies (CAPS) is a forum for interdisciplinary collaboration in the field of Arctic research with emphasis on the role and policies of states and institutions, non-state and corporate actors, and broader aspects of governance, culture and society in the High North. A CAP organizes conferences, seminars and lectures on Arctic issues as well as supporting learning in this important field of study. The Centre also publishes books and papers and introduces new research activities in the interdisciplinary field of Arctic studies.

The Centre for Arctic Policy Studies (CAPS) and the Centre for Small State Studies (CSSS) are run under the auspices of the Institute of International Affairs (IIA) at the University of Iceland, which is a research, instruction and service institute. It was established in the year 1990 but was expanded and re-structured with the creation of the Centre for Small State Studies in 2001. The Centre for Arctic Policy Studies was launched in March 2013. A joint steering board supervises the Institute and the Centres, and in addition to that, CAPS has a special advisory board. All three are housed within the University of Iceland's School of Social Sciences but with close links to the School of Humanities.



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