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on a sustainable EU policy for the High North
(2009(2214(INI))

Committee on Foreign Affairs

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on a sustainable EU policy for the High North (2009/2214(INI))

The European Parliament,

- having regard to the United Nations Convention on the Law of the Sea (UNCLOS), concluded on 10 December 1982 and in force since 16 November 1994,
- having regard to the United Nations Commission on the Limits of the Continental Shelf,
- having regard to the United Nations Framework Convention on Climate Change (UNFCCC) and the Convention on Biological Diversity (CBD),
- having regard to the United Nations Declaration on the Rights of Indigenous Peoples of 13 September 2007,
- having regard to the Declaration on the Establishment of the Arctic Council (AC), signed on 19 September 1996,
- having regard to the European Economic Area (EEA) Agreement,
- having regard to the Commission Communication of 20 November 2008 on the European Union and the Arctic Region (COM(2008)0763),
- having regard to the Council conclusions on Arctic issues of 8 December 2009¹ and on the European Union and the Arctic region of 8 December 2008²,
- having regard to the Ilulissat Declaration adopted on 28 May 2008 at the Arctic Ocean Conference and the Chelsea Declaration 2010,
- having regard to the Treaty between Norway, the United States of America, Denmark, France, Italy, Japan, the Netherlands, Great Britain, Ireland, the British Overseas Dominions and Sweden concerning Spitsbergen/Svalbard of 9 February 1920,
- having regard to the Northern Dimension policy and its Partnerships as well as the EU-Russia Common Spaces,
- having regard to the EU-Greenland Partnership Agreement, 2007-2012,
- having regard to the EU's Fifth, Sixth and Seventh Framework Programmes for Research and Technological Development,
- having regard to Finland's strategy for the Arctic Region adopted on 4 June 2010,
- having regard to the opinion of the Foreign Affairs Committee of the Swedish Parliament

¹ 2985th Foreign Affairs Council meeting.

² 2914th Council meeting.

on Commission Communication COM(2008)0763¹,

- having regard to the joint Danish and Greenlandic strategy for the Arctic at a time of transition of May 2008,
 - having regard to the Norwegian Government's Strategy for the High North of 2007, and its follow-up of March 2009,
 - having regard to the Nordic Council of Ministers' Arctic Cooperation Programme 2009-2011, the Barents Euro-Arctic Council (BEAC) programme and the AC Chairmanship programme,
 - having regard to the Canadian Northern Strategy of August 2009 and the follow-up statement on Canada's Arctic Foreign Policy of 20 August 2010,
 - having regard to the Canadian Act to amend the Arctic Waters Pollution Prevention Act of August 2009,
 - having regard to the Russian national security strategy until 2020 of May 2009,
 - having regard to the American National Security Presidential Directive and Homeland Security Presidential Directive of 9 January 2009,
 - having regard to the USA's Responsible Arctic Energy Development Act of 2010,
 - having regard to the USA's Arctic Oil Spill Research and Prevention Act of 2009,
 - having regard to the USA's Arctic Marine Shipping Assessment Implementation Act of 2009,
 - having regard to the Monaco Declaration of November 2008,
 - having regard to the final statement adopted at the First Northern Dimension Parliamentary Forum in Brussels on 26 September 2009,
 - having regard to the Conference Statement of the Ninth Conference of Parliamentarians of the Arctic Region of 15 September 2010,
 - having regard to Rule 48 of its Rules of Procedure,
 - having regard to the report of the Committee on Foreign Affairs (A7-0000/2010),
- A. whereas the Commission communication constitutes a first step in the formulation of an EU Arctic policy; whereas the Council Conclusions on Arctic Issues should be recognised as a further step in the definition of an EU policy on the Arctic,
- B. whereas Iceland's application to join the EU will increase the need for the EU to take account of the Arctic region in its geopolitical perspective,

¹ 2009/10:UU4.

- C. whereas there has been a longstanding engagement of the EU in the Arctic by way of its involvement in the Northern Dimension Policy with Russia, including its Arctic Window, in the Barents cooperation and particularly in the Barents-Euro-Arctic-Council, the implications of the strategic partnerships with Canada, the United States and Russia and its participation as an active ad hoc observer in the AC,
- D. whereas the gradual formulation of an EU policy on the Arctic should be based on the recognition of the existing international, multilateral and bilateral legal frameworks such as the comprehensive set of rules laid down in UNCLOS and several sectoral, bilateral and multilateral agreements which already regulate certain issues of importance to the Arctic,
- E. whereas it is estimated that about a fifth of the world's remaining hydrocarbon resources are located in the Arctic,
- F. whereas the growing interest in the Arctic region of other non-Arctic actors such as China, illustrated by China's commissioning of a first icebreaker, their allocation of funding to polar research and not least the applications by China, the EU, Italy, Japan, Singapore and Korea for status as permanent observers at the AC, indicates a different geopolitical appreciation of the Arctic on a larger scale,
- G. whereas the effects of climate change mainly originating from outside the Arctic will impact the region; whereas in particular the retreat of the sea ice is likely to produce major effects, such as an increase in shipping in particular between Europe, Asia and North America, in exploration and exploitation of natural resources, namely gas, oil and other minerals but also natural resources such as fish, and exploitation of marine genetic resources, increased mining and logging activities and increased tourism and research activities; whereas those effects will produce new challenges but also new opportunities in the Arctic,

I. The EU and the Arctic

- 1. Recalls that three EU Member States are Arctic States, acknowledges that the EU has no Arctic Ocean coastline, but reaffirms the legitimate interest of the EU as a stakeholder by virtue of its rights and obligations under international law, its commitment to environmental, climate and other policies and its funding, research activities and economic interests, including shipping;
- 2. Underlines that certain policies that are relevant to the Arctic are exclusive EU competences, such as fisheries, others partly shared with Member States;
- 3. Conscious of the need to protect the fragile environment of the Arctic, underlines the importance of overall stability and peace in the region; stresses that the EU should pursue policies that ensure the compatibility of the environmental agenda and the interests of the inhabitants of the Arctic region, including its indigenous peoples, in protecting and developing the region; stresses the similarity in approach, analysis and priorities between the Commission Communication and policy documents in the Arctic States; stresses the need to engage in policies that respect the interest in sustainable management and use of the natural resources of the Arctic region, which in turn provide important resources for

Europe and are a major source of income to the inhabitants of the region;

New world transport routes

4. Underlines the major importance of the safety and security of new world trade routes through the sea in the Arctic in particular for the EU and its Member States' economies, these countries controlling 40% of world commercial shipping; welcomes the work in the International Maritime Organisation (IMO) on a mandatory Polar Code for shipping and the work in the Working Groups of the AC, particularly the Taskforce on Search and Rescue (SAR);
5. Welcomes other cooperation initiatives on secure and safe shipping in the Arctic and on better access to the Northern Sea Route;

Natural resources

6. Is conscious of the need for resources for a growing world population and recognises the increase in interest in them as well as the sovereign rights of the Arctic States; recommends any party involved to take steps to ensure the highest possible safety and environmental standards in exploration and exploitation of the natural resources;
7. Welcomes the new delimitation agreement¹ between Norway and Russia, in particular the will to engage in closer cooperation and the envisaged joint management of resources, particularly fish stocks, between the two countries in the Barents Sea, including in terms of sustainability; regards in particular the bilateral cooperation between Norway and Russia as a show case of joint application of the highest available technical standards in the field of environmental protection while prospecting for oil and gas in the Barents Sea;
8. Recalls the position of the EU as a main consumer of Arctic natural resources, as well as the involvement of European industry; requests the Commission to further engage in fostering cooperation and technology transfer to ensure the highest standards and adequate administrative procedures, to establish a sound scientific basis of future trends and governance needs for Arctic resources, such as fisheries, and to make full use of the EU competences to regulate in this regard;

Climate change and pollution effects on the Arctic

9. Acknowledges that the EU, like other developed areas of the world, contributes to climate change and hence bears special responsibility;
10. Regards the Arctic as a sensitive region where the effects of climate change are especially visible, having serious repercussions on other regions in the world; supports therefore the Council Conclusions on increased cooperation with the UNFCCC and the Sustaining Arctic Observation Networks (SAON);
11. Stresses the important role the EU has to play in the reduction of pollution which enters the Arctic region through long-range transport; highlights in this respect the importance of

¹ Signed on 15 September 2010.

the implementation of European legislation such as Regulation (EC) No 1907/2006¹; points out that the climatic changes in the Arctic will have a major impact on coastal regions in Europe and elsewhere and on climate-dependent industries in Europe such as agriculture, renewable energy, fisheries and transport;

Sustainable socioeconomic development

12. Recognises that the effects of the melting ice are also creating opportunities for economic development in the Arctic region; acknowledges the wish of the inhabitants of the Arctic to continue to pursue sustainable economic development while at the same time protecting the very sensitive nature of the Arctic ecosystems, taking into account their experience in using and developing the resources of the region in a sustainable way;
13. Notes the special position and recognises the rights of the indigenous peoples of the Arctic and points in particular to the legal and political situation of the indigenous peoples in the Arctic States;
14. Takes note of the recent legal developments regarding the EU's ban on seal products, in particular the suspension of Regulation (EC) No 1007/2009² on the trade in seal products by the European Court of Justice (ECJ) in several cases; notes the consultation procedure under the auspices of the World Trade Organisation (WTO) requested by Canada and Norway, joined by Iceland according to Annex 2 to the WTO Agreement; expresses its hope that disagreements between the parties can be overcome following the rulings of the ECJ and the WTO;

II. Governance

15. Recognises the institutions and the broad framework of international law and agreements that govern areas of importance to the Arctic such as UNCLOS, the IMO, the OSPAR Convention³, the North East Atlantic Fisheries Commission (NEAFC), CITES⁴ and the Stockholm Convention as well as the existing numerous bilateral agreements and frameworks, in addition to the national regulations in place in the Arctic states; thus concludes that the Arctic region is not to be regarded as a legal vacuum, but as an area with well developed tools for governance; nevertheless points out that, due to the challenges of climate change and increasing economic development, those existing rules need to be further developed, strengthened and implemented by all parties concerned;
16. Believes that the impression given by some observers of a so-called scramble for the Arctic, often symbolised by the planting of a Russian flag on the sea floor at the North Pole, does not contribute to fostering a constructive understanding and cooperation in the region; stresses that the Arctic States have on several occasions declared their commitment to resolve possible conflicts of interests according to the principles of international law;
17. Recognises the important role of the AC as the foremost regional body for cooperation for

¹ OJ L 136, 29.5.2007, p. 3.

² OJ L 286, 31.10.2009, p. 36.

³ Convention for the Protection of the Maritime Environment of the North-East Atlantic.

⁴ Convention on International Trade in Endangered Species of Wild Fauna and Flora.

the whole Arctic region; acknowledges the concrete work done in the Working Groups of the AC with the involvement of the observers and asks the Commission and EU agencies to continue to actively engage in all relevant Working Groups whenever possible;

18. Welcomes the broad cooperation on issues such as the protection of the Arctic marine environment (PAME Working Group), not only on a regional level but bilaterally and internationally; interprets in this respect the work done on SAR in the AC as a first step towards mechanisms also to take binding decisions;
19. Expresses its hope that the AC will further develop its important work and broaden the basis for decision-shaping processes to include non-Arctic actors who are upgrading their presence in the Arctic region, and thus involve their knowledge and capacities and take into account their legitimate interests under international law; welcomes the internal procedure within the AC regarding a review of the status of observers and of the possible future scope of the tasks of the AC;
20. Is of the opinion that a strengthened AC should both play a leading role in cooperation on the Arctic and be sure to include relevant non-Arctic players;
21. Confirms its support for permanent observer status for the EU in the AC; asks the Commission to keep Parliament duly informed about meetings and work in the AC and its Working Groups; stresses meanwhile that the EU and its Member States are already present as members or observers in international organisations with relevance to the Arctic such as the IMO, OSPAR, NEAFC and the Stockholm Convention and should more coherently focus on the work in these organisations; underlines in this regard also the need for coherence in all EU policies towards the Arctic;

III. Conclusions and requests

22. Requests the Commission to set up a permanent inter-service structure to ensure a coherent, coordinated and integrated policy approach across key policy areas relevant to the Arctic, such as the environment, energy, transport and fisheries; recommends integrating the Arctic Service working in DG MARE into this structure; further recommends creating a coordinating unit in the EEAS accordingly;
23. Underlines the fact that the EU and its Member States are the main contributors to Arctic-relevant research, regional cooperation and the development of technology relevant to the region and beyond, and requests the Commission to examine the possibilities of developing circumpolar co-funding and co-programming initiatives to enable smoother and more effective cooperation between experts from the nations involved;
24. Is of the opinion that the EU should develop further its capacities and calls on the Commission to explore and report on the establishment or continuation of EU activities in the Arctic such as a circumpolar joint multilateral research funding programme providing for easier and less bureaucratic cooperation, joint projects of the research community, and an EU Arctic Information Centre that should be capable of organising permanent EU outreach to the major actors and stakeholders in the Arctic, as well as of channelling information on the Arctic towards the European Institutions;

25. Requests the Commission to put forward proposals as to how the Galileo Project or projects that have an impact on the Arctic could be developed to enable safer and faster navigation in Arctic waters, thus investing in the safety and accessibility of the North-East Passage in particular, to contribute to better predictability of ice movements as well as to better mapping of the Arctic seabed;

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26. Instructs its President to forward this resolution to the Council, the Commission, the Vice-President/High Representative of the Union for Foreign Affairs and Security Policy, the governments and parliaments of the Member States and the governments and parliaments of the Arctic region states.

EXPLANATORY STATEMENT

I. Introduction

The Arctic Region is attracting more and more attention, due to the effects of climate change, the main trigger of developments. Its effects are of a larger scale than in other regions of the world. At the same time, those changes are affecting other regions of the world, through rising sea levels on the one and consequences for adjacent regional climates on the other hand.

Thus Europe does not only bear a certain responsibility, being one of the main contributors to pollution and green house gas emissions, but also has a particular interest in the Arctic, since it will have to deal with the consequences of the changes taking place there from environmental and climate change issues to the geopolitics of shipping routes and security of supply of resources.

II. Why the EU needs a sustainable and coherent Arctic Policy

Three of the EU Member States are also Members of the Arctic Council, while Iceland applied for membership in the EU. In addition Norway and Iceland are interlinked closely with EU policies through the EEA agreement, and the EU also has a Partnership agreement with Greenland, which is not part of the EU.

In spite of not having an Arctic coast line, the EU already is an Arctic player in a number of relevant fields. Some of the competences of the EU to regulate issues concerning the Arctic are shared or complementary, some like fisheries are exclusive.¹ It is worth noting that the Lisbon Treaty changed the internal procedures of the EU towards a stronger involvement of the European Parliament as co-legislator. Taking a closer look, the Arctic will be of major importance for a number of reasons.

Climate change is the main driver of change in the Arctic as elsewhere. It is commonly agreed, that the Arctic is a region that is affected earlier and more heavily by climate change and pollution originating in the industrialised or developing parts of the world. This question needs to be dealt with on a global level, since its causes lie outside the Arctic and in turn will also affect the whole globe.

The EU is already a frontrunner in research and in environmental and climate change policies in the international context and will continue to be so. Notwithstanding the fight against climate change, the EU must acknowledge the need to adapt to the unavoidable changes as well as have a rational assessment of the risks, threats, challenges and opportunities those changes entail.

A growing world population will demand the sustainable and responsible management of the resources available and needed. This will be true with regard to living resources like fish that

¹ For a comprehensive overview of legal competences of the EU with regard to the Arctic and for a detailed sectoral assessment: Timo Koivurova et al 'EU Competences affecting the Arctic', study commissioned by the EP.

will contribute to feeding the world population, but also with respect to non living resources like gas and oil or minerals. In that respect the perception of the Arctic as a pristine and untouched place that solely needs to be preserved is not correct. The Arctic, unlike the Antarctic is inhabited and has a tradition of making use of its resources. In particular the indigenous people of the north have a long history of sustainable use of those resources and explicitly reject the idea of 'living in a museum' but rather express their will to develop.

Since the rise of new economies is resulting in an increasing need for resources, energy and minerals, the EU has a natural interest in ensuring security of supply of resources and energy needed for the population and industries in Europe.

Some partners in the Arctic are already today major contributors when it comes to the supply of energy, raw materials and also fish for Europe. The great variety of resources, the potential for renewable energy produced by wind or waves and the invaluable diversity of the Arctic biosphere can only be developed and protected in a holistic and sustainable ecosystem-based-approach as sketched in the EU's Integrated Maritime Policy or in the integrated management plans for example by Norway in the Barents Sea.

Since it is estimated that about a fifth of the remaining hydrocarbon resources are to be found in the Arctic these resources might be of particular importance to the EU until the goal of a low carbon economy will be achieved. In particular natural gas or LNG has the lowest CO₂ emission of all traditional energy forms and could provide a major part in the energy mix and thus function as a bridge into a low carbon economy.¹

As a main consumer of those products, Europe should make clear that it supports only those activities that are conducted with the highest environmental, safety and administration standards available and hence foster cooperation in a way that best practices can easily be applied elsewhere.

The principle of an eco-system-based management could ensure that the aspects and interests included in the administration of a certain region where activities like, fishing, shipping, exploitation of geological resources and other activities overlap are balanced with the interest to preserve and protect the eco-system.

Another major point of interest for the EU and its Member States is the development of new world trade routes. Businesses have already begun to explore the new possibilities. Last summer the German shipping company Beluga tested the economical possibilities by sending two container ships from Asia to Europe. Developing the northern sea routes would make trade between Europe, Asia and North America faster, thus saving energy, emissions and costs, but also safer, avoiding the pirate ridden seas and included economical risks when using traditional sea routes.²

Vital for the development of these sea routes will be the predictability both in terms of safety and marine shipping and in legal and political terms. Even though conditions will remain

¹ For an overview of Arctic resources assessment see Valur Ingimundarson 'The geopolitics of Arctic Natural Resources', study commissioned by the EP.

² For an analysis see Moe/ Oystein 'Opening of new Arctic Shipping Routes', study commissioned by the EP.

harsh in the Arctic, the improvement of navigation and shipping technologies would enable a better use of this route. These investments in mapping, sea ice observation, communication and search and rescue structures and alike will determine to what extent this route can be used in the coming decades. The interest of nations like China, South Korea and Singapore highlight the increased importance that is attributed to these sea routes.

The EU, its Member States and European businesses should be actively involved in cooperating in the development of those sea routes not only because they will be of major importance to European businesses, but in particular as the EU is in the unique position also to offer some of the tools needed to develop this route, as illustrated by the better coverage and reliability which the Galileo System could provide compared to the existing GPS Systems.

Recalling the above mentioned legitimate interests and position of the EU in terms of funding of research, shipping, and consumer power and taking into account the EU's economical importance, Europe has a lot to offer with regard to the protection and the sustainable development of the Arctic region.

III. The Position of the EU in the Arctic Region - Geopolitics and Governance

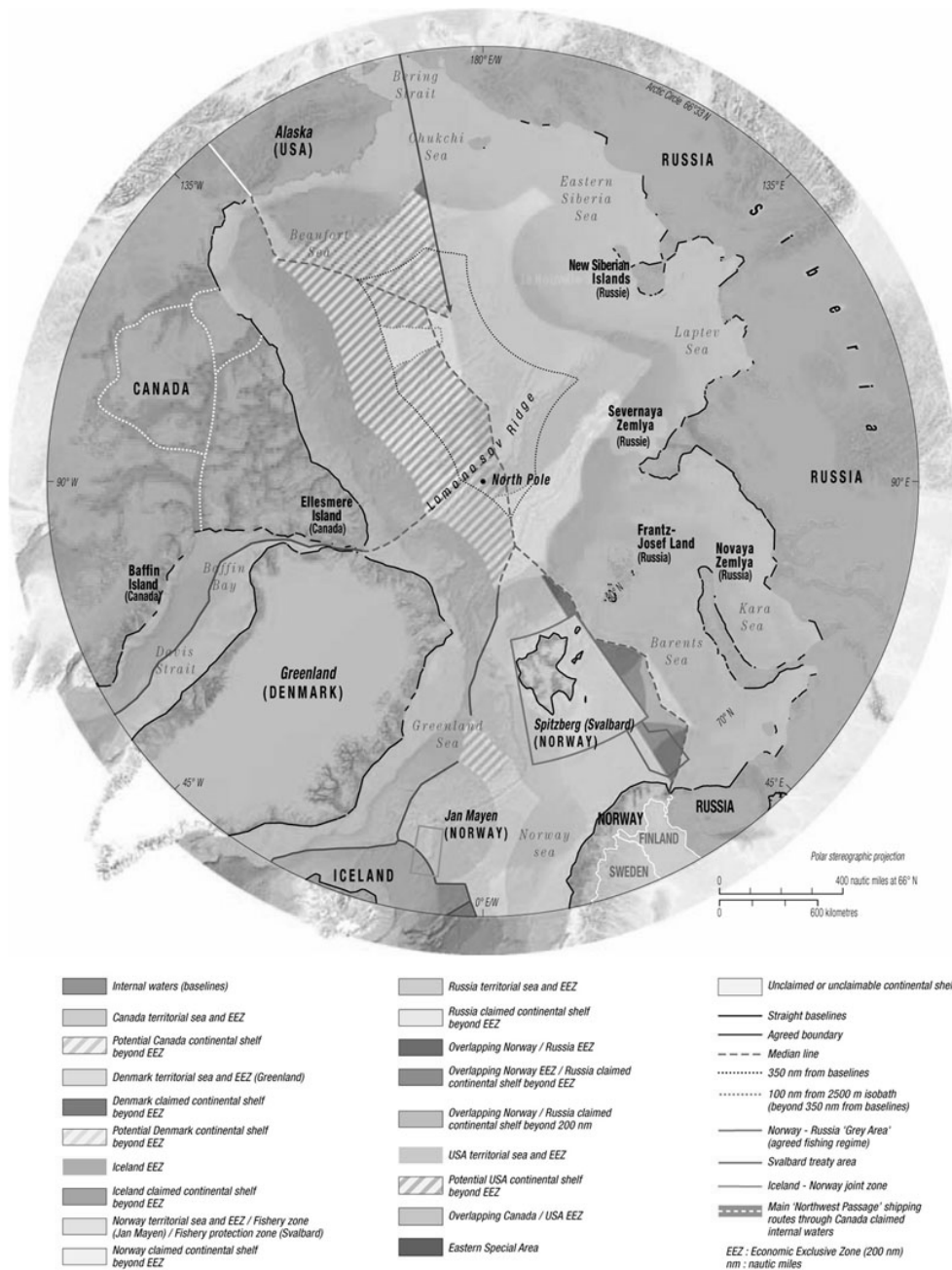
It is important to understand and assess the actual political and legal situation in the Arctic before making any suggestions on how risks and challenges can best be dealt with.

The Arctic region is not a legal or political vacuum as assumed by some observers. Furthermore it is in principle a sea surrounded by states with far reaching EEZ's on which their legal regime applies. There is a large number of bilateral and some multilateral agreements on national and on regional level. In addition, a number of international treaties, organisations and agreements regulate sectors of relevance to the Arctic.

Having regard to those facts, it becomes clear that the idea of an Arctic Treaty, modelled along the Treaty for the continent of Antarctica, thus land not sea, uninhabited and unclaimed compared to inhabited and state controlled in the Arctic, is not only not promoted by the peoples and states in the Arctic, but also wouldn't be an appropriate way to deal with the challenges in the Arctic.

To start from scratch, neglecting the already existing legal framework, also for protection and preservation, and to engage in a decade long UN Process with the unclear prospect of getting a somewhat international agreement on the Arctic, would result in not dealing with the practical and pressing issues in the Arctic.

All the states have submitted to follow Public International Law in the settlement of disputes and furthermore have or will submit their respective claims for the prolonging of the continental shelf zone to the relevant UN Commission. Thus looking at the legal map of the Arctic it becomes obvious, that almost all the area is or will be within the EEZ of one of the parties. Only very small areas are subject to overlapping claims and as stated above, all parties declared their will to settle disputes according to international law. The delimitation agreement between Russia and Norway concluded 15 September 2010 is insofar very illustrative. This large area can be deleted from the map of overlapping claims.



The Legal Situation in the Arctic Ocean Map:

Having a look at the map one will get the impression that most of the Arctic 'belongs' to the littoral states. Nevertheless under UNCLOS all states have certain rights such as the right 'to free and innocent passage' in these waters. In addition, other international rules apply.

The EU is involved in one way or the other in several fora of international cooperation in the region, in particular as a member to the Barents-Euro-Arctic-Council and as an ad hoc observer to the Arctic Council. Together with its Northern Dimension policy and the extensive funding of Arctic research the EU is already a recognized player in the Arctic.

The increased strategic importance of the Arctic has been driven by various transnational and

national processes: such as debates on global warming and the prospects for an ice-free Arctic in the summer within 20-30 years, the control over Arctic oil and gas deposits and the potential for other commercial opportunities opened by new sea routes; not least by symbolic political acts, such as the Russian decision to put a flag on the seabed of the North Pole in 2007.

The eight Arctic states, which are the permanent members of the Arctic Council – the central international and intergovernmental organizations of the region – view UNCLOS as the only comprehensive multilateral regime that applies to the Arctic and have opposed the idea of concluding an international treaty on the Arctic modelled on the Antarctica Treaty of 1959. The Arctic states want to have a privileged role in managing the region, which they interpret as being consistent with UNCLOS, based on their geographic location, sovereign rights and economic and political interests.

Denmark, Sweden, and Finland are the three EU Member States in the AC, while Denmark is the only Arctic Ocean state, which is an EU member. It is acting though on behalf of Greenland, which left the EU in 1985. It is an open question whether Greenland will secede from Denmark on the basis of the independence clause contained in the Self Rule Act, if its rich natural resources will be developed within the next decades.

The geopolitical picture would change considerably if Iceland's EU accession negotiations prove successful. Icelandic membership would also strengthen the EU's presence in the region.

Currently member states of the Arctic Council are reviewing and discussing the status and rights of observers as well as how the Council should continue to work. With the case of the task force on 'Search and Rescue' the AC for the first time will establish and adopt binding rules, thus taking a step from a pure decision shaping to a decision taking body as some have commented. If that would be the case, the EU would need to assess the situation and make sure that its interests and those of its Member States, in particular on issues such as shipping and fisheries are duly represented and its rights under international agreements are taken into account.

Having said this, and recalling the contribution of the EU and its Member States already today in research, funding, its impact through EU legislation on environment, climate, fisheries and others as well as the possibilities for cooperation in the future on issues such as the development of mapping and maritime safety, economic development and alike, it can be concluded that the EU has a lot to contribute to the sustainable development of the Arctic, a region that will be of major importance to a world adapting to climate change, facing growing population and scarcity of resources.