

Main trends in the current discussion about the Arctic

The Arctic has been attracting more and more attention in recent years. The growing interest has been manifested not only by so-called “Arctic Five” states, namely Russia, Canada, Norway, Denmark and the USA, but also by countries, which are geographically not directly linked to the Arctic, such as China, India, Japan or Singapore. These non-Arctic states see a huge commercial potential in the northern territories, mainly connected to transportation. Importance of non-Arctic states has been increased by the Arctic Council, which granted them an observer status. As observers they are invited to the meetings of the Arctic Council and they could make relevant contributions through their engagement in this organization.

There are three main trends, which can be found in the recent discussion about the Arctic. First, Russia’s growing military presence and the influence of Ukrainian war on cooperation in the Arctic region. Second, the ambitions of Arctic states to extend their continental shelves and territorial disputes about the Lomonosov Ridge. Third, the prospects of new exploration and exploitation areas rich in minerals and new Arctic shipping sea routes.

The first trend involves Russian military presence in the Arctic. While Ukrainian crisis continues to draw more attention towards Russia’s western border, Moscow’s policy in the Arctic is increasingly more assertive and it is no secret that Kremlin is getting ready for greater military presence in the Northern areas. It has been almost eight years since Russian submarine expedition planted the country’s flag on the seabed below the North Pole to stake its claims on the territory. Although it was rather a symbolic act, compared by Russian media to planting a flag on the Moon, it did not elicit a positive reaction by the other Arctic states. Although Kremlin still emphasizes the cooperation and peaceful approach in finding solutions to Arctic disputes, official documents show quite the opposite. New military doctrine from December 2014 declares that “one of the main objectives of Russia’s Armed Forces is to secure the national interests of the Russian Federation in the Arctic.”

For the first time in history Russia included its Arctic interests in the military doctrine. This fact highlights a strategic importance of the region for Russia. Moreover, Moscow's increased military activity in the North has been confirmed by numerous military exercises, modernization of military equipment, renewing of old soviet military airports and bases, and last but not least plans for deployment of two brigades with special training for operations in the Arctic environment. The first brigade was deployed in Alakurtti at the beginning of this year to the naval airbase with strategic location because of its proximity to the Finnish border (only 60 kilometers). The second brigade should be deployed behind the Ural Mountains in Yamal-Nenets Autonomous Area by the end of 2016.

Cooperation and behavior of the actors of the international security environment in one region obviously cannot be separated from the other regions. Ukrainian war has also affected the situation in the Arctic, where some countries had suspended their cooperation with Russia. It is important to stress that four of the five Arctic states are members of NATO, thus Russia is trying to avoid any isolation, which could have disastrous consequences. Incidentally, in contrast to Georgia or Ukraine, the Arctic is the only strategically important region where Russia hasn't thus far violated the internationally recognized borders and status quo. For the time being, Moscow respects international law in the Arctic and all her claims for territorial expansion have been addressed by means of international law. The reason is that the current status quo is for Moscow the most favorable and its main objective is to avoid any kind of military conflict. However, the question is whether the Kremlin will respect the boundaries set by international law also once the status quo is not suitable anymore.

The second trend includes efforts of the Arctic states to justify their territorial claims under the Arctic Ocean which is rich in oil, gas and other minerals. The crux of the dispute is the Lomonosov Ridge - an underwater mountain range 1,800 kilometers long, which divides the Arctic. The Arctic states are trying to prove that the Lomonosov Ridge is the extension of their continental shelves to gain exclusive rights to that territory, a claim which has basis in international law, allowing each Arctic state to utilize its exclusive economic zone (EEZ) reaching 200 nautical miles (370 kilometers) from the coast.

All the territories beyond the EEZ are covered by the United Nations Convention on the Law of the Sea

(UNCLOS), valid since 1994 and ratified by all Arctic states except the United States. Within ten years from ratification, each state has a right to submit a claim for the recognition of its continental shelf. Once all data on the extension of the country's Arctic shelf are collected, it can be submitted to the Commission, which is composed of 21 members. The Commission's decision requires a two-thirds majority, and comes with built-in protection of weaker states based on the principle that Commission cannot accept the judgment if its decision disadvantages any other state. The final decision of approval or refusal of the states' claims takes years and it is likely that the Commission will require additional research to arrive at a conclusion.

All the Arctic states (with the exception of the United States) have submitted their official claims to the UN, with Denmark being the last one at the end of 2014. Denmark ratified the UNCLOS in 2004, therefore the 2014 was the last year the Danish government could submit a claim. In recent years, there has been more and more visible pressure from Greenland to gain the independence from Denmark, which provoked a signal from Copenhagen to Nuuk that they on the same boat because Denmark's direct access to the Arctic, would be lost in case of Greenland's independence.

The third trend is associated with the potential of the natural resource exploration and new Arctic sea routes. Despite the fact that the melting ice exposes significant natural reserves, especially oil and gas, it does not necessarily mean the boom in extraction. There are several factors, which play a key role here - the start of extracting shale gas in the USA, extreme natural conditions, expensive specialized technologies, and last but not least, the declining oil prices, which have declined over the past six months by half (currently around 50-60 USD/bbl). Therefore, the exploration in the Arctic is not currently entirely economically beneficial. The advantage would be envisaged only in the case if the price of oil rises to above 130 USD/bbl.

With the climate change, the new sea routes are opening up, presenting one of the biggest advantages by shortening of the distance between Europe and America by 20 percent and between Europe and Asia by 40 percent. On the other hand, there are also some disadvantages, one of them the necessity of using larger transport ships designed to meet the rigors of the Arctic Ocean environment, which also, burn more fuel. Also, as the sea ice remains in place for 6-8 months of the year, and potentially dangerous floating ice remains year round, there is the necessity to employ the use ice breakers for

winter shipping. Moreover, the speed limitations mean that the routes will be shorter in length, but not necessarily in time.

Even though there are already large numbers of ships in the Arctic - more than 6,000 annually mainly tourist, fishing, and transport - optimistic forecasts, according to which the Arctic should become the new Suez Canal, now seems to be premature, because the sea ice does not melt as quickly as expected. Altogether, in 2013, the Northwest Passage (along the north coast of North America) was used by more than 70 vessels. Last year (2014) it was less than half of this number. Similar numbers are reported also with regard to the other route, the Northeast Passage (Northern Sea Route).

Despite the rhetoric, the cooperation in the Arctic still prevails and thus far, all disputes have been solved by peaceful means. Russia is the only country with the potential and increasingly growing political will to escalate the situation in the region, but for now it seems to be beyond its interest. However, with the gradually growing economic and strategic importance of the region, we can expect more assertive pursuit of national interests and possibly increased tensions. It is important to stress, that if the current trends in the Arctic do not dramatically change, there is no imminent threat of direct military conflict.