Energy Politics in the Arctic:
Resources, Climate Change and Shipping

January, 2015

Authors:
Dr. Darren McCauley (dam7@st-andrews.ac.uk)
ARC-St. Andrews Director
Robert Rehner (rwmr@st-andrews.ac.uk)
ARC-St. Andrews Research Fellow
Maria Ryabova (ryabova_m@list.ru)
ARC-MGIMO Research Fellow
The Arctic is well suited as a case for the potential dichotomy of many governmental and commercial interests and resulting adverse effects. On the one hand commercial interests are directed to natural resources in the region – mainly oil and gas. But despite opportunities these resources and their exploitation threaten the local ecosystems and ultimately fuel climate change, the impact of which is more profound and faster within the Arctic region than in other parts of the world. Governance of the Arctic is difficult and complex as 8 countries share regions of the Arctic and a complex network of governance arrangements is in place to coordinate governance actions, such as the Law of the Sea Convention (UNCLOS) and the Arctic Council (AC) to just to name a few.

Arctic Frontiers is a central event when discussing issues related to the Arctic, with this year’s theme: climate and energy. It took place in January 2015 for the 9th time in Tromsø, Norway, a city beyond the northern Arctic Circle and thus right in the area which is subject to discussion. The conference brings together individuals from science, politics and civil society. In 2015 Arctic Frontiers started with a two day policy section followed by a three day science section. As a side event there was a two day business section.

The policy section was shaped by contributions of high-level politicians, including the prime ministers of Norway and Finland, ministers of foreign affairs of Norway and the Kingdom of Denmark, minister of state of Singapore, but also the Chair of the Arctic Council, HSH Prince Albert II of Monaco, representatives of Energy Companies involved in the exploitation of oil and gas, as well as representatives of local communities like the president of the Samii Parliament and the director of the Centre for Reindeer Husbandry. Over the course of the policy section a number of topics were addressed more frequently than others and thus seem to have been of special importance.

Resources

The richness in oil and gas within the Arctic involves great economic opportunities while exploiting those opportunities does also come with great social and environmental risks. For many Arctic countries oil and gas is a major source of
income, therefore the Arctic is often perceived as a means to sustain national economic growth. A shift of the geopolitical map where energy demand will increasingly originate from the Global south and East was often mentioned. Therefore the provision of energy in the form of oil could also be seen as a contribution to help developing countries in Asia, South America and Africa grow to help decrease poverty. Individual speakers suggested that resource exploration and climate protection are not mutually exclusive but mutually reinforcing and gas could serve as a means to bridge current fossil based societies and a low carbon future. But at the same time the danger of subjugating the Arctic to our needs while disregarding our impact was expressed, where the topic of climate change comes into play.

**Climate Change**

Representatives of many countries and institutions with rather direct interests in the Arctic for economic or preservation reasons participated in the conference and have a stake in the governance bodies of the Arctic. But also governments and their institutions were involved where the link to the preservation of interests within the Arctic region is less obvious. Climate change impacts upon the ice sheet of the Arctic Ocean and land masses, where a shrinking ice shield decreases the albedo features (reflection of sun light) of the region dominated by ice and snow and which increases the speed at which ice free surfaces heat up to reinforce the heating of the region and the melting of ice. Melting ice on land is the origin of rising sea levels and thus Singapore who sent two representatives to the conference expressed to have a direct interest to slow climate change and to preserve the Arctic if “it does not want to celebrate the 100th anniversary of its democracy under water”. The importance of Arctic Frontiers for the UNFCCC COP 21 at the end of 2015 in Paris was pointed out several times, and was devoted a separate break out session in which the insights of the conference and Arctic research were put into perspective for the UNFCCC conference in Paris.

**Shipping**

Shipping was a third topic covered profoundly by many contributors to the conference. The shipping activities are expected to increase significantly over the
coming years. This relates to both, the logistics of increasing resource exploitation as well as commercial and potentially military activities which becomes increasingly interesting with the ever growing ice-free areas. Country representatives pointed to the great potential of significantly shortened sea routes through the Arctic, even though current conditions with regards to the varying ice shield make those routes little predictable. However, over time shipping is expected to gain momentum in the Arctic region and will result in environmental disruptions while the transport of oil by ship in areas of floating ice significantly increases the risk of oil spills, destroying ecosystems and natural habitat. Governance mechanisms have to be put in place to control and regulate these activities.

Overall the consensus with regards to all of the above topics was that more international collaboration and research has to take place, to which the Arctic Frontiers Conference significantly contributes. Many countries see the economic potential of the Arctic region and have to accept and must be held accountable for their duties and responsibilities. As Professor Bertrand Badie pointed out: “Effective policy which is to preserve national or regional interests, must resolve issues at its source”. It follows that helping others and cooperating with others facing these problems must be the driver of in the end egoistic thoughts” which is to be applied universally in issues regarding the Arctic in particular, but also global climate and international relations.