

SECURITY INSIGHTS



Emerging Challenges in Arctic Security and Recommendations for the Future: Perspectives from the European Security Seminar- North 19-05

By Rachael Gosnell and Andreas Hildenbrand

The George C. Marshall European Center for Security Studies hosted mid-level and senior security practitioners, policymakers, and academics from thirteen countries throughout Europe, North America, and Asia for the second iteration of the European Security Seminar – North (ESS-N). This seminar, ESS-N 19-05, was held from 4-8 February 2019 and provided an opportunity for participants to discuss emerging challenges and opportunities in the Arctic region and further assessed the impact on security. Participants then developed strategic recommendations to address the security challenges of the Arctic region.

ESS-N 19-05 drew upon the inaugural seminar held in July 2018, to extend the strategic analysis and recommendations from that session. The participation of many of the original cohort enabled the seminar to quickly build upon the foundations from July while also integrating new perspectives and insights. Notably, participants joined ESS-N from all eight Arctic states and several Arctic stakeholders, to include the EU, Germany, France, and China. ESS-N 19-05 adhered to definitions and trends established in the inaugural seminar and captured in the George C. Marshall European Center for Security Studies *Perspectives #5: [Emerging Challenges in Arctic Security and Recommendations for the Future: Perspectives from the European Security Seminar-North](#)*. This paper will not reiterate foundational discussions, but will seek to focus on the key findings and strategic recommendations from ESS-N 19-05, much as the seminar sought to build upon the inaugural findings and recommendations.

The Arctic, defined for the purposes of the seminar as the area north of the Arctic Circle (66 degrees and 34 minutes North), is clearly evolving. The strategic landscape is being driven by climate warming trends. Models predict that the Arctic will continue to warm at a rate of two to three times the global average, regardless of the absolute magnitude of global warming. This will affect precipitation as sea ice decline causes an increase in the evaporation from the ocean

surface, likely leading to a significant increase in precipitation in the form of rain and a slight decrease in regional snowfall. Increasing cloudiness could further enhance the warming effect. Overall, sea ice extent will continue to show a greater decrease in summer months rather than the winter; this will result in decreasing sea ice as summer temperatures increase and less ice survives. Younger sea ice tends to be both thinner and more mobile. Sea ice is anticipated to continue trends of retreat towards Greenland and the Canadian archipelago, with the greatest opening along the Russian coastline and European High North. At current emissions rates, an ice-free Arctic in the summer is possible within thirty years. Most of the Arctic Ocean, however, is predicted to remain ice covered during the winter throughout the 21st century and beyond.

Coastal communities will face significant challenges because of the changing climate, with less predictable conditions due to shorter freezing seasons and thinner sea ice. Permafrost thawing will have significant impacts for approximately 70% of regional infrastructure. This includes about 45% of Russian Arctic hydrocarbon fields and the Trans-Alaskan pipeline; most of the Arctic's four million inhabitants will be affected by these changes. Coastal communities are particularly vulnerable to coastal erosion. Climate change also affects the fragile Arctic ecosystem, as native species depend on the sea ice and tundra for survival; warming trends introduce new species into the Arctic, as well.

Warming trends have further sparked economic interest in the region. The Arctic is thought to possess approximately 20% of global natural resources, remarkable for a region comprising just 8% of the world's surface area and 0.1% of the global population.¹ Yet the economy of the North is not dominated exclusively by resource extraction, particularly in the European High North. Other industries such as healthcare, public administration, and tourism are seeing heightened interest in the region. Indeed, there is likely investment potential across all sectors in the Arctic, worth approximately 162 billion euro.² The region has a long history of industrial activity with average growth expected to be 7-8% for the foreseeable future. Russia is driving significant Arctic growth.³ As an export-driven economy with little diversification, there is a benefit from openness and the need for freedom of trade and global market access from the Arctic. Currently the Northern Sea Route is the most viable Arctic passage, though traffic is predominantly intra-Russian shipping.⁴ The requirement of dedicated specialist ships on the route—combined with seasonable variability, lack of predictability, lack of economies of scale, and high insurance rates—will likely mean limited transit shipping and a focus on destination shipping for the foreseeable future. Less than 200 ships have applied for Polar Code certification since 2017, a

¹ Anu Fredrikson, "Industrial Development in the Arctic," Panel Presentation at the George C. Marshall European Center for Security Studies, February 5, 2019.

² Timo Rautajoki and Viivi Lakkapää, eds., "Arctic Business Forum Yearbook 2018," *Lapland Chamber of Commerce*, (Painatuskeskus Finland: April 2018), 10, accessed March 25, 2018, http://arcticbusinessforum.com/wp/wp-content/uploads/2018/04/ABF_2018_yearbook_web.pdf.

³ Ibid.

⁴ Malte Humpert, "Russia's Northern Sea Route Sees Record Cargo Volume in 2018," *High North News*, February 19, 2019, accessed March 12, 2019, <https://www.highnorthnews.com/en/russias-northern-sea-route-sees-record-cargo-volume-2018>.

tiny fraction of the overall global merchant fleet.⁵ Yet with approximately 40% of worldwide shipping owned by European Union based corporations, the region is closely watching the development of Arctic routes.⁶

While there are abundant natural resources, nearly all of these are believed to fall within sovereign territory or exclusive economic zones (EEZ) of the Arctic states. With the exception of the United States, all Arctic states are signatories of the United Nations Convention on the Law of the Sea (1982). Nevertheless, all Arctic states agreed to settle any disputes in accordance with international law. The Ilulissat Declaration signed in 2008 by the five Arctic coastal states further affirmed this commitment. Other international maritime agreements such as the *International Convention for the Safety of Life at Sea (SOLAS)*, *International Convention for the Prevention of Pollution from Ships (MARPOL)*, and *International Code for Ships Operating in Polar Waters (Polar Code)* further govern the region. Under the auspices of the Arctic Council, three regional agreements have been signed: *Agreement on Cooperation on Aeronautical and Maritime Search and Rescue in the Arctic* in 2011, *Agreement on Cooperation on Marine Oil Pollution Preparedness* in 2013, and the *Agreement on Enhancing International Arctic Scientific Cooperation* in 2017. The five Arctic coastal states teamed with China, Japan, Korea, Iceland, and the EU to negotiate and ratify a moratorium on fishing in the Central Arctic Ocean in October 2018. Thus far, Arctic governance has been cooperative, with Arctic stakeholders working under existing international frameworks or under specific bilateral or multilateral agreements to peacefully resolve potential areas of disagreement. Only three maritime disputes remain in the Arctic: Hans Island (Canada and Denmark), the Beaufort Sea/Arctic Ocean boundaries for territorial seas and EEZ (United States and Canada), and the maritime zones around the Svalbard Islands (Norway). While overlapping continental shelf claims exist, all states have expressed a willingness to submit claims to the United Nation's Commission on the Limits of Continental Shelves for assessment.

Security trends in the region can be analyzed in a number of given subcategories. The seminar participants examined hard security trends—particularly the potential rise of militarization in the Arctic, but also factored in regional soft security efforts, human security concerns, and environmental security.

In particular, human security is becoming an increasing concern for Arctic stakeholders. Indigenous communities are facing a variety of challenges stemming from the warming of the region that includes loss of traditional food sources, coastal erosion affecting traditional hunting as well as infrastructure, and permafrost thawing, which affects both infrastructure and lifestyles. The exploration of natural resources in the region pose further challenges to maintaining traditional lifestyles. Communities have long faced economic, education, and health concerns that may become more prevalent if sufficient action is not taken.

⁵ Robert Hindley, "Arctic Shipping: Technology & Regulatory Developments," Panel Presentation at the George C. Marshall European Center for Security Studies, February 5, 2019.

⁶ Marie-Anne Coninx, "The Geostrategic importance of the Arctic," Key Note Panel Presentation at the George C. Marshall European Center for Security Studies, February 4, 2019.

With the warming of the region, soft security is becoming a rising concern. Law enforcement and regional coast guards will increasingly need to be prepared for illicit trafficking, illegal fishing, and rapid crisis response to mitigate both the high potential for loss of life as well as environmental destruction.

Key Observations and Findings

Given these security trends, the seminar consensus was generally that environmental and human security concerns posed the most likely risk to the Arctic. Most of the concerns noted for environmental security stems from the increased regional activity ashore and particularly at sea. The Arctic environment is fragile and interconnected. The increase in shipping traffic gives rise to a greater potential for maritime accidents, environmental pollution, and regional crisis. While the Polar Code was the first international attempt to improve Arctic maritime safety, there are critics who note further action is required. Mariners in distress in the Arctic face immense challenges with harsh weather and a lack of search and rescue facilities and assets. A large vessel—or a cruise ship—in distress could pose a catastrophic loss of life and/or environmental impact. With increased Arctic drilling comes the potential for oil spills in the region.

Human security concerns stem from potential impacts to the Arctic as the region becomes more open; they vary from illegal fishing to illicit activities by transnational organized crime or terrorist organizations. Indigenous communities face challenges to their way of life as the region warms and becomes more economically viable, but they also face coastal erosion and permafrost thaw leading to significant infrastructure challenges. Warming trends and increased economic activity both have the potential to seriously affect the fragile ecosystem, altering the historic cultures of indigenous peoples throughout the Arctic.

While the potential for hard conflict was deemed low, it was noted that the region could find conflict brewing due to a spillover from another region. This is a significant concern as the region lacks a specific forum to address such issues. With the exclusion of security and defense matters from the Arctic Council mandate, historically security was discussed through a rudimentary security architecture that included annual meetings of the Arctic Heads of Defense, the Arctic Security Forces Roundtable, joint exercises, and military-to-military relationships. Russian participation in this security architecture has been prohibited since the illegal annexation of Crimea. The increasing securitization of the Arctic—often with a zero-sum mindset—may hamper further Arctic cooperation.

The Arctic is filled with competing interests, with a need to balance economic development with environmental protection, while ensuring peace and stability to permit regional growth. Governments are examining obligations to protect indigenous communities while further enhancing regional economic development and ensuring territorial integrity. There remains a balance between economic development and military build-up in the region as well, while political risk still limits Arctic development.

ESS-N afforded a unique opportunity for Arctic experts to examine a wide range of security trends and work collaboratively to propose strategic recommendations to ensure the cooperative spirit of the Arctic defines the region well into the future. While the strategic recommendations listed here are those most prevalent in discussions, they do not represent a unanimous voice of the cohort.

Strategic Recommendations

Dialogue

With the imposition of restrictive measures following the 2014 illegal annexation of Crimea, the Arctic has faced a regrettable decline in hard security dialogue between regional stakeholders. This was noted as critical to ensuring regional stability. Recommendations include starting Track 1.5 and Track 2 dialogue to improve understanding across the region. Potential forums noted include the George C. Marshall European Center for Security Studies, Arctic Circle Assembly, Halifax Security Forum, and similar venues that could offer stakeholders the opportunity to reduce misunderstandings and misperceptions that could spark a larger conflict. Another proposal was the creation of a new Arctic security forum, modeled perhaps after the Indian Ocean Naval Symposium⁷ or the Joint Interagency Task Force model to improve communications and sharing of vital information. Such a forum would provide another venue to share information and to build trust and confidence through persistent engagement. With a focus on SAR, emergency response, and environmental protection, such a forum could also enable military-to-military engagement. Stakeholders could further benefit from the resumption of the Heads of Defense meetings, though this may be best complemented by an Arctic Head of State summit to first frame the need for dialogue in the region. The Arctic Council should retain its leading role in Arctic stewardship, with working groups operationalizing the goals of the Arctic Council.

Governance

Multi-layer governance that increases resilience and efforts to promote multi-layer structures should be intensified. Specifically, dialogue should exist at all levels – with all stakeholders – enabling stakeholders to express their views and exchange perspectives to diminish the likelihood of misperceptions and misunderstandings causing unintentional escalations. An issue-based approach should be applied to identify the appropriate levels with which to solve particular Arctic challenges, emphasizing the importance of international, multilateral, bilateral, local, and indigenous efforts. The Arctic Council will remain the predominant body with which to discuss key Arctic matters (with the exception of hard security due to its mandate), and has been an exceptional forum for the eight Arctic states—and regional stakeholders—to voice concerns. The

⁷ The Indian Ocean Naval Symposium (IONS) is a voluntary initiative to increase maritime cooperation among navies of the region's littoral states. Founded in 2008, it provides an open and inclusive forum for relevant maritime issues, improves the flow of information between naval professionals, and seeks to enhance a common understanding and cooperative solutions for regional challenges. There are currently thirty-two member states, including eight observer states. For more information, see <http://ions.global/>.

role of observers in the Arctic Council could be increased by encouraging more active participation in the Arctic Council Working Groups to ensure all stakeholders are appropriately represented in key Arctic decisions. There should be further effort given to enforcement mechanisms, such as the enforcement of the Polar Code. Arctic states share both a leading role in Arctic stewardship and face the greatest impact from regional disasters. The Arctic Council must work closely with stakeholders to ensure that agreements made to protect the fragile environment—and various industries operating in the region—are fully enforced. Improving governance serves to reduce tensions and further reduce political risk that may act as a barrier to further economic development in the Arctic. Continued adherence to international law will be critical to ensuring regional stability.

Information Sharing

The Arctic Council offers an appropriate venue to promote information sharing amongst Arctic stakeholders. Specifically, climate, ice, and weather data should be shared to further enhance scientific diplomacy. Further, an Arctic Shipping Database should be constructed and monitored through the Arctic Council to allow states to share data on vessel certifications to ensure compliance and adherence to rigorous standards necessary for operating in the harsh Arctic environment. Littoral states should further cooperate on the sharing of maritime data, to include illicit activities, port control, and satellite data for law enforcement or emergency response.

Scientific Diplomacy

The challenges of the Arctic demand further scientific research to better understand the region. All Arctic stakeholders should work together to increase Arctic research and data sharing in order to improve cooperative management of critical ecosystems and share best practices from challenges associated with warming trends. Enhanced scientific cooperation will contribute to transparency and regional action on climate change and environmental cooperation.

Cultural and Educational Exchanges

Existing mechanisms for cultural and educational exchanges should be expanded to ensure a broad understanding of the region amongst Arctic stakeholders. For instance, the Fulbright Arctic program offers participants the unique opportunity to study the region while gaining cultural experiences and developing relationships. Other programs such as university exchanges, High North Dialogue, Arctic Circle Assembly outreach programs, Newport Arctic Scholars, and the George C. Marshall Center's ESS-N serve to broaden perspectives throughout the region. This further serves to ensure that research is shared among Arctic institutions, resulting in improved awareness and knowledge about the Arctic.

Promote interdependency to improve Cooperation

Increased regional economic cooperation could include measures such as a liberalization of economic regimes in the region, such as lowering barriers to markets within the Arctic, encouraging economic exchanges, and encouraging responsible regional investments. The establishment of an Arctic Development Bank could spearhead positive economic activity by

encouraging regional investments. Further, interdependency could be improved by the establishment of an Arctic Council Working Group examining local law enforcement and public safety best practices, as well as lessons learned for ensuring economic and cultural viability of local and indigenous communities.

Transparency and Confidence Building Measures

In an effort to reduce tensions and the risk of misunderstanding and misperceptions, there should be an increased focus in the Arctic region on increasing both transparency and confidence building measures. This may take many forms, focusing on environmental protections and economic investments—particularly transparency in regional investment and resource extraction, to include fisheries—but also transparency in the hard security realm. Strengthening national defense is a sovereign right of all nations, but doing so risks inciting a regional security dilemma. Improving communication and coordination will be imperative to decreasing tensions. A lack of dialogue between stakeholders is particularly dangerous as regional activity increases. Improved dialogue and transparency can be achieved by establishing direct lines between military headquarters to provide notifications of exercises and weapons testing, similar to those in use during the Cold War era. Military to military exchanges can be helpful in building trust and relationships while offering further transparency. Participation in low-level exercises such as search and rescue or law enforcement offers the opportunities to practice communications and develop critical skills to work together in a crisis.

Search and Rescue, in particular, offers a cooperation mechanism that is mutually beneficial to all Arctic stakeholders. With the increase in regional activity, it is also imperative that SAR response capabilities be improved to ensure an expeditious response to any crisis; time is critical in the Arctic given the weather and temperatures and currently the region is under-resourced in response capabilities.

It is clear that the findings of ESS-N 19-05 built upon the inaugural findings and offered a greater depth of strategic recommendations. There was a consensus that the cooperative spirit of the Arctic has long enabled a unique regional cooperation and this must be preserved into the future. Yet constructive action will be required by Arctic stakeholders in order to guarantee regional stability and sustainable development. There must be improvements made to governance, information sharing, and regional dialogue to ensure the region remains peaceful and stable.

Way Ahead

The European Security Seminar-North 19-05 offered a unique forum for participants to share perspectives and expertise while working together to craft actionable strategic recommendations that may guide policymakers seeking to address contemporary security challenges in the Arctic . The inclusion of a number of participants from the inaugural ESS-N permitted the cohort to build upon the initial findings while also incorporating fresh perspectives. Dialogue and debates were

robust and all aspects of security were analyzed throughout the week. It was recognized, however, that there remains much to discuss on Arctic security, with the continuing European Security Seminar – North series offering an excellent venue to bring together Arctic experts, practitioners, thought leaders, and policymakers.

Future seminars will seek to continue to integrate diverse Arctic stakeholders as security challenges are examined. While these first two seminars offered the opportunity to provide a strategic overview, future seminars may be tailored to focus on specific concerns—such as the impact of environmental challenges and economic development on Arctic security—to allow a more robust assessment and understanding of the region.

About the Author

LCDR Rachael Gosnell

Rachael Gosnell is pursuing doctoral studies in International Security and Economic Policy at the University of Maryland, with a focus on maritime security in the Arctic. She holds a MA in International Security Studies from Georgetown University, a Masters in Engineering Management from Old Dominion University, and a Bachelor of Science in Political Science from the U.S. Naval Academy. All views expressed are her own and do not reflect the U.S. Department of Defense.

CDR Andreas Hildenbrand

Andreas Hildenbrand is the Program Director of the European Security Seminar North at the George C. Marshall Center. In this function, his professional focus is Arctic security policy, security implications of climate and environmental changes. During his career Commander Hildenbrand was the Executive Officer to the Deputy Chief of Staff at NATO Headquarters Allied Forces Northwestern Europe in High Wycombe, Great Britain. His responsibilities included the analyses of activities in the Arctic and Europe's Northern Flank and the presentation of the Headquarters in related working groups. He studied aeronautical engineering at the University of the Armed Forces in Munich and earned a diploma (Master's degree) as a Diplom-Ingenieur.

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