

The Arctic: Opportunities, concerns and security challenges

Global warming and growing interest in the Arctic's economic potential are bringing changes for the region's 4 million people. The EU's 2016 Arctic policy, prioritising sustainability, economic development and international cooperation, is being revised to reflect these developments. The Foreign Affairs Committee report, on the October I session agenda, notes some of the environmental and security concerns, including the risk of geopolitical tensions.

Background

The Arctic is home to 4 million people, living in eight countries (three EU Member States – Denmark, Finland and Sweden – as well as Canada, Iceland, Norway, Russia and the United States). With temperatures rising twice as fast as the global average, the region is strongly affected by climate change; according to some [forecasts](#), permanent sea ice could disappear from the Arctic Ocean by 2050.

The Arctic has huge reserves of hydrocarbons and various minerals, including rare earths. The shrinking of the polar ice cap will create economic opportunities (new shipping routes, fisheries). However, increased economic activity carries the risk of pollution, threatens biodiversity, and could impact the lifestyles of indigenous peoples such as the Inuit and Saami who make up [10%](#) of the region's population.

The eight Arctic states cooperate through the Arctic Council, where the EU is represented by three Member States. The EU does not have formal observer status in the Council, but in practice can still [participate](#) in its work. Although the Arctic for now remains an area of cooperation rather than competition, there are concerns that global geopolitical tensions could spill over into the region – both [Russia](#) and [NATO](#) are intensifying military activity there, and China has declared its interest as a 'near-polar' state.

European Union policy

The EU's 2016 joint communication on [An integrated European Union policy for the Arctic](#) identifies three priority areas: climate change and safeguarding the Arctic environment; sustainable development (which is supported by EU Structural Funds, among others); and international cooperation on Arctic issues.

In 2019, during Finland's Council presidency, the Finnish prime minister [called](#) for 'more EU in the Arctic and more Arctic in the EU'. In line with this, the Council requested an [update](#) of the EU's Arctic policy. Although the existing priorities are still relevant, revisions are needed to take account of changes since 2016: geopolitical interest in the region has intensified, and climate change is happening faster than previously forecast. That update is expected in October 2021.

European Parliament position

On 1 July 2021, Parliament's Committee on Foreign Affairs (AFET) adopted an own-initiative report with a draft recommendation under [Rule 118](#). The report recognises the Arctic's role in maintaining the global environmental balance. The threats posed by climate change and biodiversity loss are a serious concern. It notes the importance of Arctic minerals and energy reserves for the EU, but also raises concerns about the environmental impact of economic activity, and the situation of local communities, in particular indigenous populations. At the same time, growing interest in Arctic resources raises the risk of confrontation. In this connection, the report notes Russia's military build-up and China's Arctic ambitions with concern, and calls for the region to remain a zone of peaceful cooperation. The report, to be discussed in the October I plenary session, supports the three existing pillars of the EU's Arctic policy and welcomes the planned update.

Own-initiative report: [2020/2112\(INI\)](#); Committee responsible: AFET; Rapporteur: Anna Fotyga (ECR, Poland).

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